



Change in the notification arrangements for listed  
building consent applications  
**Impact assessment**

Department for Communities and Local Government  
Eland House  
Bressenden Place  
London  
SW1E 5DU  
Telephone: 030 3444 0000  
Website: [www.communities.gov.uk](http://www.communities.gov.uk)

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## Summary: Intervention and options

<b>Department /Agency:</b> CLG	<b>Title:</b> Impact assessment of a change in the notification arrangements for listed building consent applications	
<b>Stage:</b> Final	<b>Version:</b>	<b>Date:</b> 12 August 2009
<b>Related Publications:</b> DETR Circular 01/2001; ODPM Circular 09/2005 ;		

### Available to view or download at:

<http://www.>

**Contact for enquiries:** Phil Weatherby

**Telephone:** 020 7944 3888

### What is the problem under consideration? Why is government intervention necessary?

At present, applications for listed building consent are subject to a relatively lengthy procedure prior to approval. To simplify this procedure requires an amendment to the current direction by the Secretary of State issued under section 15(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990.

### What are the policy objectives and the intended effects?

The objective is to speed up the procedure which currently requires listed building consent applications to be notified to the Secretary of State. This should in turn reduce the length of time for decisions to be taken on such applications. An associated objective is to reduce the administrative burdens on Government Offices and on local planning authorities in operating the procedure. A consultation exercise was carried out in 2006 and appears at: <http://www.communities.gov.uk/documents/planningandbuilding/pdf/144059.pdf>

### What policy options have been considered? Please justify any preferred option.

The three options considered were: (i) do nothing; (ii) amend the current direction so that the Secretary of State does not need to be notified of any intention to grant listed building consent; (iii) amend the direction so that only where specified bodies object to an intention to grant consent, and the objection cannot be overcome in discussion with the local authority, would the Secretary or State need to be notified. Only option (iii) fulfils the object of speeding up the application and decision-making process without compromising the Secretary of State's role in the process.

**When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?** The number of notifications under the new arrangement will be compared (we suggest after 12 months) with the number under the previous arrangement. This should correlate directly to cost benefits.

**Ministerial sign-off** for SELECT STAGE impact assessments:

***I have read the impact assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible minister:

A handwritten signature in blue ink, appearing to read 'F. Amhi', is written over a dotted line.

..... Date: November 2009

## Summary: Analysis and evidence

**Policy Option: 2**

**Description: Remove need for Secretary of State to be notified of any listed building consent applications**

<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups'
	<b>One-off</b>	<b>Yrs</b>	
	£		There are no monetised costs arising from this option, which would reduce the administrative burden on Government Offices and local planning authorities.
	<b>Average Annual Cost (excluding one-off)</b>		
£ nil		<b>Total Cost (PV)</b>	£ nil
Other <b>key non-monetised costs</b> by 'main affected groups' This option will render local planning authorities unable to satisfactorily determine applications it wishes to approve but where objections have been raised by English Heritage or an Amenity Society.			

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups'
	<b>One-off</b>	<b>Yrs</b>	
	£		This would produce savings, in terms of Administrative Officer time through not having to scrutinise any applications, of between approx £40,000 and £100,000 per year, and savings to local authorities of c.£4,000 through not having to notify GOs of these.
	<b>Average Annual Benefit (excluding one-off)</b>		
£ 0.07m		<b>Total Benefit (PV)</b>	£ 0.6m
Other <b>key non-monetised benefits</b> by 'main affected groups' This option would speed up and simplify the decision-making procedure for listed building consent applications other than those where objections have been raised by English Heritage or an Amenity Society.			

Key Assumptions/Sensitivities/Risks

Price Base Year 2009	Time Period Years 10	<b>Net Benefit Range (NPV)</b> £ 0.3m - 0.8m	<b>NET BENEFIT (NPV Best estimate)</b>
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What is the geographic coverage of the policy/option?		England		
On what date will the policy be implemented?		asap		
Which organisation(s) will enforce the policy?		local authorities		
What is the total annual cost of enforcement for these organisations?		£ N/A		
Does enforcement comply with Hampton principles?		Yes		
Will implementation go beyond minimum EU requirements?		No		
What is the value of the proposed offsetting measure per year?		£ N/A		
What is the value of changes in greenhouse gas emissions?		£ N/A		
Will the proposal have a significant impact on competition?		No		
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
Are any of these organisations exempt?	No	No	N/A	N/A

**Impact on Admin Burdens Baseline (2005 Prices)**

(Increase -

Increase of £

Decrease £

**Net Impact** £

Key:

**Annual costs and benefits:  
Constant Prices**

**(Net) Present  
Value**

## Summary: Analysis and evidence

<b>Policy Option: 3</b>	<b>Description: Require notification to Secretary of State of listed building consent applications where unresolved objections have been raised</b>
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<b>COSTS</b>	<b>ANNUAL COSTS</b>	Description and scale of <b>key monetised costs</b> by 'main affected groups' There are no monetised costs arising from this option, which would reduce the administrative burden on Government Offices and local planning authorities.		
	<b>One-off</b>			<b>Yrs</b>
	£			
	<b>Average Annual Cost (excluding one-off)</b>			
	£ nil	<b>Total Cost (PV)</b>	£ nil	
Other <b>key non-monetised costs</b> by 'main affected groups' There is a very slight risk of the Secretary of State not becoming aware of an application in which she might wish to intervene but where no objections have been raised by English Heritage or an Amenity Society.				

