



RTPI

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RTPI Independent Consultants Survey 2016

Introduction

In October 2016 the RTPI carried out its periodic survey of independent consultants via its Independent Consultants Network ([ICN](#)).

The survey reflects the objectives of the ICN to raise the profile and interests of independent consultants and it helped gather intelligence on the health of the sector when the last survey was conducted in 2012. The survey was completed by 126 members of the ICN this time around (19% of the network) compared to 2012 when the survey produced 37 responses.

Findings

The responses have been analysed and are presented into 5 key areas:

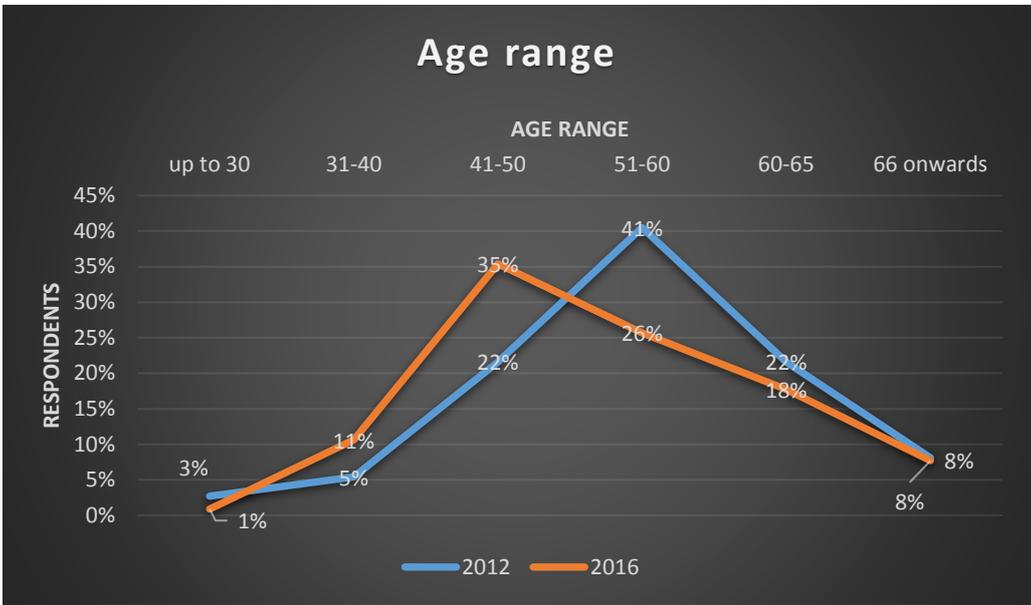
- Sector demographics
- Consultancy services
- Employment factors
- Consultancy rates and fees
- Future Projections

Where relevant, comparative figures from 2012 have been listed for information.

1. Sector demographics

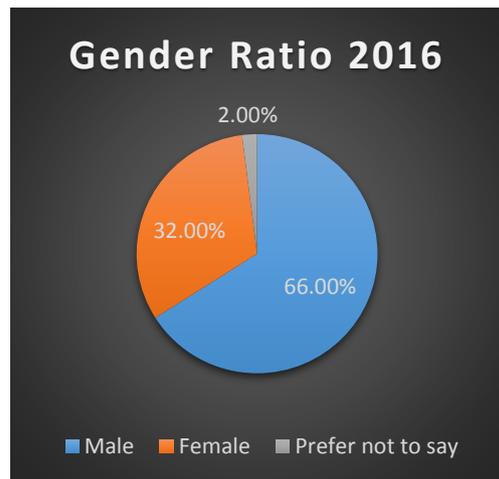
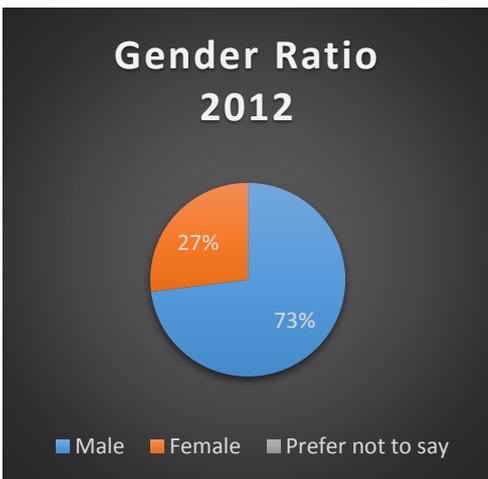
Age range

It seems that independent consultants are on the whole younger than in 2012. In 2016, 35% of survey respondents were between 41-50 years old. In 2012 the majority placed themselves in the 51-60 bracket. Is setting up a private consultancy a more attractive career route than before?



