

REPORT TO: Cabinet 19 October 2020

LEAD CABINET MEMBER: Councillor Tumi Hawkins, Lead Cabinet member for Planning Policy and Delivery

LEAD OFFICER: Stephen Kelly, Director of Greater Cambridge Shared Planning

Review of Pre-application Charging Schemes and Update on Pre-application Service

Executive Summary

1. Pre application advice is an important and valued, if discretionary, service provided by the Shared Planning Service. Good pre-application advice can help to ensure that the objectives of the Council to deliver high quality development are achieved, effectively and efficiently to the benefit of the area as a whole and to users to the service. The existing arrangements for pre-application advice in the City and SCDC operate to a different format, and with different charges. Feedback on the current service provided has been mixed.
2. For that reason, the Shared Planning Service committed to review and integrate its process for providing pre-application advice in its 2020/2021 Business Plan. Having begun that process earlier in the year, this report seeks approval for the proposed future arrangements for (including charges) for pre-application advice. This service offer will then sit alongside the statutory planning application process (where fees and process are determined nationally) and which is unaffected by these proposals.
3. The new arrangements outlined, bring together the two separate advice offers into a new single process, operating across the City and SCDC areas, to a common charging regime. The service offer has been developed through engagement with local architects and agents (to determine what they and their clients require and value) and has been accompanied by extensive work across both Councils to establish the cost of delivering such services - to ensure that these can be delivered within the available resources of the Councils. The new "service offer" will also be accompanied by new booking arrangements and information online. In recognition of the discretionary nature of the service, and to encourage users to engage with the service, in some cases, the fees proposed do not represent the full cost of delivery. This is particularly the case where the service wants to support householders undertaking projects, and small businesses with advice.

4. This proposal is also due to be considered by the Cabinet of South Cambridgeshire District Council at their meeting in October.

Key Decision

5. No

Recommendations

6. It is recommended that the Cabinet recommend to the Lead Cabinet Member Planning to agree the proposals for CCC/SCDC to introduce the revised pre-application service offer and charging schedule set out in this report for the South Cambridgeshire District Council area from 2nd November 2020

Reasons for Recommendations

7. The GCSPS pre-application fee schedules have not been reviewed for several years. We have two sets of pre-application schedules across the shared planning service, and we intend to move to a single set of pre-application fees for all GCSPS applicants. This enables consistency across the service and supports us improving delivery of our service and how we monitor its performance.

Details

Background

8. The GCSPS Business Plan 2020-2021 includes a commitment to review the shared pre-application advice services of the LPA, including considering a new fee charging schedule and service offer to improve the effectiveness and value of the discretionary service and its cost recovery.
9. The GCSPS has been operating using the two existing separate charging schemes for Cambridge City and SCDC, neither of which have been updated for several years. The objectives included an aspiration to introduce a single unified charging scheme to ensure consistency of approach across the service, enable processes to align efficiently and to improve the customer experience and outcomes.
10. A range of specialists and technical officers across the planning service and from other Council services also contribute towards the pre-application process and the recovery of their costs has been inconsistent in some cases. The project therefore also includes improvements to processes to address this issue. Engagement has taken place with key services involved in the pre-application process across the two Councils to ensure that their inputs have been included in the review.

