

FEES AND CHARGES REPORT

APPENDIX 11 - PLANNING AND DEVELOPMENT SERVICES

1. Service description

The Planning and Development service has a number of Fees and Charges namely:

- **Planning application fees** – statutory set fees by Central Government that are dependent upon type of application and development. The fees were last increased in January 2018, and prior to that, November 2012. In July 2023, draft legislation has been laid before Parliament which proposes to increase planning fees by 35% for applications for major development and 25% for all other planning applications. They also propose to introduce an indexation mechanism so that planning fees are increased annually in line with inflation or, if lower, 10% from 1st April 2025. In the event that there is deflation, the fee will not be adjusted.
- **Pre application advice** – a non-statutory optional, enhanced service to encourage early engagement, improve customer experience and reduce time spent on invalid applications by identifying potential issues prior to plan submission. Pre-application engagement and “front-loading” is actively encouraged by national planning policy. Fees for this service can be set locally by WLDC.

WLDC adopted Community Infrastructure Levy (CIL) at Council on 13 November 2017. The implementation of CIL took place on 22 January 2018 which means that any qualifying planning decision made after this point is subject to a CIL charge. As a result, CIL is charged on the majority of new residential dwellings and (convenience) retail buildings over 100m² to ensure that development contributes towards the infrastructure needed to support growth in West Lindsey.

2. Prior years analysis, current financial year projections

The tables below illustrate the levels of income received 2020/2021, 2021/2022 and 2022/2023 and the latest forecast for 2023/2024.

Income achieved	2020/21 (£)	2021/22 (£)	2022/23 (£)	2023/24 Forecast (£)
Pre-application fees	(58,777)	(94,270)	(49,865)	(60,000)
Total Income	(58,777)	(94,270)	(49,865)	(60,000)
Budget	(62,100)	(67,700)	(71,700)	(72,500)
Income Achieved (Above)/Below Budget	3,323	(26,570)	21,835	12,500

Income achieved	2020/21 (£)	2021/22 (£)	2022/23 (£)	2023/24 Forecast (£)
Planning fees	(1,029,421)	(968,498)	(1,060,513)	(987,200)
Total Income	(1,029,421)	(968,498)	(1,060,513)	(987,200)
Budget	(937,500)	(900,000)	(945,000)	(987,200)
Income Achieved (Above)/Below Budget	(91,921)	(68,498)	(115,513)	-

CIL contributions are excluded from the figures in the table above. For a full CIL summary please refer to the infrastructure funding statement published on West Lindsey District Council's website at:

<https://www.west-lindsey.gov.uk/planning-building-control/planning/community-infrastructure-levy-cil>

3. Price

As the planning application fees are statutory set we are unable to do any impact analysis.

The proposal is for the pre-application advice fees to be increased by inflation at 6% rounded to the nearest pound.

There has been a continued focus on reducing overhead service costs through more efficient practices. Planning files are now digital / online, and measures are in place to reduce the demand for site visits, and the service is in the process of securing a new Development Management operating system with the intention of making further efficiencies.

4. Understanding Customers and Markets

During the current financial year, the strategic growth agenda has continued to focus on developing key relationships with landowners and developers to restore confidence in the local housing market. Collaborating with partners such as the HCA, the Council has sought to gain a much-improved understanding of the local viability pressures that have impacted upon delivery in the past and coupled with this the Council is investing heavily in regeneration and commercial projects. At the service level this requires an effective and engaged Development Management service working closely with all these partners to make sure that the Planning service is fit for purpose and reflects modern industry development needs.

The focus on improving performance for our customers has ensured that the service has developed with a much sounder understanding of their needs. For instance, the service introduced a simplified "Do I need planning permission?" enquiry for the benefit of customers in 2019. It is important that successes such as the restored confidence in our pre-application advice service are not undermined by

unnecessarily high increases or that we lose our share of this service to the private sector, which is why a fee increase based on inflation only is proposed.

5. Proposed Charges

Planning fees in England are set nationally by the Government¹. The fees were last amended in January 2018, where a standard 20% increase across fees was introduced. This was the first update since November 2012.

Earlier this year, the Government ran an 8 week consultation on “Increasing planning fees and performance”, from February to April 2023. In July 2023, the Government published its response to the consultation² and announced that draft regulations³ were laid before Parliament on 20th July 2023, to take a number of the proposals forward.

The draft regulations propose to increase planning fees by 35% for applications for major development and 25% for all other planning applications.

They also propose to introduce an indexation mechanism so that planning fees are increased annually in line with inflation or, if lower, 10% from 1st April 2025. In the event that there is deflation, the fee will not be adjusted.