Gender ratio

The ratio of women to men, of one third to two thirds, has not substantially altered in the past four years. The findings indicate a 4% increase in female consultants over the past 4 years.

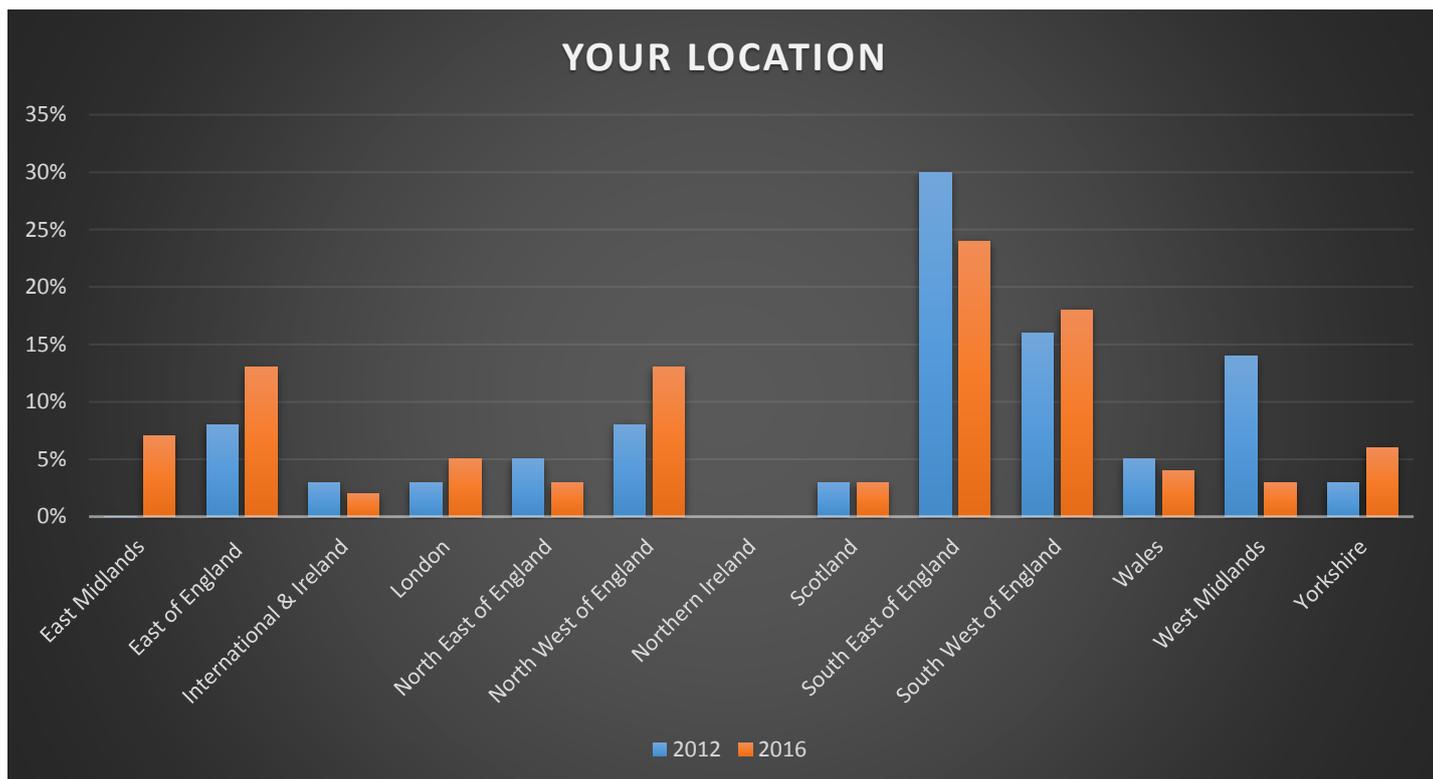


Location of consultancy

Most independent consultants appear to be based in the South East, South West, East and North West of England which is similar to 2012.

The East Midlands, London and Yorkshire have doubled in consultants based on the responses from the 2012 and 2016 surveys.

No responses were received from consultants practicing in Ireland or Northern Ireland. Membership of the ICN is open to any practicing independent consultant who is a member of the RTPI and the next survey will again be promoted as widely as possible to capture views across the membership spectrum.



