

AGENDA ITEM No. 5

CABINET

15TH NOVEMBER 2016

PLANNING REPORT NO. PLN1642

KEY DECISION? YES

SAVINGS AND EFFICIENCIES IN DEVELOPMENT MANAGEMENT

SUMMARY AND RECOMMENDATIONS

To consider the implementation of new practices and ceasing some out-dated ones to achieve sustainable reductions in expenditure and secure additional income to help cover the costs of the service.

Recommendations:

- a) Reduce advertising planning applications in the local press but increase the use of social media to publicise proposals;
- b) Increase charges for legal firms seeking information on S.106 obligations;
and
- c) Introduce a scheme of charging for pre-applications discussions.

1. INTRODUCTION

1.1 As part of a review of expenditure and budgets across the authority under the Budget Challenge exercise, the following areas of the Development Management service within Planning have been identified for consideration in respect of savings and efficiencies.

- * Pre-application discussions - the introduction of charges to potential planning applicants and developers for discussion and advice before the submission of a planning application.
- * Advertising – the potential to reduce expenditure on advertising planning applications in the local press.
- * Notification – the potential to reduce expenditure on hard copy notification letters sent through the post.
- * Enquiry Charges - increasing the charges levied currently in respect of requests from solicitors/paralegals for copies of documents and confirmation of compliance with the requirements of legal agreements.

2. BACKGROUND

- 2.1 The measures under discussion reflect the Council's Corporate Priorities in establishing a sound financial position, making sustainable budgetary savings, investigating new sources of income and implementing channel shift, whilst maintaining a high level of service provision.

3. DETAILS OF THE PROPOSALS

A) Reduce advertising in Local Newspaper

- 3.1 It is proposed to reduce press advertising of planning applications to the statutory minimum required and increase publication via social media. In the past, Rushmoor has advertised all planning applications in a local newspaper (Hampshire Independent), but it is only statutorily required to notify a few specific types of application, which amount to less than 10% of the total number received.
- 3.2 A smaller list of applications would save considerably on the cost, currently over £18,000 per year. In place of this, we would look to expand the use of social media to notify residents and businesses in the Borough of planning applications received.
- 3.3 We would continue to advertise those application that are required by statute but will also investigate the potential for moving away from statutory notices in the Hampshire Independent newspaper depending on the outcome of the County-wide tender process.

B) Increase charges to Solicitors and Paralegals

- 3.4 It is proposed to increase the charges levied for information enquiries concerning S.106 obligations from solicitors and paralegals etc. to more accurately reflect officer time spent on these enquiries. Much of the information that is sought is readily available on-line, but the service is used by legal firms to save time, with the costs being passed on to their clients.
- 3.5 Appendix I sets out, for comparison, available information on how neighbouring authorities charge for this type of enquiry. The available information indicates that some neighbouring authorities charge a set fee 'per obligation' and others an hourly rate based on the officer time involved.

C) Charging for pre-application discussions

- 3.6 In line with most other Local Planning Authorities in the country, it is proposed to introduce charging for pre-application advice to all potential applicants. The charge for "Householders" proposals would be set at £35 per enquiry and the

whole practice would be reviewed after 12 months. A full explanation of what enquirers can expect in return for the charge will be provided. Charges would also be introduced for developers depending upon the size of the development proposal.

