

North York Moors National Park Authority

17 December 2012

Review of Planning Charges for Pre-Application Advice

1. Purpose of the Report

- 1.1 To provide an assessment of the impact of introducing charges for providing pre-application advice for certain categories of development and to consider extending the scope for charging and increasing existing fees and adopting this approach on a permanent basis.

2. Background

- 2.1 Members will be aware that the Authority introduced charges for providing pre-application advice for certain categories of development in January 2012. This was on the basis of a trial period for review after one year and was agreed as part of an overall strategy for increasing opportunities for income to the Authority following the announcement of significant cuts in the National Park Grant in 2010.

- 2.2 The scale of fees introduced was carefully considered to strike the right balance between offsetting some of the costs associated with pre-application advice (in the order of £50,000 a year in terms of officer time) and not deterring applicants from seeking such advice with the resultant reduction in quality of applications. Consequently fees were introduced for a range of higher value schemes rather than charging for householder applications which form the bulk of applications received by the Authority.

- 2.3 The fee schedule introduced in January 2012 is as follows:

- Housing: 2 or more dwellings (new build or conversion) (Excludes affordable housing)
- Holiday Cottages/log cabins: 3 or more units
- Commercial Development : Over 200msq floor space
- Farm Buildings : Floor space of 465msq or more
- Mineral Extraction: All applications
- New Camp sites/Caravan Sites : Includes significant re-organisation of existing sites

Flat rate fee of £250 and unlimited officer time

- Major Development Proposals - Flat rate fee of £250 plus £50 per hour of officer time

Additionally, a £10 fee was introduced for issuing "Do I need planning permission" forms and a fee of £500 charged for preparing legal agreements.

3. Impact of Pre-application Charging

- 3.1 At the time of considering the introduction of fees, the Government was still deliberating on whether to introduce local fee setting to enable local planning authorities to recover the costs of their planning functions. This deliberation had been so prolonged that there was considerable doubt over whether it would in fact be introduced and therefore the pre-application fee charging was adopted sooner than originally planned to help offset the significant funding gap between the cost of the Authority's planning service and the income received from application fees. Indeed, as is now known, the scheme was not introduced as it was perceived to be a further disincentive to the construction industry and barrier to growth and instead an across the board rise of 15% in fees was introduced which was implemented in November this year.
- 3.2 In terms of its impact the introduction of fees has raised relatively little income, amounting to just over £1100. This is mainly because the Authority does not generally receive applications for significant developments where extensive pre-application advice is needed. The comprehensive pre-application advice provided to York Potash on the proposed Potash Mine has been paid for through a Planning Performance Agreement and has resulted in recovery of most of the officer and consultancy time involved.
- 3.3 Although the introduction of pre-application charging has not to date realised as much income as perhaps first envisaged, neither has it appeared to have had any significant deterrent effect on applicants wishing to seek such advice. The number of applicants who have expressed dissatisfaction or who have decided not to proceed with advice once they were aware of the charges has been very few. It would therefore seem appropriate to adopt the charging regime on a permanent basis and this also provides an opportunity to review the level and scope of fees.

4. Proposals for increasing and extending scope of pre-application charging

- 4.1 Accepting that the Authority is not going to generate significant levels of income from the non-statutory elements of its planning service, it is important to retain a proportionate scale of fees and officers have given consideration to any additional areas where fees can be levied without having a detrimental effect on the quality of the service provided. The introduction of fees for pre-application advice for householder developments or the extension of charging for all verbal advice as is now common in many councils has therefore been ruled out. In terms of existing fees, the following schedule is recommended:

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| • Written replies to 'Do I need Planning Permission?' - | Increase from £10 to £20 |
| • Pre-application advice for larger developments - | Retain at £250 |
| • Pre-application advice for major developments - | Retain at £250 + £50 per hour |
| • Written or email replies to private planning searches- | Increase from £15 to £20 |

In terms of extending the scope for charging the following schedule is recommended:

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| • Email copy of decision notice (currently free) - | Introduce fee of £5 |
| • Monitoring of minerals sites on annual basis - | Charge at £331 for active sites and £110 for others |

5. Recommendation

- 5.1 That Members agree to adopting charges for pre-application advice on a permanent basis with an increase in existing fees and introduction of charging for the additional services as set out in paragraph 4.1 of this report.

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