The draft legislation also proposes to remove the “free go” for repeat applications. Currently, where a previous application has been approved, refused or withdrawn, no fee is payable for a repeat application as long as the proposed development is of the same character and on the same site as the earlier application, submitted by the same applicant and is submitted within 12 months of the earlier decision (or the received date in the case of a withdrawn application). In the consultation response, the Government cites that it anticipates that this will encourage greater take up of pre-application advice.

The draft legislation does however propose to reduce the “planning guarantee” from 26 weeks to 16 weeks for non-major development applications. Under the Planning Guarantee, the local planning authority must return the application fee if the application has not been determined within the time period and a written agreement to extend the time period has not been agreed with the applicant.

Statutory charges will be applied in accordance with legislation.

¹ Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012

² <https://www.gov.uk/government/consultations/increasing-planning-fees-and-performance-technical-consultation/outcome/technical-consultation-stronger-performance-of-local-planning-authorities-supported-through-an-increase-in-planning-fees-government-response>

³ [The Town and Country Planning \(Fees for Applications, Deemed Applications, Requests and Site Visits\) \(England\) \(Amendment\) Regulations 2023 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/2023/1000/contents/matter)

For non-statutory charges, the Planning Service proposes to apply an increase equivalent to inflation at 6% rounded to the nearest pound to move towards total cost recovery. This applies to all pre-application fees.

CIL charges were proposed by WLDC prior to adoption and were subject to consultation. As part of this process, they were subject to a public examination by the Planning Inspectorate, following the development of viability evidence and extensive consultation. Council then formally adopted these. As such these rates cannot be subject to change without new viability evidence being collated, public consultation and another full examination by the Planning Inspectorate.

The Planning Service are seeking to set ambitious targets but do not want to frame the service in an unrealistic light as significant change to the Planning system is proposed by the Government over the forthcoming years.

6. Impact on Medium Term Financial Plan (MTFP)

This table includes the impact on the MTFP if Parliament approves the proposed fees. The fee schedule will be updated with the revised fees and reported to Committee once approval granted.

	2024/25 (£)	2025/26 (£)	2026/27 (£)	2027/28 (£)	2028/29 (£)
Current Budget in MTFP	(1,074,000)	(1,062,000)	(1,110,100)	(1,158,400)	(1,158,400)
Proposed Budget - Pre Application Fees	(65,000)	(66,600)	(68,300)	(70,000)	(71,700)
Proposed Budget - Application Fees	(1,174,500)	(1,203,900)	(1,234,000)	(1,264,800)	(1,296,500)
Impact on MTFP 2024/25 Pressure/ (Saving)	(165,500)	(208,500)	(192,200)	(176,400)	(209,800)

7. Recommendation

Members are asked to approve the charges for 2024/2025 as illustrated in the schedule below.

- **Note:** As the statutory fees schedule is currently being considered through Parliament, it is not included in this appendix. The amendments were debated in the Lords Chamber 17.10.23. The instrument was approved, we are awaiting confirmation of the date of implementation).

2023/24	Proposed Increase / (Decrease)		2024/25	VAT Amount	2024/25 Charge Inc. VAT	VAT Rate
£	% Type	or £	£	£	£	