- 3.7 Appendix II sets out for comparison by development type, a summary of charges for pre-application discussions levied by other authorities in Hampshire.
- 3.8 The initial response to enquiries made in writing, by Email or telephone would continue to be general advice about the Council's planning policies and the information available on our website and via the planning portal.
- 3.9 **Householders** seeking pre-application advice would be advised of the charge and that they should supply, together with payment, a draft or sketch layout together with an explanation of their proposal. In return, they would receive advice by telephone or email on the likelihood of the grant of planning permission being recommended, and of what measures or changes might be necessary for a successful scheme. A site visit would be carried out at the discretion of the officer should they consider it necessary in order to provide a comprehensive answer to the enquiry.
- 3.10 **Small to medium sized developments** (1-10 dwellings or up to 1000sqm commercial floorspace), it is suggested a fee of £200 be charged. On initial contact, the developer would be advised to appraise themselves of background information on the Council's planning policies and standards and, in relation to residential proposals the requirements of the SPA avoidance and mitigation strategy (AMS). They would then be invited to submit policy compliant sketch proposals together with the fee.
- 3.11 An officer will visit the site and supply, within four weeks of receipt, a written assessment of the draft proposal in a standard format containing an opinion on whether planning permission would be recommended. The need for a meeting and involvement of other officers would be at the discretion of the case officer. The advice would include suggested measures which might make an unacceptable proposal satisfactory. Where applicable (and available) residential proposals would receive an allocation of SPA mitigation in accordance with the AMS.
- 3.12 **Major Developments** (in excess of 10 dwellings or residential sites of 0.5ha and above, or 1000sqm commercial floorspace, or other sites of 1ha or more) it is suggested a fee of £600 be charged. On initial contact, the developer would be advised to appraise themselves of background information on the Council's planning policies and standards and, in relation to residential proposals the requirements of the SPA avoidance and mitigation strategy (AMS). They would then be invited to submit sketch proposals together with the fee. An officer will visit the site and they will be invited to a meeting attended by the Head of Planning or the Development Manager together with a case officer and Transportation Strategy and Policy Officers, where appropriate. Within four weeks of the meeting, a written assessment of the draft proposal in a standard format containing an opinion on whether planning permission would be recommended will be provided. An explanation would also be provided of

measures considered necessary to make an unacceptable proposal satisfactory. Where applicable (and available) residential proposals would receive an allocation of SPA mitigation in accordance with the AMS.

- 3.13 The ability to charge potential applicants for pre-application discussions, amongst other discretionary services, was conferred by S.93 of the Local Government Act 2003. Explanatory paragraph (3) to the provision states that it is: "...subject to a duty to secure that, taking one financial year with another, the income from charges under that subsection does not exceed the costs of provision."
- 3.14 Pre-application charging cannot therefore be used to make a profit. In appropriate circumstances, authorities are permitted to charge as a means of meeting, and effectively regulating demand for pre-application advice. The key role of Local Planning Authorities in encouraging other parties to take maximum advantage of the pre-application stage is cited in the National Planning Policy Framework. It is also an essential part of our systems thinking approach embedded in the planning process at Rushmoor.
- 3.15 This proposal would affect all potential planning applicants in the Borough with the exception of the Wellesley (Aldershot Urban Extension) development. Grainger PLC have, through the S.106 agreement associated with the development, provided funding for a full time Council Officer post for a ten year period. The responsibilities of that officer include providing pre-application advice on future stages of implementation of the project.

4. ALTERNATIVE OPTIONS

- 4.1 Consideration has been given as part of this exercise to the following alternative options:
- continuing the present regime of free pre-application advice to all;
 - the introduction of charges solely to householders in view of their enquiries placing the greatest demand on resources;
 - the cessation or reduction of the use of surface mail to notify neighbouring occupiers of planning applications. In view of the relatively small potential savings, the cessation or reduction of use of surface mail for hardcopy notification letters is not being taken forward at this stage.

5. CONSULTATION

- 5.1 The proposals are to be presented to the Development Management Committee at their meeting on 9 November 2016, and comments made by the committee on the suggested changes will be reported back at the meeting of Cabinet.

6. IMPLICATIONS

Risks

- 6.1 The risks to the proposals identified in this report have been assessed. There is the potential loss of public confidence in the openness and fairness of the Council's planning decisions arising from the perception that less effort is being made to publicise and invite participation in the planning process, though it is hoped this would be overcome by greater use of social media in the notification of applications. There may also be concern that a fee is being taken from developers for private discussions, meetings and advice in advance of planning applications and that subsequent decisions on their applications will not be impartially taken. However, taking part in the pre-application will not be a guarantee of a favourable position, and the consideration of all applications will continue fully open to public scrutiny.
- 6.2 Further risks are the potential conflict with developers who have paid for advice but whose applications are unsuccessful; that charging will deter pre-application engagement and interrupt the flow of work through the system; that the proposed measures will not result in savings and additional income at the levels estimated; that additional costs in staff and resources will be incurred in administering the new measures. It is proposed that the scheme of charging for pre-applications discussions will be reviewed after a year of operation.

