



Stronger performance of local planning authorities supported through an increase in planning fees

G15 Response



About the G15

The G15 is made up of London's leading housing associations. The G15's members provide more than 770,000 homes across the country, including around one in ten homes for Londoners. Delivering good quality safe homes for our residents is our number one priority. Every year our members invest almost £900m in improvement works and repairs to people's homes, ensuring people can live well. Together, we are the largest providers of new affordable homes in London and a significant proportion of all affordable homes across England. It's what we were set up to do and what we're committed to achieving. We are independent, charitable organisations and all the money we make is reinvested in building more affordable homes and delivering services for our residents.

Find out more and see our latest updates on our website: www.g15.london

The G15 members are:

- A2Dominion
- Clarion Housing Group
- The Guinness Partnership
- Hyde
- L&Q
- MTVH
- Network Homes
- Notting Hill Genesis
- One Housing
- Peabody
- Southern Housing

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Introduction

The G15 supports additional resources and capacity for the planning departments of Local Planning Authorities (LPAs). At present, development of much needed new social and affordable housing is hindered by a planning system which is under resourced leading to delays in processing applications with the quality of assessments a growing concern for many providers.

However, it is important to note that social housing providers are already paying substantial planning fees. Any increase must ensure that the stated purpose of improving performance is met through ringfencing the additional money raised through increased fees for LPA planning departments and the introduction of a new comprehensive performance monitoring regime.

Proposals to increase fees also come at a time when the resources of housing associations are increasingly stretched by the current economic conditions we are operating in along with an ever widening range of responsibilities. Building safety, commitments to maintaining our existing homes, Net Zero, regeneration and continuing to build the new social and affordable housing our communities need are all stressing the capacity of social housing providers.

For this reason, we are calling for a discounted rate of planning fees for major schemes which deliver a large volume of affordable housing. This would help to mitigate some of the financial impact of increasing fees and reduce the risk of these costs threatening the viability of new housing development.

An increase in planning fees must also be accompanied by greater consistency at a regional level in terms of the pre-application fees providers pay for planning services. G15 members have experienced large variations in the fees they are pay in the same regions. Standardisation of pre-application fees, where there is no Planned Planning Agreement in place, would give providers a greater degree of certainty when submitting applications in terms of the costs and quality of service.

The G15 see these as vital steps to achieve the stated aim of improving performance of LPAs through increasing planning fees. The additional resources raised through an increase in fees must be used solely to improve the performance of planning departments.

Alongside this increase in fees a series of measures must also be introduced to help to ensure that the ability of providers to deliver new social and affordable housing is not hindered during an extremely challenging time for our sector.



Comments on specific consultation questions

Q1. Do you agree that fees for planning applications should be increased by 35% for major applications?

The G15 supports this proposal. Greater resources for the planning system can help to resolve many of the problems which are currently affecting planning as well as helping to free up capacity within the system to speed up and improve the quality of assessment of applications.

However, we are clear that any increase in fees must be accompanied by a measurable improvement in the planning system. We are proposing the following steps to achieve this:

- Ringfencing of the additional income from the increase in fees for LPA planning departments
- The introduction of a new, more comprehensive performance monitoring regime

We also support the introduction of a discounted rate for major schemes delivering a large volume of affordable housing. The proposals to increase fees comes at a time when the resources and capacity of housing associations are increasingly stretched by the current economic conditions and an ever-widening range of commitments.

A discounted rate would help to alleviate some of the inevitable financial impact of an increase in planning fees.

Q2. Do you agree that the fee for householder planning applications should be increased by 25%?

The G15 supports this proposal. A 25% increase would still only represent a small proportion of the total cost of the average household extension.

As per our answer to Question 1, this increase must also be accompanied by a measurable improvement in the planning system.

Q3. Do you agree that fees for all other planning applications should be increased by 25%? If not, please include in the comments box the particular application types where you believe the proposed increase is too high or too low. Your comments should be accompanied with evidence/costs if possible.

In common with the 35% increase for major applications, the G15 believes that the following steps should be taken to help to improve the performance of LPAs:



- Ringfencing of the additional income from the increase in fees for LPA planning departments
- The introduction of a new, more comprehensive performance monitoring regime

Q4. Are there any other application types or planning services which are not currently charged for but should require a fee or for which the current fee level or structure is inadequate?

