

RESPONSE TO COMMUNITIES AND LOCAL GOVERNMENT CONSULTATION ON
PROPOSALS FOR CHANGES TO PLANNING APPLICATION FEES IN ENGLAND

REPORT OF THE DEPUTY CHIEF EXECUTIVE

1.0 PURPOSE OF THE REPORT

- 1.1 To endorse the officers' response to the following consultation:
'Proposals for Changes to Planning Application Fees in England'.

2.0 BACKGROUND

- 2.1 On 15 November 2010, Communities and Local Government (CLG) launched a consultation about changing how planning fees are set.
- 2.2 The consultation period is for 8 weeks instead of the recommended period of 12 weeks and expired on 7 January 2011. The reduced consultation period has been set because of the need to prepare secondary legislation, which will need to be debated and approved by Parliament before it can come into effect on 4th April 2011. An 8 week period of consultation means the Government can take into account representations before drafting secondary legislation.
- 2.3 The Government consider this as part of the Localism agenda by allowing local authorities to set the fees that are appropriate for their area and to recover their actual costs thereby reducing the burden on the local taxpayer to subsidise the process.
- 2.4 The Government considered three options:-
- Option 1 would decentralise the responsibility for setting fees for planning applications to Local Planning Authorities.
 - Option 2 would allow responsibility for setting fees on planning applications to rest with Local Planning Authorities but the Government would set a cap of a 25% increase on fees.
 - Option 3 which is to maintain the current fee system with a proposed increase in fees of between 10 and 15%.
- 2.5 The Government considers that Option 1 is the preferred option and seeks views on this.

3.0 SUMMARY

- 3.1 Planning fees are currently set nationally, however, evidence from studies on behalf of CLG has shown that in most cases the income from planning applications does not cover the costs of determining them and therefore local tax

payers effectively subsidise the process.

- 3.2 In February 2009 the previous government commissioned independent research from Ove Arup and Partners to look at whether planning application fees were covering local authority costs and to identify methods that authorities could use to set their own charges. Arup's report is available on the Government website – Planning Costs and Fees for the Department of Communities and Local Government, November 2010.
- 3.3 The research showed:-
- That authorities recover around 90% of their costs on average.
 - That between April 2006 and March 2010 (with projections used for 2009/10) the average cost of handling and determining planning applications was £619.00 and the average fee received was £569.00.
 - That around 35% of development management resources were being allocated to dealing with applications which do not currently incur a fee such as listed building applications, conservation area applications and tree preservation order applications.
- 3.4 In summary the Government is proposes to:
- Widen the scope of fees so that authorities can charge for more of their services.
 - Enable authorities if they so choose to charge for resubmitted schemes and also set higher fees to recover the costs associated with retrospective applications (for example those that were submitted as a result of enforcement).
 - Enable authorities to consider charging for currently free applications such as conservation area consents, listed building consents and works to trees with tree preservation orders as well as those applications resubmitted within 12 months following an approval, refusal or withdrawal.
- 3.5 The Tyne and Wear authorities have met informally to discuss the scope for setting charges, the possibility of having uniform of charging across Tyne and Wear and the types of applications to charge for. This response is, however, based on Sunderland City Council's views not a Tyne and Wear joint position.
- 3.6 The consultation includes reference to the fact that in 2011 there will be a need for all Local Authorities to work with CIPFA and the Planning Advisory Service on an assessment of costs of the service so as to be able to set appropriate cost recovery of fees.
- 3.7 The consultation response is attached at Appendix 1.
- 3.8 It is suggested that the Council welcomes the Government's intentions in the proposed overhaul of fee setting and to allow greater cost recovery. However, whilst it is generally felt that there is a lack of clarity as to how such fees will be reasonably set and that the timescale for capturing accurate information to be able to set local fees accurately and transparently is very short, this work is

progressing.

- 3.9 The recommendation is therefore to endorse the officer's response to the consultation set out in Appendix 1, given the consultation end date expired prior to this Committee meeting.

4.0 RECOMMENDATION

- 4.1 The Committee is recommended to note and endorse the response set out in Appendix 1, in order to ensure that the Council contributed to the consultation and outcome.

APPENDIX 1



Consultation response form -

Proposals for changes to planning application fees in England

We are seeking your views on the following questions on the Government's proposal for changes to planning application fees in England.¹ **If possible, we would be grateful if you could please respond by email.** Alternatively, we would be happy to receive responses by post.

