

**INFRASTRUCTURE, HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE -
17 NOVEMBER 2020**

PART I – NOT DELEGATED

7. DEVELOPMENT MANAGEMENT (PLANNING), LOCAL LAND CHARGES SEARCHES, STREET NAMING AND NUMBERING AND PARKING SERVICES FEES AND CHARGES (DCES)

1 Summary

1.1 This report provides an overview of all discretionary charges for Development Management, Local Land Charges Searches, Street Naming and Numbering and Parking.

2 Details

2.1 Development Management

2.1.1 Responding to development proposals, in the form of pre-application advice, is a service offered and encouraged by the Development Management Section. Whilst there is no legal requirement for Local Planning Authorities (LPAs) to undertake pre-application discussions it is widely accepted that offering pre-application advice is good practice. It allows for the early identification of issues and contributes towards both quality outcomes and the avoidance of delays in the formal submission process. It is a fundamental part of the Development Management Section's role specifically in terms of customer service. The National Planning Policy Framework (NPPF) recognises that early engagement has significant potential to improve the efficiency and effectiveness of the planning application system for all parties.

2.1.2 Planning pre-application fees were introduced by TRDC in 2011. An increase in fees was made in 2013, a further increase of 10% was made to the fees in 2013/14 and further increases were made to some of the categories, as agreed by Members at the Sustainable Development, Planning and Transport Committee in November 2015. The most recent increase was a 20% increase to all pre-application fee categories in January 2018 which coincided with a 20% increase nationally to statutory planning application fees. A 'follow-up' fee was also introduced to cover situations where applicants/agents wish to submit amended plans for comment having had regard to initial pre-application advice. Following a review last year a fee was also introduced for householder meetings (from 1 April 2020). These meetings had not previously been offered, however, there was demand and therefore an opportunity for additional income to be generated. In addition to providing an additional income, it was also felt that the introduction of householder meetings where appropriate, would add value for the customer ahead of submission of a formal planning application. **Appendix A** details the existing scale of pre-application charges. As a benchmarking exercise we regularly review the pre-application fees being set by other Hertfordshire Authorities to ensure that our charges are on a par with others. We have also introduced bespoke fees on major schemes (500+ dwellings) which enables us to tailor the pre-application service. In relation to a pre-application enquiry for up to 1500 homes and supporting community uses the LPA has recently agreed a bespoke pre-application fee of £27,840 to cover a number of meetings over an approximate 6 month period.

2.1.3 A comparison table of planning fees and pre-application fees is provided in **Appendix B** (note that the development categories are not all directly comparable). The table demonstrates that the majority of pre-application fees are not significantly lower than

the equivalent planning application fee. Whilst the Council wishes to encourage and promote the formal pre-application route and fees need to cover the cost of providing the service, consideration has to be had to the equivalent planning application fee in order to ensure that take up of the formal pre-application service remains.

- 2.1.4 Whilst the gap between the pre-application and application fee for householder applications is greater, this is to ensure that the formal pre-application service remains a viable option for residents of the District and to encourage residents to take this route over the free duty planner service that is also provided. The benefit of the formal approach being the completion of a site visit and the preparation of a detailed written response. The householder fee was increased by 20% in January 2018. In addition and as noted above, a householder meeting fee was introduced in April 2020 which provides an additional income stream.
- 2.1.5 Due to the current Covid-19 pandemic, the free 'face to face' Duty Planner Service has been suspended, however, a free Duty Planner Service for householders remains via phone and email, although householders are required to go through the formal fee paying route if they wish to submit plans for written comment or wish a site visit to be undertaken. The Duty Planner service is regularly monitored to further Officers understanding on how this service is used.
- 2.1.6 It is also relevant that other Statutory Consultees have introduced their own charges for pre-application advice. Currently Hertfordshire County Council Highways Authority, the Environment Agency and HCC Lead Local Flood Authority all have their own pre-application charging. These fees are in addition to the pre-application fees of TRDC. In considering pre-application fees, Officers are mindful that, with additional pre-application charges to pay, applicants may seek to avoid pre-application if the costs become too high.
- 2.1.7 Having regard to the detail above, it is not recommended that pre-application fees be increased, however, this should continue to be reviewed annually.
- 2.1.8 The proposed pre-application fees therefore remain as set out in **Appendix A**.