Legal Implications

- 6.3 There are considered to be no legal implications.

Financial and Resource Implications

- 6.4 It is estimated that the reduction in press advertising could result in sustainable annual savings of up to £16,000. The increased charges for information enquiries could result in additional income of up to £2,300 per annum. The introduction of pre-application charges could generate up to £30,000 - £40,000 gross per annum, assuming that the demand for discussions ahead of applications being submitted does not fall as a result of charging.

Equalities Impact Implications

- 6.5 There are considered to be no equalities impact implications.

7. CONCLUSIONS

- 7.1 The proposals are being made in the interest of establishing a sound financial position, making sustainable budgetary savings, investigating new sources of income and implementing channel shift, whilst maintaining a high level of service.

8. RECOMMENDATIONS

8.1 It is recommended that Cabinet approve the following changes to the process of Development Management:

- a) Reduce the level of advertising planning applications in the local press but increase the use of social media to publicise proposals;
- b) Increase charges for legal firms seeking information on S.106 obligations; and
- c) Introduce a scheme of charging for pre-applications discussions to be reviewed after a full year of operation;

in line with the arrangements as set out in this report.

Keith Holland
Head of Planning

BACKGROUND DOCUMENTS:

Town and Country Planning Act 1990

Development Management Procedure Order

National Planning Policy Framework

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APPENDIX I

| Authority | Fee | Additional Obligations | Example approximate charge for an agreement containing two obligations | Example approximate charge for an agreement containing five obligations |
|----------------------------|----------------------------------|------------------------|--|---|
| Rushmoor (Current) | £120 | £25 | £145 | £220 |
| Rushmoor (Proposed) | £250 | £40 | £290 | £410 |
| Portsmouth | £97 per application | £97 | £194 | £485 |
| Hart | Hourly rate by officer £100-£120 | | £100-200 | £200 |
| New Forest D C | No Charge | | | |
| Basingstoke and Deane | £85 per obligation | £85 | £170 | £420 |
| Test Valley | £80 per enquiry | £80 | £160 | £400 |
| East Hampshire | £145 | £30 | £175 | £265 |
| Southampton | £97 | £97 | £194 | £485 |

Charging for information and research requests by Solicitors/Paralegals

APPENDIX II

| Authority | Major | Small Major | Minor (4-5+ Dwellings) | Small Minor (1+ Dwellings) | Householder |
|----------------------------|-------------------------------------|-------------|------------------------|----------------------------|-------------|
| Southampton | £840 | | £360 | £180 | £42 |
| Portsmouth | £600 | £400 | £400 | £250 | £40 |
| Rushmoor (proposed) | £600 | £600 | £200 | £200 | £35 |
| I.O.W | £1000 | £400 | £100 | £60 | £40 |
| Basingstoke | 25% of planning fee | 25% | 25% | 25% | 25% |
| E. Hants | £980 | £520 | £230 | £120 | £45 |
| Winchester | £990 | £702 | £420 | £420 | 0 |
| Gosport | £960 | £600 | £240 | £120 | 0 |
| Fareham | £422.40 | £316.80 | £316.80 | £158.40 | 0 |
| New Forest D C | Negotiable | £816 | £545 | £272 | £88 |
| New Forest N P | No charging information | | | | |
| Havant | £990 | £495 | £220 | £110 | £44 |
| Hart | 25% of planning fee capped at £5775 | 25% | 25% | 25% | £50 |
| Eastleigh | £1900 | £940 | £405 | £240 | £70 |
| Test Valley | 10% of planning fee | £636 | £360 | £120 | £48 |

Pre-application charges across Hampshire authorities (July 2016)