

PLANNING FEES IN ENGLAND: PROPOSALS FOR CHANGE

Introduction

This report relates to a consultation paper from the Department of Communities and Local Government relating to the above and which accompanies the Planning White Paper.

It is part of the Government's programme of improvement for planning and the proposed fees increases set out below are aimed at helping to fund this.

The Issues

Planning Delivery Grant (PDG) has driven some performance improvements but this is finishing. The Government commissioned Arup and Addison to look at how to fund Local Planning Authorities when PDG finishes but still allow for improvements in services.

The report from Arup and Addison has identified the following evidence base for fees increases:-

- Local Planning Authority fees income does not pay in full for the service, especially from the largest schemes, which is a Government aim.
- There have been increased costs since the last fees increase in April 2005.
- Some important time consuming work has no fee chargeable, ie pre-application advice.

The report, which needs to be read in conjunction with the Consultation Paper relating to Planning Performance Agreements, says that Local Planning Authorities continue to be underfunded.

The Options

The Government has proposed three options which it considers will deal with the issues set out above.

1. No change on the current situation.
2. Increase fees by 40% excluding householder applications which will not go up by more than £10 (ie £135 - £145).
3. Increase fees by 25% excluding householder applications as 2 above.

Additionally there are some common elements to also be considered in relation to 2 and 3 above. The current cap on the maximum fee of £50,000 for any application to be removed. A new fee to be introduced whereby a Local Planning Authority certifies a condition has been complied with. The fees suggested for this will vary from £25 to £85 depending on the nature of the development and will cover the administration of all conditions on a planning permission.

The Government's preference is for option 3 and intends to introduce whichever proposal is adopted in April 2008.

Note: The Government is also looking at allowing in the future:-

- a) *Local Planning Authorities the ability to offer a premium service with an enhanced fee.*
- b) *Local Planning Authorities the ability to set their fees locally – subject to the performance of the Authority.*

Conclusion

Members are asked to consider the issues above as officers have to respond to the questions set out in APPENDIX A by 17th August.

Recommendation

Officers be instructed to reply to the questions set out in APPENDIX 1 as required by the Consultation Paper.

APPENDIX 1

- Q1 Would a fee level increase of 25% be reasonable? Should householder applications be largely shielded from that increase?
- Q2 Would you prefer that fees go up by the full 40% to provide more resources for planning?
- Q3 What are the likely effects of any of the changes on you, or the group or business or local authority you represent? Will there be unintended consequences, do you think?
- Q4 Performance on development control is currently measured against targets to turn around 60% of major applications within 13 weeks, 65% of minor applications and 80% of other applications within 8 weeks. Given the desire for further service improvements flowing from any fee increase – without perverse incentives – what do you think would be the best form of performance measurement for development control and what should be an appropriate benchmark?
- Q5 Are current fee maximums serving any useful purpose?
- Q6 Do you welcome the proposed fees for discharge of conditions? Do you agree this should not apply to conditions imposed on, say, listed building consents?
- Q7 Will it be useful if the Local Planning Authority can offer a 'premium service'?
- Q8 Currently, Government sets planning fee levels. How do you feel in principle about the idea that each local authority should be able to fix its own (non-profit-making) planning charges in future?
- Q9 Do you have any comment on the outcomes predicted in the partial RIA, in particular the costs and benefits (see Annex B)?