

**Cabinet**

**6<sup>th</sup> March 2012**

Report of the Cabinet Member for City Strategy

## **Pre application Advice Service Review**

### **Summary**

- 1 This report assesses the operation of the formalised pre application service for planning advice which was introduced on 4<sup>th</sup> January 2011, and provides options for the delivery of the service going forward. It sets out the extent to which the service has been used in terms of the number and type of queries received, and the number leading to applications.

### **Background**

- 2 The fee based pre-application advice service at York was established in conjunction with a number of changes to the Development Management Service including:-
  - Development of web based information to improve “self-service” for many customers.
  - Proportionate use of resources to ensure that commercial and major schemes were afforded appropriate officer input.
  - Move to more efficient electronic working including document management and roll out of “e-consultation” to consultees, Parish Councils and Planning Panels.
  - Further training and development of customer contact centre staff to be able to deal with an increased number of routine planning enquiries.
- 3 Prior to January 2011, the pre application service comprised a formalised system of advising householders as to whether permission and building regulations was required for alterations to dwellings. At £36, the fee for this discretionary ‘Do I Need Permission’ service was nominal, much less than that being charged at adjacent authorities (for example the Hambleton Council charge is £60).

- 4 For advice relating to whether permission would be likely to be granted, contact from developers was received across a range of services within the Directorate. Cases coming direct to Development Management (DM) were logged, but there was no single point of contact within the Directorate as a whole, which at times lead to uncertainty amongst developers and also administrative issues as to which section would be taking the lead. Given that the emphasis was on dealing with planning applications (for which sometimes substantial fees had been paid), the provision of informal advice inevitably received less priority.
- 5 The formalised service was introduced to ensure there was a consistent and structured approach to enquiries, with timeframes for dealing with them. The service provides the following benefits for prospective applicants :-
  - An understanding of how national, regional and local guidance and policies will be applied to the proposal.
  - Potential for reducing the time that professional advisors may spend in working up the proposals for submission.
  - An indication of those proposals that are completely unacceptable, so saving the cost of pursuing a formal application.
  - Written confirmation of the advice given at the pre-application stage, that can then be submitted in support of any subsequent application.
  - A primary point of contact from City of York Council to manage the process, particularly for larger scale developments, from pre application enquiry to implementation on site.
- 6 A protocol for dealing with enquiries was developed (see Annex 1). The provision of advice remains discretionary, but without it planning applications that are received 'cold' can take longer and prove costlier for applicants to resolve at the formal stage. In order for the level of resource to be maintained to be able to provide a service in York, a fee system was introduced (Annex 2). All the adjoining Local Planning Authorities now charge for discretionary planning advice, and it is common practice amongst local authorities nationally. Whilst the fees do not cover all of the costs involved, it was necessary to help maintain staff resource in the directorate to help provide advice.
- 7 The number of advice requests and income received in the first year of operation (January 2011 to December 2011) is shown at Annex 3.

- 8 From the 300 'will I get permission' requests received last year, 103 have to date been followed by the submission of an application. Some of the cases are still ongoing, and so a higher final number of follow up applications is likely. The purpose of the advice is of course not only to facilitate acceptable applications, but also to advise where the likelihood of gaining permission is low – thus allowing the enquirer to decide whether or not to commit resources to working up an application.
- 9 Further analysis of the enquiries shows that the average time to send an acknowledgement from receipt of the request was 5 working days and the average time to deal with the pre-application from submission was 26 working days.
- 10 When the new regime was introduced a number of discussions regarding larger sites including those of strategic importance at York North West York Central, and Castle- Piccadilly, were ongoing, and the well established development team approach was operating. It was agreed that for these discussions there would be no fee requirements at least for the first 12 months. Therefore a significant amount of pre application income to support this work was not generated despite the amount of officer time being devoted to them.
- 11 During the initial months of the new service up to April 2011, the income generated was relatively modest. However for the current financial year, income from the service already exceeds the budget target of £100,000. And as the service and charging regime becomes more established and widely applied, a higher level of income is anticipated for 2012/13. A budget requirement of an additional £50,000 income has been set .

### **Consultation**

- 12 Early feedback on the pre application advice service was gathered at an agent and developer forum in April 2011. The consensus at that time was that the information and guidance received at the informal stage had improved, and that time scales have also been reduced. Despite the new fee requirement, most agreed that the receipt of a more comprehensive and timely response was worth the cost.
- 13 All of the users of the service in the first 12 months have recently been consulted via an online questionnaire (see Annex 4). 41 responses were received. The results generally indicate that those

replying felt they had received good advice from the Authority but that there were issues for most respondents in relation to the speed of the service and responsiveness. The relatively low number of responses suggests that most were satisfied with the advice given and had moved on to either submit and application or consider other options. Most will not be likely to engage with the service on a regular basis such that the request and any subsequent application would be a 'one off' engagement.

