

Report of the Portfolio Holders for Resources and Personnel Policy and Economic Development and Asset Management

INCREASE IN PLANNING PRE-APPLICATION FEES

1. Purpose of Report

To update Members on recent increases in statutory planning and related application fees and to consider a broadly proportionate increase in locally-set pre-application fees.

2. Recommendation

Cabinet is asked to RESOLVE that the pre-application fees set out in the APPENDIX be approved for charging on and from 6 April 2024.

3. Detail

Fees for planning and related applications are a statutory requirement on us to charge and applicants to pay and, as such, are exempt from VAT.

In order to encourage economic development and improve the quality of planning applications, we offer a pre-application advice service. Recognising the demand on Officer time this creates for what is a discretionary service, fees are charged. As a discretionary service, VAT must also be applied.

Planning and related application fees were increased on 6 December 2023 by 25% for minor and 35% for major development. The previous charging bands did not align with the threshold between minor and major development, so this also had the effect of creating new charging bands.

The increase had been expected to occur in April this year, but was brought forward at short notice, so we were unable to review pre-application fees at the same time. In fact, because pre-application fees for larger developments are 10% of the statutory application fee, these were increased automatically.

Pre-application fees for smaller (in practice, most) developments, however, are fixed amounts and it is these we now propose to increase broadly in line with the statutory fees, but to a simplified structure with fewer bands that will align with the threshold between minor and major development.

In most cases, this creates a single charge for all minor development in each category, but where the resulting fee would be greater than the statutory fee or so significant a proportion of it that it would be a deterrent to using the service, then a lower charge band is proposed to be retained.

4. Key Decision

Because pre-application fees are charged Borough-wide, the increase will affect two or more Wards in the Council's area and therefore represent a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

As such, notice has been published in advance so that members of the public and Members are able to consider the implications and have an opportunity to make representations before the decision is made.

5. Updates from Scrutiny

The proposed increase in pre-application fees has not been through pre-scrutiny or Policy Overview Working Group as it does not represent a change in policy.

6. Financial Implications

The comments from the Head of Finance Services were as follows:

The potential uplift in Planning fees income has already been recognised in the Business Strategy that was agreed by Cabinet on 7 November 2023. With income from Planning fees expected to increase with the new planning fee structure (albeit dependent on the speed of development), which includes increasing fees between 25% and 35% (the latter for major applications) and then linking fees to inflation (CPI) going forward, it was agreed to increase the Planning fees income budget for 2024/25 by £78,000 as part of budget setting. The total Planning fees income budget for 2024/25 is £668,000, including £40,000 for Pre-planning application fees.

7. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The recommended charging for pre-application advice would be in accordance with Section 93 of The Local Government Act 2003 provisions giving planning authorities discretionary powers to charge for such advice.

There are no direct legal implications arising from the proposal. Any pre-application advice given does not bind the Council in how we assess any future full planning application.

8. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not Applicable

9. Union Comments

The Union comments were as follows:
Not Applicable

10. Climate Change Implications

There are no climate change implications.

11. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

12. Equality Impact Assessment

As this represents a proportionate fee increase rather than a change to policy, an equality impact assessment has not been carried out.

13. Background Papers

Nil.