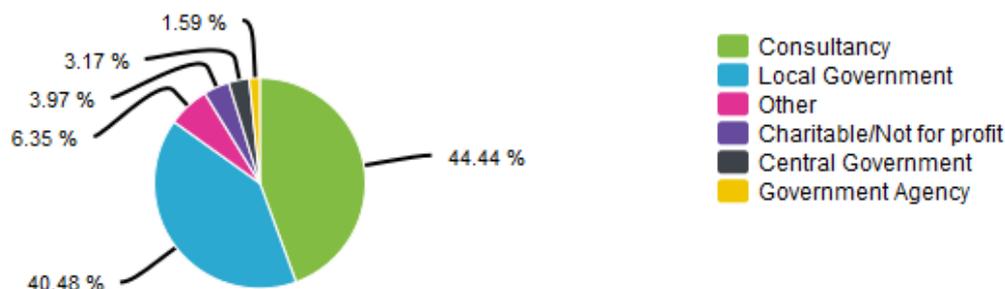
Business type

Most respondents referred to themselves as 'self-employed consultant' with 'managing a small planning practice' a close second. This is very similar to 2012.

A third of those who responded have been running their own business for 3-5 years. In 2012 the majority of respondents categorised as 'new' i.e. consultants with up to 2 years of consultancy experience. The 2016 findings might suggest that these members have continued running and growing their own business since 2012.

There appears to be some change in the sector where consultants were employed prior to starting their own business. Almost half of respondents in 2016 worked in larger consultancies before starting up independently whereas in 2012 over half came from local government.

Employment sector prior to setting up in independent private practice (2016)



2. Consultancy services

General

Respondents indicated that redundancy was the main reason for starting up a private consultancy (30%) followed by the desire to set up a private practice (23%).

Most consultants describe their business as a 'private limited company' (35%) with far less describing it as 'full-time' (23%) compared to 2012 where 62% of consultants described their business as 'full time'. However, many respondents pointed out that 'full-time' and 'private limited company' aren't mutually exclusive.

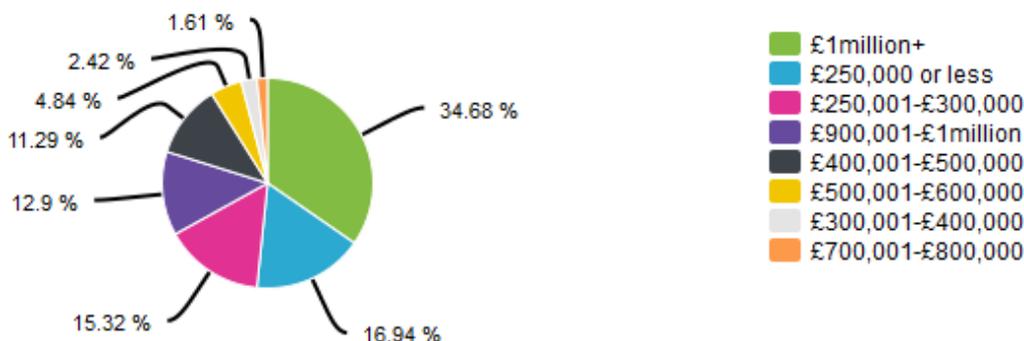
The three most common services that independent consultants offer are development management, rural planning and housing. These responses are very similar to the 2012 list although local development planning advice was included in the top three.

Professional Indemnity Insurance

The [RTPI Code of Professional Code](#) requires consultant to hold Professional Indemnity Insurance. *"Every Member must ensure that he or she and any firm offering planning services to the public of which he or she is a principal, partner or director should be insured against claims arising from work undertaken or performed within the United Kingdom (including the Channel Islands and the Isle of Man) and/or within the Republic of Ireland and that each partner or director of or consultant to such firm is also insured."*

The level of cover varies substantially which is likely to reflect the different size of consultancy. A small majority, about 35%, hold a PII cover of over £1million compared to 22% in 2012. The next levels were between £300,000 or less. Therefore the most selected categories of cover are simultaneously the highest and the lowest amounts. The results are similar to the 2012 findings.

Level of PII cover (2016)



Types of insurer

The most popular insurers listed by respondents were Hiscox, [Howden](#) Perkins Slade (who run the RTPI insurance hub) and Bluefin. Three out of the 124 respondents have made a claim against a third party during their professional career in 2016. Only four respondents had a claim made against them.

3. Employment factors

Consultancy staff

Consultants are working “*more independently*” with 72% stating they do not directly contract or employ anyone. However, the responses indicate that consultants who do contract others, used a wider range of professionals to support their business compared to 2012, including market research specialists, for example.