2.2 Local Land Charges

- 2.2.1 LLC fees are charged on a cost recovery basis under the LLC Act 1975 (as amended) and the LLC Rules 1977.
- 2.2.2 In Three Rivers DC there has been a continued increase in Personal Searches carried out by an agent which result in nil income to the Council, as opposed to official Search requests to the local authority. This appears to reflect a general national trend and has steadily impacted on income levels (although more recent impacts have been as a result of the current pandemic and reduced activity in the housing market in the early part of 2021/22). Personal Searches are free of charge under the Local Authorities (England) (Charging for Property Searches) 2008 Act and the Environmental Information Regulations.
- 2.2.3 As part of the current trend, this increase in Personal Searches reflects an increasing presence of conveyancing companies who undertake the Search as part of a wider package of house buying/selling. These agents promote the Personal Search route. However, they are not official Searches and the Council has recently introduced new procedures to make this clear to customers on the documentation sent out.

- 2.2.4 Official Search fees were last increased in 2016 and then more recently from 1 April 2020. There is a risk that any increase in fees could result in more customers choosing to carry out Personal Searches rather than official Searches, resulting in further loss of income, but the increase is in line with inflation and it is considered appropriate to increase the fees. There is also a small % increase in specific fees, for example parcels of land. These are detailed in **Appendix C**.
- 2.2.5 In July 2016 additional questions relating to Highways matters were introduced in official Searches necessitating the majority, if not all, of the Search enquiries to be sent to Hertfordshire County Council. The HCC charges were increased as a result of the additional enquiries, and it is awaited whether their charges will increase further from 2021/22. Officers are now reviewing which Searches they send to HCC which is a decision based on local knowledge, costs, resource and risk level. This is continually monitored.
- 2.2.6 The existing and proposed new fees are attached at **Appendix C**.
- 2.2.7 On 1 April 2020 revised fees were introduced for street naming and numbering applications. Whilst it is not possible to charge for the allocation of an initial address, as this is not a discretionary function, new fees were introduced under Section 93 of the Local Government Act 2003 to cover the administration of notifying statutory undertakers of new addresses and the amendment to existing addresses, as these services are both discretionary. The fees were set at a level considered compatible with cost recovery. A further 3% inflationary increase is proposed to cover service costs. The existing and proposed fees are attached at **Appendix D**.

2.3 Parking Services

- 2.3.1 Whilst a number of Parking Services fees/charges are discretionary, the review of the Parking Service continues. Since April 2016 a number of the discretionary charges have been increased and Members and Officers are continuing to investigate the service provision. It is not considered appropriate to individually increase fees/charges further at this time.

3 **Options and Reasons for Recommendations**

3.1 Development Management

- 3.1.1 It is recommended that pre-application fees are not increased at this time, however, the use of this service will continue to be monitored.

3.2 Local Land Charges

- 3.2.1 It is recommended both Local Land Charges Search fees and street naming and numbering fees are increased by 3%. These services are provided on a cost recovery basis.

3.3 Parking Services

- 3.3.1 It is recommended that parking fees are not increased at this time considering the ongoing review of parking services.

4 **Policy/Budget Reference and Implications**

- 4.1 The recommendations in this report are within the Council's agreed policy and budgets.

5 Equal Opportunities, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website

5.1 None specific.

6 Financial Implications

6.1 As part of the Council's strategic, service and financial planning process for 2020/21, the Policy & Resources Committee approved (Minute No PR 31/19 refers) the assumption for services to factor into their forecasts a 3% increase in all fees and charges that are not set by statute. However, Heads of Service would need to take account of demand, affordability and vulnerability.

6.2 Whilst there is no proposed increase in pre-application fees, the current demand for the existing pre-application service is expected to balance the income budget.

6.3 Street naming and numbering fees and Land Charges fees are to be increased by 3%. These services are provided on a cost recovery basis. The service costs have been reviewed as part of this proposed increase.