Development								
Householder development - do I need planning permission?		£35.00	7.1%	£2.50	£37.50	£7.50	£45.00	S
Householder development including alterations, extensions and outbuildings (this fee would also include establishing whether an application is required and any listed building consent enquiry if applicable)		£93.33	6.3%	£5.84	£99.17	£19.83	£119.00	S
Non-residential changes of use including siting of caravans for sites under 1 ha or buildings under 1,000 m2 (gross)		£200.83	5.8%	£11.67	£212.50	£42.50	£255.00	S
Non-residential changes of use including siting of caravans for sites of 1 ha or above or buildings of 1,000 m2 or above (gross)		£350.83	5.9%	£20.84	£371.67	£74.33	£446.00	S
Development of 1-9 dwellings including changes of use to residential	1st dwelling	£240.83	5.9%	£14.17	£255.00	£51.00	£306.00	S
	Additional dwellings	£134.17	6.2%	£8.34	£142.50	£28.50	£171.00	S
Development of 10-49 dwellings including changes of use to residential	10th dwelling	£1,447.50	6.0%	£86.67	£1,534.17	£306.83	£1,841.00	S
	Additional dwellings	£71.67	5.8%	£4.16	£75.83	£15.17	£91.00	S
Development of 50 or more dwellings	minimum fee	£4,338.33	6.0%	£260.00	£4,598.33	£919.67	£5,518.00	S
	additional fee subject to complexity of proposal	£0.00			£0.00			
Non-residential development where no floor space is created.		£129.17	5.8%	£7.50	£136.67	£27.33	£164.00	S
Non-residential development up to 499 m2 floor area, or 0.5 ha site area		£175.83	6.2%	£10.84	£186.67	£37.33	£224.00	S
Non-residential development between 500 and 999 m2 floor area, or between 0.51ha and 1.0 ha.	For 500 m2 or 0.51ha	£265.00	6.0%	£15.83	£280.83	£56.17	£337.00	S
	Each additional 100 m2 or 0.1 ha	£134.17	6.2%	£8.34	£142.50	£28.50	£171.00	S
Non-residential development between 1,000 and 4,999 m2 floor area, or between 1.1ha and 2.0ha.	For 1,000 m2 or 1.1ha	£908.33	6.0%	£54.17	£962.50	£192.50	£1,155.00	S
	Each additional 100 m2 or 0.1 ha	£68.33	6.1%	£4.17	£72.50	£14.50	£87.00	S
Non-residential development of 5,000 m2 or more or 2.1ha or more.	Minimum fee	£3,691.67	6.0%	£221.66	£3,913.33	£782.67	£4,696.00	S
	additional fee subject to complexity of proposal	£0.00			£0.00			
Variation or removal of condition.		£93.33	6.3%	£5.84	£99.17	£19.83	£119.00	S
Advertisements		£93.33	6.3%	£5.84	£99.17	£19.83	£119.00	S
Non-householder listed building consent		£182.50	5.9%	£10.83	£193.33	£38.67	£232.00	S
Additional site visit		£159.17	5.8%	£9.16	£168.33	£33.67	£202.00	S
Hazardous Substances		£88.33	5.7%	£5.00	£93.33	£18.67	£112.00	S

N.B.

- The fee for a mixed use developments would be derived from the total of the fees for all elements.
- Agricultural development and telecommunications are not included as they have their own national notification procedures which dictate whether there is an pre-application process fee or not.
- Cross boundary pre-application fees will be based upon the amount of development in each authority (if a dwelling straddles the boundary, the authority with the majority its floor space will receive the fee for

Prosperous Communities Committee

Planning

		2023/24	Proposed Increase / (Decrease)		2024/25	VAT Amount	2024/25 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
Paper copies of plans, drawings and documents	per side of A4	£0.27	6.0%	£0.02	£0.29	£0.00	£0.29	OS
	per side of A3	£0.58	6.0%	£0.03	£0.61	£0.00	£0.61	OS
	per side A2, A1, A0	£7.00	6.0%	£0.42	£7.42	£0.00	£7.42	OS
Requests for Planning Information		£68.33	6.1%	£4.17	£72.50	£14.50	£87.00	S
Entry onto Self-Build and Custom-Build Housing Register		£52.00	5.8%	£3.00	£55.00	£0.00	£55.00	OS
Public Path Orders, i.e. Diversion Orders	Minimum charge	£615.00	6.0%	£37.00	£652.00	£0.00	£652.00	OS
	Maximum charge	£1,839.00	6.0%	£110.00	£1,949.00	£0.00	£1,949.00	OS

Prosperous Communities Committee

Community Infrastructure Levy (CIL)

		2023/24	Proposed Increase / (Decrease)		2024/25	VAT Amount	2024/25 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	
CIL Charging Schedule - residential charging zones (charge per m²)								
Zone 1 Lincoln Strategy Area (LSA)		£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS
Zone 2 Non Lincoln Strategy Area	Flat rate subject to indexation annually, 01st January using published RICS CIL Indexation Rate	£15.00	0.0%	£0.00	£15.00	£0.00	£15.00	OS
Zone 3 North East Quadrant Sustainable Urban Extension		£20.00	0.0%	£0.00	£20.00	£0.00	£20.00	OS
Zone 4 Gainsborough West (as shown shaded green on the charging schedule map of Gainsborough)		£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	OS
£0 charge for apartments across all zones								
CIL Charging Schedule - commercial charging zones (applicable to whole district) (charge per m²)								
Convenience Retail *	Flat rate subject to indexation annually, 01st January using published RICS CIL Indexation Rate	£40.00	0.0%	£0.00	£40.00	£0.00	£40.00	OS
All Other Uses **		£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	OS

* Convenience retail is defined as everyday items including food, drink and non-durable household goods

** All other uses and the £0 rate include comparison retail and retail warehousing

*** CIL charges subject to indexation

No change is permitted to the CIL charging schedule without a full examination by The Planning Inspectorate