- 14 Users were also asked to suggest improvements to the service. These are summarised at Annex 5.
- 15 Providers of the service (i.e. staff within the Directorate) were also asked to give their opinions on the delivery of the service, in terms of what works well, what problems are encountered and what improvements could be made. Again these are summarised at Annex 5

#### Analysis of comments received

- 16 The helpfulness and quality of the comments are generally highly rated by the respondents. From these perspectives the service appears to represent value for money. A main issue raised by them is the time taken to register cases and then for officers to deal with them. Contributory factors in these cases appear to be:-
  - Previous rationalisation of the administrative resource within DM and the recent Directorate restructure which has altered the management arrangements of the relevant team, and affected the level of support available to initially register the queries. It is anticipated that once the transition to the new working arrangements has been completed that a more consistent and efficient registration process will result.
  - Officer capacity to deal with application and associated casework (e.g. conditions discharge). The significant number of large scale major and more complex applications currently within the system inevitably stretches the available resources. Staff within the Design, Conservation and Sustainable Development (DCSD), Major Developments Projects and Initiatives (MDPI) and other teams such as Highway Network Management also have other priorities within their workloads, and are involved in providing specialist advice to the larger schemes with the authority.
  - The dependence on a number of internal consultee groups for their responses before being able to provide properly considered and comprehensive feedback. Again input to pre

application enquiries has to compete with other workloads and priorities.

- 17 The user comments are in part reflected within the comments of the staff delivering the service. For example the time available to deal with the queries along with other workloads is highlighted. Other technical and administrative issues are raised. However staff also state that the regime results in clearer information being submitted upon which to base advice and that overall there is a more equitable and more consistent approach to handling enquiries. Informal feedback received by staff is that from users is that on the whole the system is well received.
- 18 From the suggestions made to improve the service a number of improvement themes emerge:-
- Reiteration and follow up training of staff on when to provide straightforward free advice, how to ensure enquiries are properly logged (for staff in DCSD and MDPI), and how to record advice given and communicate it. Simplification of the regime in terms of follow up enquiries (currently a 'half price' follow up query is included which can create inconsistency as to when it should be applied and discourage further dialogue) may also assist.
  - Clarification of categories of pre application enquiry to ensure appropriate staff are dealing with them e.g. possible need for a listed building advice enquiry where no DM officer input needed at that stage. A new Highway Advice category has been suggested; although where the enquiry does not relate to a potential planning submission and is a purely highway matter, this would be best administered by Highway Network Management as Highway Authority. However where the level of specialist input to a planning enquiry is significant, for example where detailed traffic modelling or protracted affordable housing negotiations are involved, additional charges would be appropriate.
  - The need to give pre-application enquiries sufficient priority. A new performance monitoring system to ensure appropriate priority is given to 'pre-apps' and that they are dealt with equitably would be beneficial.
  - A number of technical improvements to the electronic system and the process employed to distribute and communicate enquiries

- Potential for establishing ongoing working and fee arrangements with larger organisations and developers in the City who either:-
  - a) regularly submit pre application advice requests.
  - b) have large scale longstanding pre application schemes being developed collaboratively with the Council.
 This would help to remove the administrative costs of receiving individual payments for each pre application enquiry, and give certainty that time spent by a range of staff on larger projects is appropriately recognised.

- 19 With regard to some of the other suggestions, the removal of the fee for the 'Do I need permission' categories would result in a significantly reduced income despite a considerable amount of discretionary work being involved. For example the 611 householder enquiries dealt with last year all required a detailed assessment of the information supplied against the permitted development regulations, further check of the planning constraints e.g. conservation area, green belt etc and an assessment as to whether Building Regulations approval is also required. The removal of the 'Do I need Permission' charges, at a loss of over £30,000 would make it very difficult to achieve the additional £50,000 income target for 2012/13. Also the creation of a sliding scale of fees and time based fee system would complicate to the system, which is not intended to operate on a full cost recovery model.
- 20 Whilst very simple verbal advice and face to face discussions can and do form part of the pre application service, an important aspect of it is the provision of written advice to developer, which gives the comfort of a considered opinion. There is then less scope for misunderstanding or confusion as to the interpretation of any advice given which can occur if only verbal advice is given. The level of service offered which in most cases includes a site meeting is set out in the protocol at Annex 1.
- 21 The VAT receipt is incorporated into the acknowledgment letter which many users have found to be satisfactory for business purposes.

### **Options**

- 22 The options suggested to the Cabinet are:
- a) Continuation of the service but with:-

i) Refinement of the administration of the service in light of the user and staff comments received;  
ii) Modest increase in charges to recover more of the costs of provision, as required in the budget.

b) As (a) plus :-

i) Simplification of the fee structure for applicants by removal of the second fee for follow up enquiries (but with the right to charge for significantly different scheme);

ii) Removal of the 'Do I need Listed Building Consent' advice category in Section A (covered by the other categories) and addition of listed building advice category in Section B of the schedule (see Annex 6)

iii) Clarification that more technical and complex specialist input to pre application enquiries (e.g. for detailed traffic modelling) may incur additional charges. For large scale schemes where a bespoke fee is agreed, these can be identified when the enquiry is first scoped.

c) As (b) plus introduction of fees for ongoing schemes where no charge has been made for the last 12 months, and establishment of 'retainer'; fees for regular developers and organisations in the city.