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>	Description and scale of <b>key monetised benefits</b> by 'main affected groups' This would produce savings, in terms of Administrative Officer time through not having to scrutinise most applications, approx of between £40,000 and £100,000 per year, and savings to local authorities of marginally under £4,000 through not having to notify GOs of these.		
	<b>One-off</b>			<b>Yrs</b>
	£			
	<b>Average Annual Benefit (excluding one-off)</b>			
	£ 0.07m	<b>Total Benefit (PV)</b>	£ 0.6m	
Other <b>key non-monetised benefits</b> by 'main affected groups' This option would speed up and simplify the decision-making procedure for listed building consent applications whilst safeguarding the integrity of the procedure where objections have been raised by English Heritage or an Amenity Society.				

**Key Assumptions/Sensitivities/Risks** It has been assumed that the number of objections by English Heritage or the Amenity Societies will not increase. There is no reason to suppose that these bodies have either refrained from objecting or neglected to consider applications notified to them simply because the Secretary of State has also been notified.

Price Base Year 2009	Time Period Years 10	<b>Net Benefit Range (NPV)</b> £ 0.3m- £0.8m	<b>NET BENEFIT (NPV Best estimate)</b>
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What is the geographic coverage of the policy/option?	England
On what date will the policy be implemented?	asap
Which organisation(s) will enforce the policy?	local authorities
What is the total annual cost of enforcement for these organisations?	£ N/A
Does enforcement comply with Hampton principles?	Yes
Will implementation go beyond minimum EU requirements?	No
What is the value of the proposed offsetting measure per year?	£ N/A
What is the value of changes in greenhouse gas emissions?	£ N/A
Will the proposal have a significant impact on competition?	No

Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
Are any of these organisations exempt?	No	No	N/A	N/A
<b>Impact on Admin Burdens Baseline</b> (2005 Prices)			(Increase -	
Increase of £	Decrease	£	<b>Net Impact</b>	£
Key:			<b>Annual costs and benefits: Constant Prices</b>	<b>(Net) Present Value</b>



### Background and rationale for intervention

The Planning (Listed Buildings and Conservation Areas) Act 1990 places a duty on the Secretary of State to compile a list of buildings of special architectural or historic interest. The buildings on this list are termed listed buildings, and are graded according to their importance as grade I, grade II\* or grade II (unstarred).

Under the 1990 Act, all works of demolition or alteration to a listed building must be authorised. Works are authorised if written consent for their execution has been granted by the local planning authority or the Secretary of State. At present, English Heritage (the Government's statutory adviser on the historic environment) and the National Amenity Societies (the six national bodies interested in the historic environment set out in the Secretary of State's direction in Annex A of ODPM Circular 09/2005) must be notified of applications for listed building consent. This is to enable them to comment on the proposals if they feel it is necessary.

In addition, when a local planning authority intends to approve a listed building consent application, it must notify the Secretary of State. Section 15(1) of the 1990 Act enables the Secretary of State to direct that the requirement to notify shall not apply to such applications as are specified in the direction. The current direction under section 15(1) is set out in paragraph 26 of DETR Circular 01/2001, and applies to works to Grade II (unstarred) buildings outside Greater London which do not involve:

- works for the demolition of any principal building; or
- works for the alteration of any principal building which comprise or include:
  - (i) the demolition of a principal external wall of the principal building; or
  - (ii) the demolition of all or a substantial part of the interior of the principal building

With this exception, all types of listed building consent application are currently required to be notified to the Secretary of State if the authority intends to grant consent. On receipt of a notification, the Secretary of State has to consider whether there are any reasons why consent should not be granted and, if so, whether to intervene in the case. The need for what amounts to overt approval by the Secretary of State adds what is considered to be unnecessary delay to the process of determining consent. Whilst the potential need for Secretary of State involvement remains because of the national significance of a listed building, the trigger mechanism for this involvement should reflect the likelihood of a need for a case to be determined by the Secretary of State.

In 2006 a consultation exercise was carried out on a proposal to remove the requirement for the Secretary of State to be notified of applications except where English Heritage object to an intention to grant consent, and that objection cannot be overcome in discussion with the local authority. There were 36 responses to the consultation. The proposal was broadly welcomed, particularly as it still allowed for the possibility of intervention by the Secretary of State, by means of calling-in an application, if it were considered necessary in any particular case. A number of consultees thought the proposed new notification requirement should be widened to include applications to which one of the National Amenity Societies has objected.

In the light of responses to the public consultation exercise the following possible options were considered:

## **Option 1: Do nothing**

There are no costs or benefits attached to the option of doing nothing and maintaining the status quo, but it would not address the problem of unnecessary delay that has been identified.