We support the standardisation pre-application fees where no Planned Planning Agreement is in place. At present, there is a real lack of consistency in terms of the fees charged by local authorities as well as the charging of follow up fees.

G15 member Southern Housing has highlighted how the organisation is charged £190 by one local authority for a written response to an enquiry on single dwelling costs and £566.40 by another authority for the same service. This is despite both local authorities being in the same region.

Though some regional variation may be necessary, we are clear that standardisation of these fees ought to apply to the level and type of services offered. This will help to ensure a greater degree of certainty in terms of costs and service quality.

The Government should also consider increasing the prior approval fee by 35%. This would better reflect the scale of these applications in the fees they incur.

A two-tier fee for prior approval applications would also help to reduce the time needed to consider larger prior approval applications. This system could apply one fee for minor prior approval schemes with fewer than 10 units and one for major prior approval schemes above 10 units.

Q5. Please can you provide examples of bespoke or 'fast track' services which have worked well, or you think could be introduced for an additional fee? Are there any schemes that have been particularly effective?

G15 members have identified the Greater London Authority's Fast Track Planning Route. This is available to development proposals which include at least 35% affordable housing - 50% on public and industrial land - and which meet tenure, affordability and other requirements.

Applicants do not incur a fee, are not required to submit detailed viability information or subject to late viability review mechanisms reassessing viability at an advanced stage of the development process.



The GLA's Fast Track Planning Route has helped to increase the volume of affordable housing in new developments¹ whilst enhancing consistency and transparency within the viability process. If applied nationally, the G15 recommends that applications be based solely on the volume of affordable housing leaving out the tenure and other requirements applied by the GLA.

We also suggest a reduction in planning fees where LPAs delay the agreed programme.

Q6. Do you agree with the proposal for all planning fees to be adjusted annually in line with inflation?

The G15 supports this proposal. This will help LPAs to maintain a consistent and predictable income from fees whilst giving a greater degree of security to housing associations concerned about potentially large fee increases in future.

Q7. Do you consider that the additional income arising from the proposed fee increase should be ringfenced for spending within the local authority planning department?

Yes, as we have stated previously, we support ringfencing of the income generated from the increase in fees for LPA planning departments to help to meet the stated ambition of improving performance.

This additional income must be used to increase capacity and resourcing within planning departments to ensure a better planning process.

Q8. Do you agree that the fee for retrospective applications should be doubled, i.e. increased by 100%, for all applications except for householder applications?

The G15 does not support this proposal. There are a number of reasons why breaches may occur which may be out of the control of the applicant such as where leaseholders and tenants vacate a premises.

We also believe a doubling of the fee is unjustified for some minor-type developments such as boundary treatments.

Question 9. Do you consider that the ability for a 'free-go' for repeat applications should be either:

¹ https://www.london.gov.uk/sites/default/files/ah_viability_spg_201708152.pdf



- (a) removed
- (b) reduced for re-applications within 12 months
- (c) retained
- (d) none of the above
- (e) don't know

We believe these should be retained.

'Free-goes' currently present the opportunity to address previous reasons for refusal without the delay and expense of submitting a pre-application enquiry. Though discouraged, this use of 'free-goes' is increasingly necessary in order to speed up the planning process for repeat applications whilst reducing costs.

However, their retention should be subject to review following the implementation of the fee increase and new, more comprehensive performance monitoring regime. Should performance of LPAs improve following these factors, we would support a review of 'free-goes'. One possible replacement for 'free-goes' could be a discount fee for a repeat application.

Q10. Do you agree that a fee of £96 (or £120 if the proposed fee increase comes forward) should be charged for any prior approval application for development by the Crown on a closed defence site?

The G15 support this proposal. This will bring the Crown's application fees in line with other sectors.

Q11. What do you consider to be the greatest skills and expertise gaps within local planning authorities?

G15 members have identified the following as key areas of concern:

- **Energy, sustainability, and viability:** this often leads to applicants having to pay significant additional fees towards external resources – sometimes threatening the viability of their applications
- **Community Infrastructure Levy (CIL) process:** one G15 member has highlighted how an application took four months to process following s73 permission as the CIL team was not familiar with the application type

Q12. In addition to increasing planning fees, in what other ways could the Government support greater capacity and capability within local planning departments and pathways into the profession?



