

North East Derbyshire District Council

Services Scrutiny Committee

Tuesday 13 May 2025

Review of chargeable pre-application advice service to date.

Report of the Assistant Director for Planning

Classification: This report is public

Report By: David Thompson – Assistant Director of Planning

PURPOSE / SUMMARY

To update Members on early performance, issues arising and feedback received following the introduction of a chargeable pre-application advice service, which came into effect on 02 September 2024 (following approval by Cabinet at their meeting on 18 July 2024.)

RECOMMENDATIONS

1. That Members note the contents of the report.
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IMPLICATIONS

Finance and Risk: Yes ☒ No ☐

Details:

Charging for pre-application advice provides an income stream to support proposals for additional resources within the Planning Service and will reduce the reliance on the general fund to subsidise the cost of delivering pre-application advice.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes ☒ No ☐

Details:

Powers are delegated to Assistant Directors under section 22 (Delegation of Council Function and Executive Functions to Officers), paragraph 9.9 of the constitution to 'decide the terms upon which services will be provided to the public (which may

include providing services on different terms to different individuals or classes of individuals.)' The introduction of a chargeable pre-application advice service was covered by this delegation but Cabinet approval was advisable given that this would be a new charge.

On Behalf of the Solicitor to the Council

Staffing: **Yes** ☐ **No** ☐
Details:

No significant adverse staffing implications directly arise from charging for pre-application advice, other than a shift towards time spent negotiating with developers at this stage rather than during the determination of formal applications. This shift in culture is ongoing but will not require additional resource within the Development Management team to deliver.

On behalf of the Head of Paid Service

REPORT DETAILS

1 **Background** *(reasons for bringing the report)*

1.1 As Members will recall from a report presented to the September 2024 meeting of the Scrutiny Committee, a chargeable pre-application advice service was introduced by the Planning Service on 02 September 2024. A structured, chargeable service was introduced to address the following 'weaknesses' in the pre-existing informal pre-application advice offer:

1. No clear expectations in terms of how much time officers will spend providing pre-application advice and what information is required from customers to be able to provide appropriately detailed advice; and
2. The cost of officer time to provide the service is borne entirely by the General Fund.

1.2 The chargeable service aimed to resolve the above issues through the following:

1. A fee for each category of pre-application advice based on the actual cost associated with providing the advice (based on a time-recording exercise);
2. A list of documents required to 'validate' a pre-application advice request which is included within the published fee schedule, allowing customers to submit as much information as they would like feedback on;

3. A set of service standards that outline what the customer can expect from the Council and a target response time for each category (this being determined on a case by case basis for larger schemes); and
 4. A system that allows clear monitoring of performance through the registration of all pre-application advice requests on the department's document management system and the introduction of Key Performance Indicators in relation to response times.
- 1.3 An Agent's Forum was held in July 2024, to seek feedback from a group of approximately 25 people/companies who regularly submit planning applications to the District Council on behalf of developers and landowners. The principle of introducing a charging schedule was discussed at that meeting, along with indicative fees, but the full details of the service were not available for discussion at that time.
- 1.4 The feedback on the pre-existing service was positive and some concerns were raised about not being able to get instant, free advice from a planning officer. There was, however, generally positive or neutral feedback on the proposal to introduce a more structured and fee based service, reflecting the fact that the vast majority of the Councils both in Derbyshire and the wider region already charged for this advice.

2 Overview of the first 6 months of the chargeable service.

- 2.1 The Service received a total of 76 pre-application advice requests that incurred a fee in the first 6 months following the launch of the service, generating an income of approximately £18,500 (once VAT accounted for.) This was below the 'indicative' target of £20,000 for the period when officers were considering budget setting.
- 2.2 For context however, planning application fee income was £50,000 below the £620,000 budget target, similar (but slightly higher) than the pre-application advice deficit and indicative of the enduring economic climate, which has seen planning application numbers reduce nationwide. It is also important to note that planning application fee income went from being 5% over target in September 2024 to 20% below the £620,000 target by the end of the financial year (the same period for which we have been charging for pre-application advice).
- 2.3 In the 3 years that preceded pre-application advice charging, the average number of enquiries submitted was approximately 250 per annum, about 40% more (pro rata) than the number of enquiries submitted in the first 6 months of the chargeable service.
- 2.4 A drop in the number of enquiries was expected, this has been the case at other Councils once a chargeable service has been introduced. A more structured service means that people are less likely to ask non-specific questions of case officers, the likes of which were being recorded as informal enquiries previously and took up a lot of officer time, without being detailed enough to influence the content of a planning application. The significant drop in application fee income

over the 6 month period is also indicative of a decline in overall activity and it is reasonable to assume that pre-application advice requests would follow a similar trend.

- 2.5 What we need to avoid is a situation where the fees for pre-application advice are seen as prohibitive and lead to an increase in the submission of poorer quality planning applications. Taking householder enquires (charged at £60 unless a listed building, in which case £160), we received 47 enquiries during the first 9 months of 2024. We received 22 householder enquiries in the first 6 months of the chargeable service, representing a 38% reduction pro rata. There was a 25% drop in the number of householder applications received during the same period.
- 2.6 These figures suggest a need to continue monitoring, but they do not indicate to officers that the cost of pre-application advice has been a significant deterrent to customers who are keen to pursue a householder development. The fee of £60 was approximately £10 below the average charge for householder pre-application advice in the EMCA region at the time of the benchmarking exercise in late 2023.
- 2.7 At the other end of the spectrum, there are 4 categories covering various scales of major development, reflecting the difference in resources required to provide pre-application advice on a scheme for 10 dwellings compared to one of several hundred dwellings and equivalent differences in the size of commercial schemes.
- 2.8 Taking major scale pre-application advice requests as a whole, 16 were submitted in the first 9 months of 2024, with an average of 28 enquiries submitted in 2021 and 2022 (full years). A figure of 9 major pre-application advice requests since charging was introduced represents a 25% decrease, commensurate with the fee income drop during the same period.
- 2.9 Again, therefore, officers consider that this is a situation that needs ongoing monitoring, but there is no evidence to suggest that poor quality major schemes are being submitted at application stage to avoid paying for pre-application advice.