Considerations

11. Pre-application advice and front loading of the planning system is strongly encouraged **by Government policy through the National Planning Policy Framework. It provides an** opportunity to engage with developers at an early stage to address key issues rather than at the planning application stage when this will otherwise result in delays and the need for re-consultation in many cases. It can therefore help save applicants, agents, and developers time and cost by ensuring they submit high quality schemes and applications that stand a greater chance of being granted approval within the statutory timescales. For the Planning Authority, improving the quality of application submissions in this way, can also improve process efficiency whilst helping to drive up the quality of the outcome secured. Given that planning application fees are set nationally, and historically have not covered fully the costs of delivering the application process, pre-application charges can also play an important part in helping authorities to offset the costs of providing planning advice.
12. The setting of discretionary charges is covered by the Local Government Act. This makes clear that such charges cannot be levied to deliver a profit for the provider. Given the benefits to the Planning Authority of pre-application advice, it is also important that the charges are set at rates that are appropriate and that encourage use of the service. The purpose of pre-application advice is to ensure that applicants can prepare and submit high quality applications which can be supported without the need for amendment. To this end, the cost of services should incentivise such early engagement/front loading rather than discourage it.
13. Given recent challenges and feedback from agents about the quality and performance of the existing pre-application services, the proposals suggest a process of transitional charging for the next year – to encourage agents who may feel disinclined to use the pre-application service at present, to re-engage with it. In addition, the service has introduced new time recording mechanisms to help to track staff time (and costs) spent on different activities. Whilst the service offer and proposed fees have been informed by reference to feedback and available data, it is important that as the service rolls out, officers can take stock and test the assumptions used to inform the proposal. Accordingly, a review of the service offer, and charges is therefore proposed 12 months after it is implemented (on 2nd November).
14. The new proposals introduce a charge, in the City, for householder advice for the first time. City Council has not previously charged for householder advice but SCDC did. The budget papers for this year recognised the need to improve income for the service and proposed that charges for householder applications would be included in the new pre-application offer. The charge proposed reflects a subsidised cost of delivering the services outlined, which officers want to monitor carefully. In addition to these charged services, informal advice will continue to be provided by way of the duty planner service by telephone. The service is also seeking to put more targeted advice and assistance online to

supplement its charged services. In the City Council budget for 2020/21, provision has nevertheless already been made for the introduction of charges for householders – reflecting the challenging financial position (pre-Covid) that the service and the Council faces.

15. The SCDC scheme also included specific discounts for charities; the City scheme kept this facility as a discretionary provision – recognising that a number of large institutions were registered charities. This provision was rarely applied however. From November 2020, small charities will be offered 100% discount of the pre-application fee across both City Council and SCDC areas. There are challenges defining the criteria of a small charity, so this will remain a discretionary judgement made by planning officers.
16. However, given the importance to both Councils of supporting the local economic recovery, a single discounted charge for planning advice to small businesses is now also proposed.

Review Process

17. The review of the pre-application service has encompassed a number of stages:
 - Engagement with users on existing services and potential new service offers
 - Review effectiveness of service delivery (including partners)
 - Identify full costs of service delivery by planning officers
 - Identify full cost for specialist officers
 - Benchmark/compare against a range of comparable local authorities
 - Review cost of proposed service offer
 - Compile revised charging schedule based on increasing charges on an improved costs recovery basis.
18. The review also included an analysis of pre-application charging schemes from other comparable local authorities with similar levels of pre application activity, relative to the various categories of proposal types e.g. householder, minor, small major, large-scale major etc. Charges were then formulated based on an analysis of costs of officer time typically spent on the different categories of pre-application proposals.
19. Engagement has also taken place with specialists and technical staff within the wider service and other Council services to quantify the amount of time spent by them on provision of pre-application advice. The resulting costs were then referenced to a range of other comparable authorities. (Please see appendix 3).
20. The proposed updated fee schedule is attached at appendix 1. Appendix 2 shows the current local authority fees alongside the proposed new fees and the range of benchmarked authorities' fees. Officers consider that an appropriate balance has been struck between the need to update the charges to improve costs recovery, and a recognition that there are further improvements that need to be made to the

pre -application service before increasing charges any further. Over the next 12 months, further data will be collected through the new officer time recording system which will allow the charges to be reviewed at the end of that period and in the context of further improvements having been made to the pre-application service.