The G15 proposes the following steps to support greater capacity and capability within LPA planning departments:

- A cross sector working group involving the private sector and professional bodies to develop a better understanding of the key issues within the planning system and working towards solutions
- Apprenticeships along with funding for local authorities to offer opportunities for young people to gain qualifications in and to pursue a career in planning
- Fostering greater awareness of the existing Design, Surveying and Planning for Construction T-Level
- A campaign to improve the image of planning could help to tackle the negative perceptions of planning. RTPI's Planner Magazine² recent survey suggests that 87% of planners feel that social media is fuelling misinformation on local planning issues
- Efforts to improve awareness of progression opportunities, including the different classes of RTPI membership. For example, the Associate class of membership provides a route for those working in planning to become a chartered town planner

Q13. How do you suggest we encourage people from under-represented groups, including women and ethnic minority groups, to become planning professionals?

We believe that the steps listed above will help to encourage people from under-represented groups into the planning profession. The Government might also consider targeting specialist / foreign-language media similar to that for social housing residents through the Make Thing Right campaign.

Q14. Do you agree that the Planning Guarantee should better mirror the statutory determination period for a planning application and be set at 16 weeks for non-major applications and retained at 26 weeks for major applications?

The G15 agrees with this proposal. This approach would be more appropriate to the type of applications and the issues and complexities associated with them. Two timeframes will also help to speed up the processing of smaller-scale schemes.

Q15. Do you agree that the performance of local planning authorities for speed of decision-making should be assessed on the percentage of applications that are determined within the statutory determination period i.e. excluding extension of times and Planning Performance Agreements?

² <https://www.rtpi.org.uk/news/2023/march/87-of-planners-say-social-media-fuels-misinformation-on-local-planning-issues/>



The consultation highlights the experience of G15 members that the extension of times are regularly agreed to mask where local authorities are determining planning applications within the required statutory period. This needs to be accounted for if planning fees are to increase and the timeliness of LPAs assessed by the percentage of applications processed within the statutory periods.

Q16. Do you agree that performance should be assessed separately for

- (a) Major applications - Yes**
- (b) Non-Major applications (excluding householder applications) - Yes**
- (c) Householder applications - Yes**
- (d) Discharge of conditions - Yes**
- (e) County matters applications - Yes**

Measuring performance separately is the best way to account for issues, complexities and timescales associated with the different applications. We are concerned that grouping them together will make analysing performance more difficult.

Q17. Do you consider that any of the proposed quantitative metrics should not be included?

We recommend Metric A on average speed of decision-making is not included. This would be detrimental to assessing timeliness by measuring the percentage of applications determined within the statutory determination period.

Five measures of timeliness based on different applications would complicate the assessment and distort wide variations in performance.

Metric D on backlog applications should also be revised to offer a better measure of the speed when LPAs are dealing with backlog applications. We propose that these are also measured through the percentage of applications assessed within the statutory guidance.

Q18. Are there any quantitative metrics that have not been included that should be?

Please see our response to Question 17.



Q19. Do you support the introduction of a qualitative metric that measures customer experience?

The G15 supports this proposal. A qualitative metric to measure customer experience will present an opportunity to express more detailed views that go beyond hard data.

Q20. What do you consider would be the best metric(s) for measuring customer experience?

The G15 suggests these are measured by the satisfaction percentage of quality of service and timeliness in terms of both the per-application and the decision-making processes. Collecting comments would also give deeper insights into the customer experience.



Conclusion

As stated throughout our evidence, the G15 supports additional resources and capacity for LPA planning departments which will increase the speed and quality of processing applications.

It is vital that this additional resource is ringfenced solely for LPA planning departments alongside a new comprehensive performance monitoring regime to achieve the stated aims of these proposals.

The resources across the sector are continuing to be stretched by the ongoing economic headwinds we are facing along with the ever-widening range of commitments providers face.

A discounted rate of fees for major schemes which deliver a large volume of affordable homes would help to alleviate some of the financial impact resulting from an increase in planning fees and help to safeguard the viability of many developments.

Regional standardisation of pre-application fees would also help to give providers a greater degree of certainty with regards to costs and quality of service when embarking upon the planning system.

Alongside more capacity and a higher level of service within the planning system as a result of an increase in planning fees, these additional measures can help to ensure that providers of social and affordable housing can continue to deliver the homes our communities desperately need.