6.4 The Parking Services budgets including fees and charges are being continually reviewed as a separate exercise.

6.5 Budget Variances for the additional income from fees and charges are detailed below:

	Additional Income Generated		
Latest Budget 2023/24	Latest Budget 2021/22	Latest Budget 2022/23	Latest Budget 2022/23
Searches	(3740)	(3740)	(3740)
Property Naming	(90)	(90)	(90)

6.6 If approved, these increases will be factored into the Medium-Term Financial Plan as part of the Council's budget setting report for approval by the Policy and Resources Committee in January 2021.

7 Legal Implications

7.1 The Council has the power to charge for discretionary services under Section 93 Local Government Act 2003 but the income received must not exceed the costs of providing the service.

7.2 In accordance with Statutory Guidance, the Council are not able to increase charges for parking to create a surplus and parking income targets should not be set. Any surplus arising from parking charges and income can be used to meet a deficit or be spent on parking services with off-street income used more widely to balance the parking account (for example inclusive of aspects such as car park maintenance costs, Officer salaries). Surplus income can also be used to balance previous deficits in the parking service.

8 Equal Opportunities Implications

8.1 Relevance Test

Has a relevance test been completed for Equality Impact?	No
Did the relevance test conclude a full impact assessment was required?	N/A

9 Risk and Health & Safety Implications

- 9.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.
- 9.2 The subject of this report is covered by the Regulatory Services Plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this/these plan(s).

Nature of Risk	Consequence	Suggested Control Measures	Response <i>(tolerate, treat, terminate, transfer)</i>	Risk Rating <i>(combination of likelihood and impact)</i>
Any fee increase could result in the public and their representatives (i.e. solicitors) choosing not to use the Local Authority for undertaking Local Land Charges Searches	Reduced use of service and resulting reduction in income	Monitoring service use	Tolerate	4
Any fee increase could result in applicants choosing to not use the discretionary part of the street naming and numbering service.	Reduced use of service and resulting reduction in income	Monitoring service use	Tolerate	4
If pre application fees are increased applicants may choose not to use the pre-application service, giving	This could impact on both income and service performance	Monitoring service use	Treat	9

officers less input at an early stage in the planning process. Additional increases in parking fees and charges could result in customers not utilising the Council's Parking Services	including national PIs This could result in unmanaged and displacement parking. This will impact on income and result in poor management of parking provision with potential highway safety concerns.	Monitor service use	Treat	9
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9.3 The above risks are scored using the matrix below. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood scores 6 or less.

Very Likely ----- Likelihood ----- ▼ Remote	Low	High	Very High	Very High
	4	8	12	16
	Low	Medium	High	Very High
	3	6	9	12
Low	Low	Medium	High	
2	4	6	8	
Low	Low	Low	Low	
1	2	3	4	
Impact				
Low -----▶ Unacceptable				

Impact Score

4 (Catastrophic)

3 (Critical)

2 (Significant)

Likelihood Score

4 (Very Likely (≥80%))

3 (Likely (21-79%))

2 (Unlikely (6-20%))

1 (Marginal)

1 (Remote (≤5%))

9.4 In the officers' opinion none of the new risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore operational risks. The effectiveness of the management of operational risks is reviewed by the Audit Committee annually.

10 Recommendation

10.1 That the Committee agree the following recommendations:

- i) There is no change to the fees and charges associated with the Development Management pre-application service. The existing fees and charges are accepted into the Committee's budgets, which are recommended to the Policy and Resources Committee.
- ii) There is no change to the fees and charges associated with the Parking Service. The existing fees and charges are accepted into the Committee's budgets, which are recommended to the Policy and Resources Committee.
- iii) Fees and charges for Local Land Charges and street naming and numbering are increased in line with inflation at 3%.

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Data Rating:

1	Poor	
2	Sufficient	X
3	High	

APPENDICES / ATTACHMENTS

Appendix A – Existing and proposed Pre Application Service fees

Appendix B – Full Planning Application and Pre-Application Fee Comparison Table

Appendix C – Current and Proposed Local Land Charges fees

Appendix D – Current and Proposed Street Naming and Numbering fees