
Proposed Revision to Charges for Pre-application Planning Advice

1.0 EXECUTIVE SUMMARY

- 1.1 The main purpose of this report is to seek approval for the implementation of a revision to non-statutory charges which are currently levied for provision of pre-application planning advice. The change is primarily proposed in response to customer demand for amendments to the manner in which the service is delivered but will also have the benefit of improving uptake of the chargeable service and assist in the delivery of forecast income targets.
- 1.2 The report identifies that not only is there a shortfall of £9k in pre-application receipts as a result of lower expected uptake from launch of the chargeable service but that customers have expressed dissatisfaction with elements of the service and requested that additional options and flexibility for engagement with planning officers be provided to make it more suited to their requirements.
- 1.3 It is identified in the report that customers request for revisions to the pre-application enquiry service can readily be accommodated subject to a revision to the Council's non-statutory charges to introduce fixed rates for pre-application initiation and follow up meetings.
- 1.4 The proposed revisions to the chargeable pre-application service to introduce chargeable initiation and follow up meetings are, based on customer feedback, expected to stimulate demand for the service through provision of the added flexibility of engagement requested by professional customers to progress more complex proposals efficiently to formal application stage. It is expected that the income from the additional pre-application charges would bring overall receipts for the chargeable pre-application service back inline with 'Transforming the Budget' proposal TB06-1 to deliver pre-application income of £60k for 2019/20 for advice on 'local' scale developments.

- 1.5 It is recommended that the Council's scale of non-statutory charges be amended to include new charges for pre-application initiation and follow-up meetings with the proposed charges detailed in 4.7 of the main report below.

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2.0 INTRODUCTION

- 2.1 Non-statutory charges for the provision of pre-application planning advice were implemented on 1st April 2018 as a measure to deliver savings of £55k in 2018/19 as detailed under 'Transformation Savings' package TB06-1; provision is also made for assumptions of future income growth of £5k per annum to deliver further savings in 2019/20 and 2020/21.
- 2.2 The implementation of a chargeable advice service has reduced demand for pre-application advice beyond the levels expected with income receipts for FQ1 and FQ2 currently £9k below forecast income for the year to date. Initial customer feedback has also expressed some dissatisfaction with the chargeable service and indicated that providing improved options for face to face / telephone engagement with officers would be welcomed and likely to increase demand for the service. It is considered that revision of the pre-application process and introduction of new charges offers scope not only to address the shortfall in forecast demand for the service but also to improve the existing service and better tailor it to customer requirements.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Council's scale of non-statutory charges be revised to include new charges for pre-application initiation and follow-up meetings as detailed in 4.7 below.

4.0 DETAIL

- 4.1 Non-statutory charges for the provision of pre-application planning advice were implemented on 1st April 2018 as a measure to deliver savings of £55k in 2018/19 as detailed under 'Transformation Savings' package TB06-1; provision is also made for assumptions of future income growth of £5k per annum to deliver further savings in 2019/20 and 2020/21.
- 4.2 The implementation of a chargeable advice service was expected to

reduce demand for planning advice which, previously as a free service, had reached unsustainable levels in terms of officer resource; the introduction of charging was also identified as a new income stream which would assist the Service in the challenge to becoming cost neutral to the Council's budget. Based upon experience elsewhere, it was assumed that the introduction of charging would result in a reduction in demand of around 30%. A review of pre-application submissions upto FQ2 2018/19 has confirmed that demand for the service has in fact reduced by 50% although there has been a trend of increased monthly income receipts as the year has progressed suggesting that demand will continue to increase. Receipts to the end of FQ2 were £9k below the forecast budget position. Revision of pre-application process and charges to provide more flexibility and increased options for engagement is expected to bridge the gap between received and forecast income.