3 Feedback from service users:

- 3.1 Officers are mindful that a key measure of how the department is performing is the feedback that we receive from the regular users of the service. A second Agent's Forum was held in March 2025, with an agenda sent out in advance that included an opportunity for feedback on the new pre-application advice service.
- 3.2 The overwhelming response from the 20 or so attendees was positive. There was no negative feedback in relation to the amount that we charge for each category, or the nature of the categories between small and large scale schemes. Very positive feedback was given in terms of the standard and detail of planning officer responses.

- 3.3 The main area of concern was around the input from consultees and officers are aware that this is an issue on which we need to make progress. We have an informal arrangement with Derbyshire County Council (DCC) that their officers will provide a brief 'in principle' comment in relation to their area of expertise (e.g. as Local Highway Authority) and that officers will relay this as part of our overall response to the pre-application submission, with the caveat that, where appropriate, further advice will need to be sought from DCC on those matters, prior to the submission of a planning application. DCC charge for some of those services and we make that clear in our response letter. Feedback from the Agent's Forum indicated that overall, this approach is working well.
- 3.4 We need to get to the same point with some other consultees and officers are in dialogue with them about how this might be achieved. Where Service Level Agreements are in place, for example, we are exploring how these can be expanded to include expectations around pre-application advice and potentially whether we introduce additional charges for the input of those consultees on relevant cases, as we currently do for the District Council's Arboricultural and Conservation Officers.
- 3.5 The Assistant Director will continue to lead these discussions, with the aim of being able to form these arrangements with the affected consultees and communicate these back to a meeting of the Agent's Forum later this year.
- 3.6 Reference was also made at the March Forum to the validation criteria for pre-application advice. This differs from the validation of planning applications in that the submission of more technical information at the pre-application stage is voluntary, with the scope of the officer response narrowed down (and acknowledged as such) according to the information provided.
- 3.7 Specifically, the issue of design reviews being required on major schemes at the pre-application stage was raised. It was however also made clear that the Forum overall agreed that the value of pre-application discussions is that they (should) translate to quicker decisions at the application stage. On a major application, design will be one of the main risks to a quicker decision and as such, officers consider that the current approach is proportionate, given that the Local Planning Authority's performance is measured in terms of the timelines of decision making on applications.
- 3.8 An action that officers have however taken away from the Forum is to discuss the structure of design reviews with our delivery partner. In particular, we are exploring whether we can promote more widely the use of focussed sessions that reduce the cost to the applicant, but still allow officers and prospective applicants to benefit from the expert design advice. The results of this process will also be fed back to a future meeting of the Agent's Forum.

4 Monitoring of performance

- 4.1 In the last quarter of 2024/25, we issued 67% of major scale pre-application enquiries within the 10 weeks from receipt, or within an extended timeframe (which must be agreed in writing between the pre-applicant and the case

officer). For minor scale proposals (including householders), 88% of the responses were within the target timescales. The Service Plan target for both categories is that 95% would be within time.

- 4.2 Performance in relation to major pre-application advice requests does need to put into context as only 3 responses to pre-application requests on that scale were issued during that quarter. Other enquiries were also only 7% below target. Nevertheless, we want to be in a position where performance targets are routinely met, not least because any extension over the target does need to be agreed by the customer, to ensure that we are delivering a good service.
- 4.3 There is, therefore, some work to be done to make sure that there is an agreed approach between all officers to when extensions of time will be sought and how they are recorded. At this stage however, this is not a cause for concern and this matter has not been the subject of formal complaints. However, the necessary steps to deliver improved results, which mirror those currently established for recording extensions of time on planning application decisions, have been discussed within the team and should result in an improvement in the coming quarters.

5 Conclusion:

- 5.1 Officers consider that the early signals from the first 6 months of the structured and fee based pre-application advice service are overwhelmingly positive. There is a more consistent approach to the timeliness and detail of the advice given by officers across the team and use of the document management system to record the responses allows for both continuity of officer between pre-application and application stages but also allows for more accurate performance monitoring.
- 5.2 The feedback from the recent Agent's Forum also indicates that the decision to charge and the extent of the pre-application offer are broadly in line with what is common practice across the region and beyond. Discussions about re-investing the income raised from charging for pre-application advice and Planning Performance Agreements into providing more resource and capacity within the service are at an advanced stage.
- 5.3 Both the income levels and the timeliness of responses (both to the overall enquiries but also the input of technical consultees) need to be closely monitored, as set out in the main body of this report.
- 5.4 The conclusion of officers at this stage is that the decision to charge for and improve the clarity pre-application advice offer was a positive decision the financially but also in relation to modernising the Service, empowering officers and forming the basis for further, smarter ways of working in the future.

5.0 Reasons for Recommendation

- 5.1 To ensure that Members are aware of the changes that have been implemented to the provision of pre-application advice by the Planning Service.