Service Improvements

21. Following stakeholder engagement a number of additional improvements to the advice service are also proposed:
 - Adopt the standard “traffic-light” pre-application response template used by Strategic Sites team and extend use across the service to deliver a unified consistent approach.
 - Provide clear timescales and performance management arrangements to responses, based on the nature and complexity of the proposals
 - Introduce short recorded video meetings for straightforward proposals
 - Improved utilisation of workflow software to improve response times
 - Design and deploy new e-form (accessible via websites/Customer Portals) to incorporate a ‘pick and mix’ menu allowing customers to select type of advice and request specialists
22. In parallel with the service improvements highlighted above, there will be a need to review service level agreements (SLAs) with other services to help embed the process within their associated operational practices. This is to ensure that the planning service can meet the required deadlines for responses, where these also need to incorporate specialist or technical officer inputs.
23. Responding to Covid, and the demand from agents and architects for a short and quick meeting format, recorded video meetings will also be introduced. These will be suitable for straightforward householder and non-residential proposals and “in principle” discussions at early stages with senior officers (where capacity is available and at an elevated rate reflecting the opportunity and direct costs) of a project. Alternatively, for more complex proposals and where a more detailed response is required, the option for tailored responses remain open to customers - with the ability to request attendance by specialists for specific meetings using online menus.
24. To underpin the effective assessment of the cost of service delivery, and to monitor staff time spent on this service, a new time recording system has also been introduced across the Shared Planning Service. This system will allow managers to check that the new service is both priced in a way that improves cost recovery and is able to respond to demand/data about usage as the new offer rolls out. The data is expected to form a key part of the service’s review in 12 months’ time.

Options

- 25. Option 1: Keep two sets of pre-application fees and do not increase the fees
- 26. Option 2: Approve this report's recommendations

Implications

- 27. In the writing of this report, taking into account financial, legal, staffing, risk, equality and diversity, climate change, and any other key issues, the following implications have been considered:

Financial

- 28. These proposals do not impact planning application fees - which are set nationally. Instead, the proposals seek to address the service need to manage the cost of its discretionary services and aim to increase a greater proportion of that cost through charges. For planning advice, (where the service provided can lead to significant financial benefits accruing to property/land owners and developers) the charging schedule reflects a need to support homeowners and small businesses, whilst reducing the subsidy provided by both Councils for this service for more substantial development projects – and help respond to the growing pressure on costs and income facing both Council Planning Services.
- 29. Appendix 2 provides for comparison purposes, details of charges from other Council Planning Services which demonstrates how the proposed costs compare to other comparable local authorities. It is intended that the scheme is reviewed in 12 months' time, based on additional data analysis that will have been secured, in the context of implementation of improvements to the service and customer feedback.
- 30. This proposal does not include Planning Performance Agreements (PPAs) which are subject to a separate ongoing GCSPS project.

Staffing

- 31. There is currently a backlog of pre-application enquiries and staff are working with two separate processes. Aligning the processes and introducing measures such as video meetings and simplified traffic light templates will help ensure staff are able to respond in a more timely and consistent way.
- 32. This will also reduce officer time and improve capacity as well as addressing will overall workloads. However, staff will also need to be supported as the service

transitions to a more front-loaded way of working giving greater priority to pre-application enquiries.

Risks/Opportunities

33. Moving to a more front-loaded service will help to mitigate both the authorities and applicants' risks with the planning application process, and in turn should support both applicant and the Councils to reduce the costs of failure demand, including the risk of planning appeals or poor quality and inappropriate development. Service risks associated with the provision of advice are limited, subject to appropriate qualifications and information provided at the start of the process.

Equality and Diversity

34. An EqIA has been carried out. Small businesses may be particularly affected by the Covid19 outbreak and a significantly lower, flat-rate fee for small businesses is proposed.

35. The introduction of a charge for homeowner pre-application advice in City where there has been none previously will impact homeowners seeking pre-application advice from City for home improvements, however, this does align homeowner charging with SCDC and some other local authorities.

Climate Change

36. Delivering timely, and early advice, notably around the adopted policy framework which seeks to support the move towards a low carbon and climate sensitive future will have a positive impact upon the Council's objectives. The facility to deliver the service online, and via electronic medium will also assist broader corporate objectives of reducing the need for avoidable travel.

Alignment with Council Priority Areas

Growing local businesses and economies

37. Small business discounts are in support of businesses which otherwise may find commercial development pre-application advice prohibitively expensive

A modern and caring Council

38. Improved processes will make it easier for businesses to obtain quality pre-application advice

Background Papers

None

Appendices

Appendix A: Proposed pre-app fee schedule

Appendix B: Current and proposed fees with other local authority fee ranges

Appendix C: Research on other planning authorities

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