- 4.3 The introduction of a chargeable advice service represented a sea-change for the Development Management Service in the manner in which it engages with its customers with its officers being required to make a transition from free and relatively unrestricted access to engaging in detailed discussion only once a pre-application enquiry has been received and payment made. This has resulted in a number of tensions particularly with regular professional customers who have expressed frustration that their lack of access to meet or have telephone discussions with officers to undertake preparatory work or follow up on written pre-application advice is impeding their ability to efficiently progress development proposals to formal application stage.
- 4.4 During Oct/Nov. 2018 the Development Management Service held user forums with regular professional customers across Argyll and Bute. These events provided feedback that whilst the provision of pre-application advice was valued and should be retained that there was customer demand for the current service to be refined to facilitate the opportunity for initiation and follow up meetings with officers. When it was suggested that allowing free access for pre-application initiation and follow up meetings/discussions with officers could possibly give rise to significant demand upon officer time if it were to be perceived as a means of avoiding charges for written pre-application advice the professional customers acknowledged this position but responded by suggesting that there would be an appetite amongst the professional community to pay an additional charge for such access provided that this was proportionate and aligned to the costs which the Council would incur in facilitating access to its professional planning officers for such purposes.
- 4.5 The pre-application service is currently accessed by customers using a web application hosted on the Council website. The initial submission process is automated for the purpose of minimising the administrative resource required to obtain the applicant's details, details of the proposal, calculation and payment of applicable fees. Whilst it is acknowledged that the online submission system requires refinement, in particular through review and extension of the available payment options, it has proven to be

an efficient single point of access for receipt of customer enquiries and payments. It is therefore proposed that the web application be investigated along with other appropriate automated and manual systems/procedures for delivery of a chargeable appointment service intended to facilitate pre-application and follow-up discussions with office based planning officers. It is however identified at this stage that the delivery of a chargeable appointment process would be assisted through setting of fixed rate charges to provide certainty of costs to customers up front and would avoid the requirement for any complex calculations which necessitate use of officer time to provide and communicate estimated costs on a request by request basis.

- 4.6 Customer feedback has expressed a demand for a paid meeting service provided that any charges levied are proportionate and aligned to the cost to the Council of delivering the service. As noted above, the preferred option would be to levy fixed rate charges to avoid the use of administration resources in calculating the costs and securing payments for individual meeting requests, and to provide certainty of costs for customers. It is therefore proposed initially that three options be provided for 30min, 1hour and 2hour meeting slots with charges calculated upon officers hourly rate, administration costs and VAT; scope is also requested to make provision for alternative meeting durations if customer feedback to the new arrangements were to suggest that a further variation of the service is required. The proposed charges are based upon a break down of costs and the assumption that in addition to attendance at the meeting officers would also require to commit an additional 30min – 1 hour to prepare for and record the outcomes of the meeting. A 30 min meeting slot is therefore assumed to require one hour of officer resource; a one hour meeting two hours, and a two hour meeting three hours. It is not intended to offer site meetings at this time as any initiation or follow up discussion should normally be resolvable as a desk exercise therefore travel costs are not included in the cost breakdown.

4.7 Proposed charges

It is proposed that charges for written pre-application enquiries on 'local' development remain at 25% of the Scottish Government's prescribed statutory charges for planning applications with caps for local development of £800.00, and charges for 'major' developments incurring a flat rate fee of £1000.00

It is proposed to introduce additional charges for pre-application initiation and follow up meetings (face to face / telephone / video conference) as soon as practicable after agreement by Members on the following basis:

Up to 30 min meeting (including 20 min prep and 10 min follow up) - £36.00 inc. VAT

1 hour meeting (including 40 min prep and 20 min follow up) - £72.00 inc. VAT

2 hour meeting (including 40 min prep and 20 min follow up) - £110.00 inc. VAT

Scope to offer alternative meeting durations charged pro rata at £72.00 per hour for the first hour and £36.00 per hour thereafter is also sought to allow amendment of the service in reaction to future customer demand for alternative arrangements. Meetings will be charged for a minimum duration of 30 minutes.

- 4.8 Feedback from an initial telephone survey of a small number of professional customers has indicated that the scale of fees proposed for meetings is considered to be acceptable in addition to the existing charges for a written pre-application assessment. Professional customers also welcomed the prospect of a variety of fixed rate charges for different length of meeting times, and the ability to pay online when submitting a meeting request.

5.0 CONCLUSION

- 5.1 It is considered that revision of the pre-application process and introduction of new charges offers scope not only to address the shortfall in forecast demand for the service but also to improve the existing service and better tailor it to customer requirements.
- 5.2 It is recommended that the Council's scale of non-statutory charges be amended to include new charges for pre-application initiation and follow-up meetings as detailed in 4.7 above.

6.0 IMPLICATIONS

- 6.1 Policy – None
- 6.2 Financial – Expectation to improve existing income stream
- 6.3 Legal – None
- 6.4 HR - None
- 6.5 Equalities / Fairer Scotland Duty – None
- 6.6 Risk - None
- 6.7 Customer Service – Existing pre-application service would be improved to deliver additional options and flexibility requested by customers.

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