

Proposed Changes to the Town and Country Planning Fees for Applications Regulations

Briefing Note

27/07/2023

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In February 2023 the Department for Levelling Up, Housing and Communities published a consultation, which ran for 8 weeks, to seek views on the Government's proposals to:

- Increasing planning fees.
- Build capacity and capability in Local Planning Authorities; and
- Introduce a more robust performance regime.

Following their review of the responses to the consultation, the Government's draft amendments to the Town and Country Planning Fees for Applications Regulations were laid before the House of Commons on 20th July 2023.

The proposed, if adopted as drafted, are significant for all types of planning applications as set out below;

- The fee for non-major applications, which is charged per dwelling (if less than 10 units) or per 75 square metres of non-residential floorspace, will rise from £462 to £578.
- The fees for outline applications on sites of less than 0.5 hectare in area will be £578 for each 0.1 hectare (or part thereof) of the site area.
- The fees for outline applications on sites of at least 0.5 hectares but do not exceed 2.5 hectares will be £624 for each 0.1 hectare (or part thereof) of the site area.
- For major outline applications, where the site area of 2.5 hectares is exceeded, the fee will be £15,433 and an additional £186 for each 0.1 hectare (or part thereof) more than 2.5 hectares, subject to a maximum in total of £202,500.
- The proposed fee increases for major applications where the number of dwellinghouses to be created is at least 10 but no more than 50 will be £624 for each dwellinghouse. Where there are more than 50 dwellings the fee will be £30,860 plus an additional £186 for each dwellinghouse more than 50 dwellings, subject to a maximum in total of £405,000.

- Where the area of gross floor space created by the development is at least 1,000 square metres but does not exceed 3,750 square metres, the fee will be £624 for each 75 square metres (or part thereof).
- Where the area of gross floor space created by the development exceeds 3,750 square metres, it will be £30,680 and an additional £186 for each 75 square metres (or part thereof) more than 3,750 square metres, subject to a maximum in total of £405,000.
- The cost for Discharge of Conditions applications (for all developments except householder) will rise from £116 to £145.
- The cost of Non-Material Amendment applications (for all developments except householder) will rise from £234 to £293.

Some other key points to be aware of are:

- Application fees will be increased annually each April using the Consumer Prices Index (CPI) from the previous September, with any annual increase capped at 10 percent with a fee review to take place within 3 years.
- Applications within 12 months of withdrawing an application or receiving a refusal will no longer be a 'free go'. The Government hope this will result in an increased use of pre-application services, and in turn better quality applications being submitted.
- Proposals that were previously mooted for doubling application fees for retrospective planning applications have been put on hold for now.
- The guarantee for non-major planning applications will be reduced from 26 weeks to 16 weeks. This is expected to cause an increase in requests for Extensions of Time so that Local Planning Authorities can avoid triggering a need to return application fees.
- The proposed changes, which will lead to fee increases of up to 35%, are due to come into force on 1st April 2024.

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At the initial consultation stage, it was stated that the intention of fee increases was to address an annual £225 million funding shortfall within the planning application service, which Local Planning Authorities and developers were generally somewhat supportive of. However, the Government are no longer proposing for the additional income to be ring-fenced for spending in planning departments because it would impose a restriction on Councils who the Government feel are best placed to make their own funding decisions. Notwithstanding this, the Government expects Local Authorities to protect at least the income from the planning fee increase for direct investment in planning services.

The lack of commitment from the Government to ring-fence the additional income is causing both confusion and frustration, as the lack of resourcing at Councils and the significant delays incurred as a result are hindering developers from receiving planning permission and being able to commence with their developments.

Please do contact us if you have any queries, or if you would like to further discuss the potential implications of the proposed changes for your developments.