## **Option 2: Remove the need for the Secretary of State to be notified of any type of application for listed building consent**

### **Benefits**

This option would fulfil the objective of speeding up and simplifying the decision-making procedure. It would also reduce the burdens on the Secretary of State (in practice Government Offices (GOs)) and local planning authorities in operating the procedure, as there would be no obligation on planning authorities to notify the Secretary of State of any applications or for the Secretary of State (GO) to scrutinise them. There is some variation between GOs in the number of notifications each receives – from around 100 to 600 per year – but overall it is estimated that a total of some 2000 applications are notified to the Secretary of State (GOs) annually. Allowing for the variations between GOs the savings are estimated to be typically between 0.2 and 0.5 of an administrative officer's (AO) time in each GO. Taking an average AO salary to be £23,000 this would produce savings in each GO of between £4,600 and £11,500 and a total savings throughout all nine GOs of between £41,400 and £103,500 per year. The administrative savings for local planning authorities in not having to copy and send these applications to the Secretary of State, estimated at £2 per application, would be £4,000.

### **Costs**

Under this option there would be no satisfactory means of determining those applications which a local authority intended to approve but to which objections had been raised by English Heritage or one of the National Amenity Societies. Nor would this option reflect the Government's view that listing is of national importance.

The above costs and benefits have been rounded in the Summary: Analysis and Evidence table.

## **Option 3: Amend the current direction so that only where English Heritage or one of the National Amenity Societies objects to the intention to grant consent, and the objection cannot be overcome in discussion with the local authority, would there be a need to notify the Secretary of State**

### **Benefits**

This option would recognise that listing is of national importance and would provide a mechanism for determining cases where objections had been raised by English Heritage or an Amenity Society. It would also speed up the decision-making process, saving in relevant cases some 28 days which is the period within which the Secretary of State may, under section 13 of the 1990 Act, either direct that the application be referred to him/her for decision or give notice to the local authority that further time is needed to consider whether to require such a reference. There would be cost savings for the Secretary of State (GOs) in not having to review all the types of listed building consent applications currently notified. These savings would be in line with those outlined under option 2 above – i.e. between £41,400 and £103,500 per year – reduced by the cost of considering those applications which would be the subject of an objection by English Heritage or an Amenity Society and which would still have to be notified to the Secretary of State. The view of GOs is that applications of this type are rare, and an estimated figure of two such applications per GO per year, and an allowance of approximately five hours to process each application (longer than the average for all applications because cases where objections have been raised are likely to be more complex), would give a total of 18 applications taking c.90 hours throughout all GOs; this equates to approximately £1,000 in

AO salary, reducing the above saving to a range of £40,400 to £102,500 per year. The administrative savings of £4,000 for local planning authorities, referred to in option 2 above, would therefore be slightly reduced (by c. £36) under option 3. There are no environmental or social benefits or costs associated with this option.

## **Costs**

A potential cost might be the Secretary of State not becoming aware of an application to which English Heritage and the Amenity Societies do not object but in which the Secretary of State might have wanted to intervene. That could result in alterations to or even demolition of a listed building which the Secretary of State would have been able to prevent. In practice, however, the risk of this is minimal. Cases where such losses are likely to occur are invariably picked up by the specialist bodies.

The above costs and benefits have been rounded in the Summary: Analysis and Evidence table.

## **Conclusion**

Although the monetised benefits of option 2 are slightly higher than those of option 3, the non-monetised costs of option 2 are considered to present too great a risk to the integrity of the listed building consent procedure. Option 3 is therefore the preferred option, and it is the intention that the direction under section 15(1) of the 1990 Act, currently set out in DETR Circular 01/2001, will be amended so that, as of the commencement date, notification to the Secretary of State will only be required where the local planning authority intend to grant consent but English Heritage or one of the National Amenity Societies object to the proposals. These procedures will not apply to applications submitted prior to the direction being issued.

## **Specific Impact Tests**

Competition assessment: No impact on competition has been identified.

Small firms impact test: No impact on business has been identified; the Small Business Service has been consulted and agrees with our view.

Legal aid: No impact on legal aid has been identified.

Sustainable development: No impact on sustainable development has been identified.

Carbon assessment: No impact on carbon has been identified.

Other environment: No other environmental impacts have been identified.

Health impact assessment: No impacts on health have been identified.

Race equality: No impacts on race equality have been identified.

Disability equality: No impacts on disability equality have been identified.

Gender equality: No impacts on gender equality have been identified.

Human rights: No impacts on human rights have been identified.

Rural proofing: No rural proofing issues have been identified.

## Specific Impact Tests: Checklist

<b>Type of testing undertaken</b>	<b><i>Results in Evidence Base?</i></b>	<b><i>Results annexed?</i></b>
Competition Assessment	Yes	No
Small Firms Impact Test	Yes	No
Legal Aid	Yes	No
Sustainable Development	Yes	No
Carbon Assessment	Yes	No
Other Environment	Yes	No
Health Impact Assessment	Yes	No
Race Equality	Yes	No
Disability Equality	Yes	No
Gender Equality	Yes	No
Human Rights	Yes	No
Rural Proofing	Yes	No