Email responses to: julian.wheeler@communities.gsi.gov.uk

Written responses to:

Julian Wheeler

Communities and Local Government

Zone 1/J1

Eland House

Bressenden Place

London

SW1E 5DU

(a) About you

(i) Your details

Name:	Mike Mattok
Position:	Technical Manager DC
Name of organisation (if applicable):	Sunderland City Council
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Telephone number:	0191 561 1552

¹ CLG (2010) Proposals for changes to planning application fees in England: Consultation document (see:

www.communities.gov.uk/planningandbuilding/planning/planningpolicyimplementation/planningfeesconsultation)

(ii) Are the views expressed on this consultation an official response from the organisation you represent or your own personal views?

Organisational response ☒
Personal views ☐

(iii) Please tick the *one* box which best describes you or your organisation:

Private developer or house builder ☐
Housing association or RSL ☐
Land owner ☐
Voluntary sector or charitable organisation ☐
Business ☐
Parish council ☐
Local government (i.e. district, borough, county, unitary, etc.) ☒
Regional government ☐
National Park ☐
Other public body (please state) ☐
Other (please state) ☐

(iv) What is your main area of expertise (please tick as many boxes that apply)?

Planning ☒
Legal ☐
Housing ☐
Economic or commercial development ☐
Environment ☐
Transport ☐
Other (please state) ☐

(v) Do your views or experiences mainly relate to a particular geographical location?

South West ☐
South East ☐
East of England ☐
East Midlands ☐
West Midlands ☐
North West ☐
Yorkshire and The Humber ☐
North East ☒

London	<input type="checkbox"/>
All of England	<input type="checkbox"/>
Other (please comment)	<input type="checkbox"/>

(vi) Would you be happy for us to contact you again in relation to this consultation?

Yes	<input checked="" type="checkbox"/>
No	<input type="checkbox"/>

(b) Consultation questions

Question 1:

- 1. Do you agree that each local planning authority should be able to set its own (non-profit-making) planning application fee charges?**

Strongly Agree	<input checked="" type="checkbox"/>
Agree	<input type="checkbox"/>
Neither agree nor Disagree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly Disagree	<input type="checkbox"/>

Explanation/Comment:

This would allow each LPA to cover the real cost of the service as it relates to the organisation/circumstances of that LPA

Question 2:

- 2. Do you agree that local planning authorities should be allowed to decide whether to charge for applications that are resubmitted following withdrawal or refusal?**

Strongly Agree	<input checked="" type="checkbox"/>
Agree	<input type="checkbox"/>
Neither agree nor Disagree	<input type="checkbox"/>
Disagree	<input type="checkbox"/>
Strongly Disagree	<input type="checkbox"/>

Explanation/Comment:

Question 3:

The LPA should take a generally consistent approach but allow for the circumstances of a particular case e.g. where a withdrawal benefits the applicant and/or helps preserve the LPA's performance against targets. However there would be a problem in determining in a transparent manner what to charge in any particular case.

3. **Do you agree that local planning authorities should be able to set higher fees for retrospective planning applications?**

Strongly Agree ☒
Agree ☐
Neither agree nor Disagree ☐
Disagree ☐
Strongly Disagree ☐
Explanation/Comment:

This could help encourage applications to be submitted before development commenced but if punitive it would encourage developers to follow the enforcement course unless enforcement procedures are altered.

Question 4:

4. **Are there any development management services which are not currently charged for but should require a fee?**

Yes ☒
No ☐

Explanation/Comment:

Planning Enquiries particularly for major development.

Question 5:

5. **Are there any development management services which currently require a fee but should be exempt from charging?**

Yes ☐
No ☒

Explanation/Comment:

All services carry a cost to the LPA

Question 6:

6. **What are the likely effects of any of the changes on you, or the group or business or local authority you represent?**

Comments:

Finance/budget benefits through full recovery of cost. This may also make it possible to justify retention of staff through the present period of "cuts".

Question 7:

- 7. Do you think there will be unintended consequences to these proposals?**

Yes ☒
No ☐

Comments:

Possible setting of low fees to compete for major developments.
Possible challenge as to why fees can be different from area to area.

Question 8:

- 8. Do you have any comment on the outcomes predicted in the Impact Assessment, in particular the costs and benefits (See Annex B)?**

Yes ☐
No ☒

Comments:

No comments