Payment redirect service and local authorities



We have reacted to your feedback

- Local authorities and agents have fed back to us that they wish to remove cheque payments for planning applications.
- The government has introduced a change in credit card legalisation from January 2018 which means local authorities will no longer be able to charge for debit or credit card payments.

On discussing the change with a unitary London borough authority we were told:

"The corporate cost of this change will be around £900,000 a year on card payments when this comes in to effect in January 2018"

What is the payment redirect service?

- The payment redirect service allows the applicant to nominate another person or company to pay the application fee
- Applicants can use the payment redirect service if they are making an application on behalf of another individual or company
- Payment will be processed by the Planning Portal and will reach the local authority within two complete workings days.
- For our payment redirect service, the payment limits have been set at £1,000 for debit cards and £300 for credit cards

90% of Planning Applications are below £1,000 60% of Planning Applications are below £300

This has enabled us to keep the license fee for the service low and to focus particularly on removing cheques for householder applications from the process to improve validation. We are looking into how we extend this to online payments for larger amounts in the near future.

What are the benefits of the service?

- **Secure and simple**: client receives an instant payment notification to pay online, with a daily reminder to ensure prompt payment
- **Speeds up validation**: Removes cheque payments from the process, streamlining and improving registration and validation times, saving time and money
- **Improves the application process**: Agents can easily defer payment to the client for a direct payment, removing the need to arrange cheque or telephone payment and chase progress
- **Reduces financial risk**: The client pays directly, so no cashflow or VAT issues for agents
- **Keeps the Planning Portal core service free**: By using redirect service, you'll be helping us to keep our core services free for our 500k monthly users.
- The local authority receives the entire planning application fee! No additional transaction fees or cost to support the service.



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How does it work?

Once the Redirect service has been enabled for the local authority, the agent will be given an additional payment method 'nominate a client to pay (Planning Portal redirect service)'

This will sit alongside the authority's existing payment options and we have created an agent guidance note that explains the process. This can be accessed here <insert ecab link>.

Once the applicant has paid the application fee, the local authority will receive an instant confirmation email of successful payment as detailed below.

From: payment-notifications@planningportal.co.uk

Subject: Payment confirmation for planning application PP-00114436

The Planning Portal has received payment for planning application PP-00114436

Application details:

Site Address: The Chestnuts, Nairn Road, ARDERSIER, IV2 7SE

Applicant Name: Clive Lewis

Agent name:

Planning Application Fee amount £28.00.

The Planning Portal will now pass this fee to your account.

Thanks

Planning Portal Admin

An additional email with full details of payment including the PP application reference and payment date is then sent by the Planning Portal finance team. This is sent to confirm the transfer of the payment to the local authority bank account.

Dear LPA,

Please find attached below a breakdown setting out details of a planning application payment made through the Planning Portal's new redirect service. The PPQ remittance details below will appear on your bank statement.

Payment date and time	PPQ remittance details	PP application reference	LPA Name	LPA Code	Application fee
04/10/2017 09:51	PP-06433175	PP-06433175	Thurrock Council	M1595	£86.00

The payment should be received in the bank account which you provided us with within 2 working days of the date of this email.

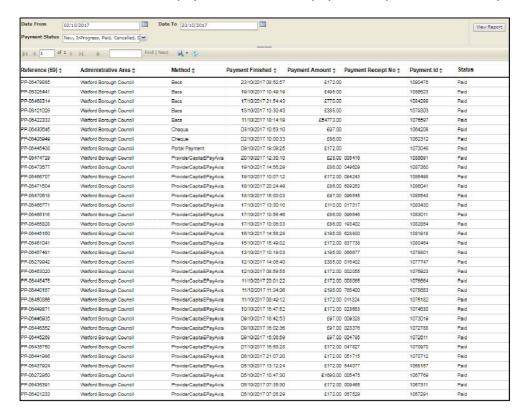




Will the redirect payments be detailed in the existing local authority payment report?

You can see the status of payments of all submitted application using the Report function in the local authority application account. This details the application reference number and the method of payment chosen.

When the redirect service is selected, the payment is show on payment report as 'Portal Payment'.





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Are there any other implications to local authorities or the Portal if payment is made when the redirect is chosen?

The service will be supported with the fees calculations summary and information in the XML schema generated for each application.

The payment option methods will be described in both the XML and Fees calculation summary as:

Payment method	Fees Calculation summary	XML description
Payment redirect service	Payment Method: Portal Payment	OnlineViaPortal
LPA Integration online payment	Payment Method: LPA online payment via Portal	OnlineViaCouncil
Payment via LPA Website	Payment Method: OnlineViaCouncil	OnlineViaCouncil
Cheque payment	Payment Method: Cheque	Cheque
Phone payment	Payment Method: Telephone	Telephone
BACS payment	Payment Method: BACS	Telephone

How do local authorities receive the payment? How will it be referenced?

As soon as the Planning Portal receives the successful payment for the application, the local authority will receive an email notification so that they can register and validate the application. The transfer into the authority's bank account will take two from when the Planning Portal receive it. All payments from one day will be transferred to authorities as a single BACS file and will receive a daily email report detailing the payments taken and when, the fee amounts and PP reference numbers for ease of reconciliation.

For Further Details

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