

CHESHIRE EAST COUNCIL

REPORT TO: Environment and Prosperity Scrutiny Committee

Date of Meeting: 18th September 2012
Report of: Development Management and Building Control Manager
Subject/Title: Planning Pre-Application Fees
Portfolio Holder: Rachel Bailey

1.0 Report Summary

- 1.1 This report looks at the Council's new pre-application planning system and updates Members about its progress.

2.0 Recommendation

- 2.1 That Member's of the Committee note this reports content on the income generated and general positive reaction to the service.
- 2.2 That Members consider pre-application consultation standards being set up and that Council advice letters are not being sent out if inadequate consultation is carried out.
- 2.3 That the service be expanded to include other advice given in the Places Directorate.
- 2.4 That Planning Performance Agreements be more strongly promoted to encourage better performance on major application targets and provide guarantees of when applications will be delivered to Committee's.

3.0 Reasons for the Recommendation

- 3.1 The Portfolio Holder has requested an update on the Council's new pre-application planning system introduced on 3rd October 2011 and first reported to this Committee in February 2012.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications

- 6.1 None

7.0 Financial Implications

- 7.1 None

8.0 Legal implications (authorised by the Borough Solicitor)

- 8.1 None

9.0 Risk Management

9.1 N/A

10.0 Background

10.1. The Council introduced a pre-application charging system on 3rd October 2011. These charges were approved as part of the budget package for 2011/12.

10.2. The intention is to provide a much more structured and improved service for pre-application advice. The advantage to the customer is that they receive:

- Identification of all the planning issues raised by application.
- Identification of all the requirements needed to validate and process an application.
- Earlier decisions on applications.
- Higher level of certainty concerning the decision the Council will reach.
- Cost savings (no unnecessary applications / additional work).
- Reduced confrontation.
- More involvement of Stakeholders (formal consultation with statutory bodies, Town and Parish Council's, Members and residents).
- Providing the necessary time, within a co-operative climate, to negotiate changes to a proposal so the development can meet policy objectives and the expectations of the local community.

10.3 The benefit for the Council is that the users and people who benefit from the pre-application service start to contribute to the cost of providing it and that this cost does not fall as a general cost to the Council taxpayer.

10.4 It should be noted that the current statutory planning fees do not cover the cost of pre-application planning advice.

11.0 Current Fees

11.1. The sliding scale of fees the Council charges is as follows:

Table 1: Current Pre-Application Charging Fees

| Service Type | Cost | Description |
|-----------------------|-------------|---|
| Duty Planning Officer | FREE | Free for a single 30-minute session, booked on an appointment basis. It provides verbal advice only. It is available for any size scheme and is intended to provide initial guidance to applicants of all types. |
| Householder | £100 | This service is for proposals to extend or alter a single domestic property, which is not a listed building and will apply to extensions / outbuildings to houses. |
| Minor Operations | £200 | This service is for: <ul style="list-style-type: none">• Residential schemes between 2-5 units.• Non-residential schemes up to 500 sqm.• Agricultural Buildings up to 540 sqm. |

| | | |
|--|--|--|
| | | <ul style="list-style-type: none"> • Glasshouses up to 465 sqm. • Plant and machinery. • Telecommunication Masts. • Car Parks. • Advertisements • Forestry Services • Demolition of Buildings • CLEUD's • Discharging of conditions • Trees • Non-material alterations • Minor-material alterations • Changes of use • Shopfront's |
| Replacement Dwelling | £335 | This service reflects the complex nature of these types of applications, especially in green belt areas |
| Medium-sized Developments | £700 + follow up fees | For 'medium-sized' schemes (6-29 residential units, approximately 500-2999 sqm of development). It is not suitable for complex cases that raise significant planning concerns |
| Large Developments – the 'Development team' | £2000 initial meeting £1000 follow up | This service is designed for proposals that are more complex (30+ residential units, 3000 sqm+ of commercial floorspace). It involves one or more meetings with the process being project managed by a planning officer. Depending on the complexity and scale of the proposal, the team may comprise of officers from all parts of the Council. At the end of the process, the applicant will receive written advice from a senior officer. |

12. Fee income target

12.1. The Council has based its original projections on the income expected from the pre-application process on the number of applications received by Cheshire East in 2010-11 and on the experience of others who have implemented pre-application charging. We expected 7.8% of our applications to be submitted for pre-application purposes and a first year income of £75k.

12.2. However, the take-up has been just over 10% of all applications for the first 11 months of the schemes existence (3rd October 2011 - 31st August 2012). This has resulted in the following income:

Table 2: Fee Income – 3rd October 2011-31st August 2012

| Type of Application | Number of pre-apps | Fee Income (£) |
|---------------------|--------------------|----------------|
| Householder | 51 | 5100 |
| Minor Operations | 153 | 30 600 |

| | | |
|---------------------------------|------------|----------------|
| Replacement Dwelling | 56 | 18 760 |
| Pre-application Service | 52 | 38 400 |
| Development Team Service | 36 | 63 000 |
| Total | 348 | 155 860 |

- 12.3. Overall, the Council are over £80k over target for the year, with one month to go.
- 12.4. These figures appear to show proof that the system has been a great success in terms of its take-up. Combined with the consequences of implementing this service, these being:
- A more positive interaction with the Council staff across the board (i.e. with staff beyond the planning department, as well as with planning).
 - More timely and disciplined responses to enquiries.
 - Applicants finding the responses they have received are more useful than previously.