### **Analysis of Options**

- 23 Option (a) would include a number of measures as suggested by users and staff to ensure that all enquiries were dealt with in a more timely way – with changes to the way they are received, distributed and how they are monitored to ensure that none are left without a final response for an unacceptably long period. As the restructure of the Directorate beds down, the issues that have been raised regarding delays will begin to be resolved . More effective processes are being developed to process cases. Similarly as staff becomes accustomed to applying the pre application regime it is anticipated that the number of enquiries and the income generated will increase. A modest increase in the charges will further assist with achievement of the target set for the new financial year.
- 24 Option (b) seeks to add further refinement of the regime, to clarify and simplify it by removing the charge for follow up enquiries and to recognise the distinct set of enquiries dealt with solely by the conservation staff within DCSD. These enquiries can sometimes

require detailed advice and discussions, and therefore a charge similar to that for the 'other' category is suggested.

- 25 Option (c) seeks to ensure that the Council's commitment to a number of important projects is acknowledged, and to demonstrate to other developers that are now paying the pre application charges that the regime is being applied fairly and consistently. The 12 months 'period of grace' is considered to have been a reasonable length of time for those with longstanding discussions to adjust to the new arrangements.
- 26 Option (c) also suggests that the regular and larger developer and organisations in the city should be invited to pay an annual charge for the pre application engagement . As stated previously this would reduce time spent negotiating fees for larger sites, provide certainty of income and certainty for developers that the authority is able and committed to providing appropriate advice.

### **Council Plan Priorities**

- 27 The provision of a responsive and comprehensive pre application advice service assists in the delivery of the following priorities:-
- Create Jobs and Grow the Economy – Early identification of issues with development proposals can significantly reduce the time and effort expended by developers and investors, who may otherwise have to either amend or abort well advanced plans at the later formal stage. The Council can help to facilitate schemes that are viewed as acceptable and desirable for the city, reducing the decision making process and helping to ensure that the interests of the community are considered from the outset (again helping to minimise controversy, the prospect of challenge etc).
  - Protect the Environment – The shaping of schemes from an early stage can ensure that the environment is given appropriate consideration throughout the process. Early identification of issues such as wildlife protection requirements can allow survey and mitigation work to be factored into the development timeframes, reducing overall delays and costs at the later formal stages.
  - Get York Moving – Advice on the provision of appropriate transport measures, including for example incorporation of the costs of proper cycle storage facilities, or of travel plan



requirements during formulation of schemes, helps to ensure such measures and costs are taken into account to at an early stage. The service provides the opportunity to influence and coordinate new proposals in the City from the small scale to strategic level, to ensure that consideration of this Council priority is at the forefront of all future development.

## **Implications**

### Financial

- 28 As raised above, the income generated by the service now makes an important contribution to the Directorate budget and has helped to ensure that the service can be maintained. Consistent implementation of the fee structure and the measures proposed at option (c) would ensure the income target of £150,000 for 2012/13 is achieved.

### Human Resources

- 29 No HR implications arising

### Equalities

- 30 No equalities issues raised by this report

### Legal

- 31 The pre application advice service is discretionary and is chargeable under the provisions of the Local Government Act 2003. The Act, however, restricts Councils to recovering the costs of the service. Taking one year with another the Council is not entitled to run the service at a profit.

### Crime and Disorder

- 32 There are no direct crime and disorder implications arising from this report.

### Information Technology

- 33 No implications. Existing IT systems can be utilised in implementing improvements.

Property

34 None.

Other

35 None.

**Recommendation**

36 That the Cabinet:-

- (i) Approve option (c) as set out above i.e.:-
  - Refinement and enhancement of the service combined with modest increase of the fees to recover more of the costs of provision as required in the budget
  - Removal 2<sup>nd</sup> charge for follow up queries and add listed building advice category
  - Introduction of fees for ongoing schemes where no charge has been made for the last 12 months; establishment of 'retainer'; fees for regular developers and organisations in the city, and provision for additional charges to be levied where significant detailed or complex specialist input becomes necessary.
  
- (ii) Approve the schedule of fees as set out in Annex 6

Reason: In order to continue to provide a consistent and structured approach to enquiries, within the required timeframe.

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**Wards Affected:** All

**For further information please contact the author of the report.**

**Annexes**

- 1) Pre application Advice Protocol
- 2) Current Schedule of Charges
- 3) Cases received 4.1.11.to 31.12.11
- 4) User Questionnaire results
- 5) User and Staff comments
- 6) Proposed Schedule of Charges 2012/13