

**EXPLANATORY MEMORANDUM TO**  
**THE TOWN AND COUNTRY PLANNING (COSTS OF INDEPENDENT**  
**EXAMINATIONS) (STANDARD DAILY AMOUNT) (ENGLAND) REGULATIONS**  
**2006**

**2006 No. 3227**

**1.** This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

**2. Description**

The above-mentioned Regulations prescribe the standard daily amount that the Secretary of State can recover from local planning authorities for the costs incurred by her in relation to the holding of an independent examination of development plan documents.

**3. Matters of special interest to the Joint Committee on Statutory Instruments.**

3.1 None.

**4. Legislative Background**

4.1 The Planning and Compulsory Purchase Act 2004 has introduced powers which allow for the reform and speeding up of the plans system. Part 2 of the Act provides for the preparation of local development documents. These replace local plans, unitary development plans and structure plans. Every local planning authority must prepare local development documents in accordance with a local development scheme. Some local development documents are to be development plan documents which means that they are to be subject to the process of independent examination and will form part of the authority's development plan. The independent examination is a form of examination in public arranged by the Secretary of State and is held before the adoption of a development plan document. The examination is conducted by an independent person who is appointed by the Secretary of State and is charged with making recommendations on the soundness of the proposed development plan document.

4.2 Section 303A(2) of the Town and Country Planning Act 1990 authorises the Secretary of State to charge local planning authorities for the administrative and other costs incurred in appointing persons to carry out or hold certain procedures to examine the soundness of statements of community involvement and development plan documents. These Regulations prescribe a standard daily amount that may be recovered by the Secretary of State for the costs of holding an independent examination of development plan documents. The amount is £779 per day in relation to independent examinations opening on or after 3rd January 2007; £879 per day in relation to independent examinations opening on or after 31<sup>st</sup> March 2007 and before 31<sup>st</sup> March 2008 and £993 per day in relation to independent examinations opening on or after 31<sup>st</sup> March 2008.

4.3 Although these Regulations are the first to prescribe a standard daily amount following the changes introduced by the Planning and Compulsory Purchase Act 2004, these examinations effectively replace the work on development plans that was being undertaken by the Planning Inspectorate in relation to inquiries pursuant to the Town and Country Planning Act 1990. The Town and Country Planning (Costs of Inquiries, etc.) (Standard Daily Amount) (England) Regulations (S.I. 2004/421) set a standard daily amount of £679 in relation to planning inquiries opening on or after 31 March 2005. The impact of the change in examining development plan documents needs to be reflected in the amount that is recoverable from the local planning authority. These Regulations prescribe a standard daily amount in relation to independent examinations opening on or after 3rd January 2006 representing a 14.7 per cent increase from the £679 prescribed in S.I. 2004/421. The proposed phased increases are designed to strike a balance between achieving Treasury requirements for full recovery as soon as practicable whilst giving local planning authorities a stable basis for budgeting over the period.

## **5. Extent**

This instrument applies to England only.

## **6. European Convention on Human Rights**

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **7. Policy background**

7.1 The Regulations are intended to enable the Secretary of State to recover her costs in relation to work carried out by appointed persons carrying out work in connection with independent examinations of development plan documents, following the introduction of the Planning and Compulsory Purchase Act 2004.

7.2 Consultations have been carried out with the Local Government Association, the Planning Officer's Society, The Royal Town Planning Institute and the Royal Institution of Chartered Surveyors with respect to the draft Regulations. The RTPI accepted the need for full recovery of costs, but continue to seek assurances that changes to the fees regulations will not adversely impact on the resources available to local planning authorities for service delivery. City of Westminster Planning and City Development Department commented that in their view the increases should be phased more gradually over five years rather than three. The Planning Inspectorate has responded explaining the need to achieve recovery of costs within a reasonable timescale and in accordance with Treasury Rules, the cost of the service will continue to be reviewed regularly.

## **8. Impact**

A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies. However, as the proposal impacts solely on public services an initial public sector regulatory impact assessment has been carried out and the result of this indicated that a full RIA was indeed not needed as the proposal is unlikely to attract high levels of media or political interest and the monetary cost is less than the threshold figure of £5 million.

## **9. Contact**

David Halstead/Shelley Bryant at the Planning Inspectorate (Tel no 0117372 8887/0117 372 8289 or e-mail david.halstead@pins.gsi.gov.uk/shelly.bryany@pins.gsi.gov.uk) can answer any queries regarding the Regulations.