Officers believe that the system overall has been a significant success.

- 12.5. Nevertheless, at a time when the planning system is being encouraged to promote economic growth, it is important that charges are not seen as an impediment to development. The charging regime therefore requires careful operation – and regular review – to ensure we are not over burdening development.
- 12.6. However, it should be noted that the governments own figures show that pre-application charges are no more than 0.2% of the total cost of a development anywhere in the country and significantly less than this in major schemes . Moreover, our own figures show it costs no more than 0.1% in Cheshire East.
- 12.7. In view of these facts, we do not consider that the Council can be charged with stifling development because of pre-applciation charging.

13. Issues

- 13.1 Nevertheless, Officers believe work still needs to be done on:

- Increased public and Member engagement;
- Increasing the scope of the service across the Places Directorate
- Promoting Planning Performance Agreements

to improve the service further.

Increased Engagement

- 13.2 At present our pre-application advice to applicants states:

INVOLVING THE LOCAL COMMUNITY

- 8.6. *With your agreement, we will also seek to ensure that parish and town councils, the local community, as well as local community groups, are involved. We believe it is*

important to include local communities early in the process. In our experience, objections are often based on a lack of information or a fear of the unknown. This process should help to reduce those risks. We will also offer guidance on how you should carry out your own consultation processes to complement that of the Council's, so that you can be satisfied that your responses are robust, have reached the same people that the Council would consult, and have included hard to reach communities.

THE ROLE OF COUNCILLORS

8.7 Given that major applications will be determined at Strategic Planning Board or Northern or Southern Planning committees, it is beneficial that Councillors are introduced to proposals early in the process so that they have an understanding of them. However, due to probity issues, the involvement of councillors must be handled carefully. The case officer will arrange for Councillors to be part of the pre-application consultation process at the appropriate time. This will generally be combined with community consultation by the developer or via a Members Briefing Session

13.3 Applicants have acknowledged that there has been some resistance to the above in the development community. This has resulted in unsatisfactory engagement with Members and local communities in some instances and a feeling amongst the public that pre-application consultation was not sufficient or a worthwhile exercise. However, Officers feel that the advent of the Localism Act can change this.

13.4 The Act has a duty to engage with communities, do realistic consultation and have regard to its results in relation to significant applications. Therefore, Officers feel that this is an ideal time to push forward with a more formal engagement / consultation strategy than the 'light touch' version previously referred to. This would involve:

- The setting of standards for the type of consultation needed for different types of application (similar to the statement of community involvement we have for planning applications)
- A refusal to issue Council advice letters until proper consultation has been undertaken.

all with the aim of getting the community more involved in applications earlier.

13.5 Should the Members feel this is the right approach, Officers propose to move forward with the above for a 1st April 2013 implementation.

Expanding the Service

13.6. The take-up on the pre-application advice service is all the more positive in view of the fact that there is still some evidence of other sections of the Council are giving out 'free advice' on development issues. In part, this is because some policy, assets, regeneration and housing advice often starts out as very general, Borough or area advice, but soon can get site specific about a particular proposal, on a particular site very quickly.

13.7. Nevertheless, this type of advice is still very valuable to developers and helps them make reasoned decisions on where to build and which sites to develop on. Moreover, this type of advice does take significant officer time away from their 'core' roles and provides advice they are not currently paid for. Therefore, this valuable advice for developers is ultimately provided at the cost to the general council tax payer, rather than being paid for by those who can gain from the advice.

- 13.8. In these circumstances, it is recommended that the service be expended to include other services in the Places Directorate by January 2013.

Planning Performance Agreements (PPA)

- 13.9. For complex, major developments, where it is likely to take longer than the statutory period to determine them, the Council offer to negotiate with applicants a Planning Performance Agreement (PPA). This is an agreement between the Council and the applicant that sets a realistic timescale for processing and determining the application. This gives sufficient time for the Council to deal with these complex applications, but also provides more certainty to the applicant as to when a decision is likely to be made. These agreements are strongly encouraged by government and Council.
- 13.10. Their importance to a local authority is that they take large applications out of LPA performance monitoring targets, providing they keep to the promises made by CEC.
- 13.11. Unfortunately, the take up on such agreements has been low from Cheshire East developers – somewhat surprising in view of the fact that they guarantee delivery of an application to a specific Committee and production of a legal agreement within a set timetable.
- 13.12. The result of this has been that large major applications have little chance of meeting the 13-week target deadline and this has subsequently affected the Council's performance for major applications. Whilst the Council is currently just 2% short of its and the national 'major' performance target (58% of our major applications are completed on time, as opposed to the 60% target), if larger cases were subject to PPA's, we would easily surpass the targets set by CEC and the DCLG.
- 13.13. In these circumstances, it is considered that PPA's should be promoted more strongly to give developers more certainty and standards when major applications will be delivered and improve the Council's major application performance target.