In 2016 consultants’ top 5 employed staff were:

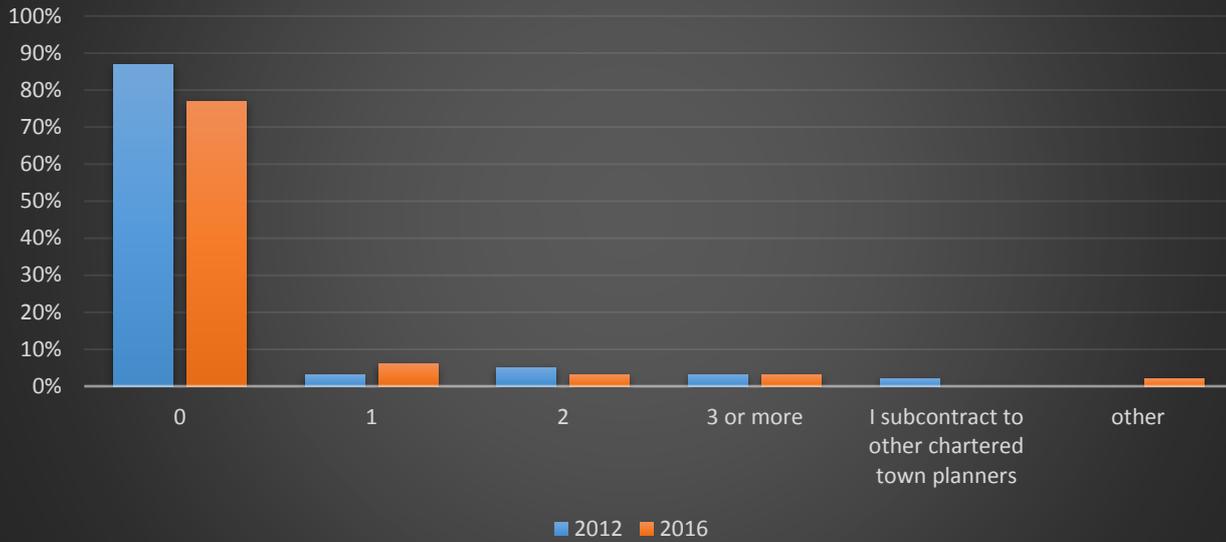
1. Administrators (14 responses)
2. RTPI Licentiates (5 responses)
3. Graduates (3 responses)
4. Architects (3 responses)
5. GIS Specialists (2 respondents)

The most contracted roles w1ere:

- 1) Architects (27 responses)
- 2) Ecologists (23 responses)
- 3) Solicitors (20 responses)
- 4) Landscape Architects (19 responses)
- 5) Heritage Specialists (17 responses)

Independent consultants are slightly more likely to employ another Chartered Town Planner compared to 2012.

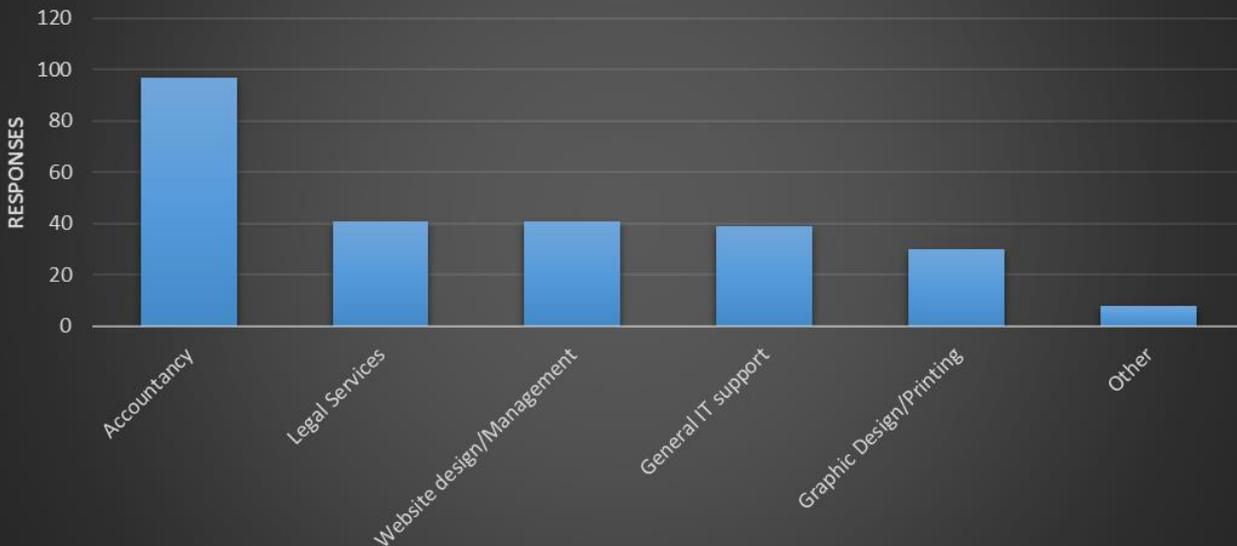
In addition to yourself, how many chartered planners do you employ?



External contractors

'Accountancy' is still the most popular externally employed service according to consultants who responded. The use of 'general IT services' has dropped since 2012. 'Legal services' continues to be one of the top three of most popular external services employed.

What services do you employ externally to support your business?



Graduate employment

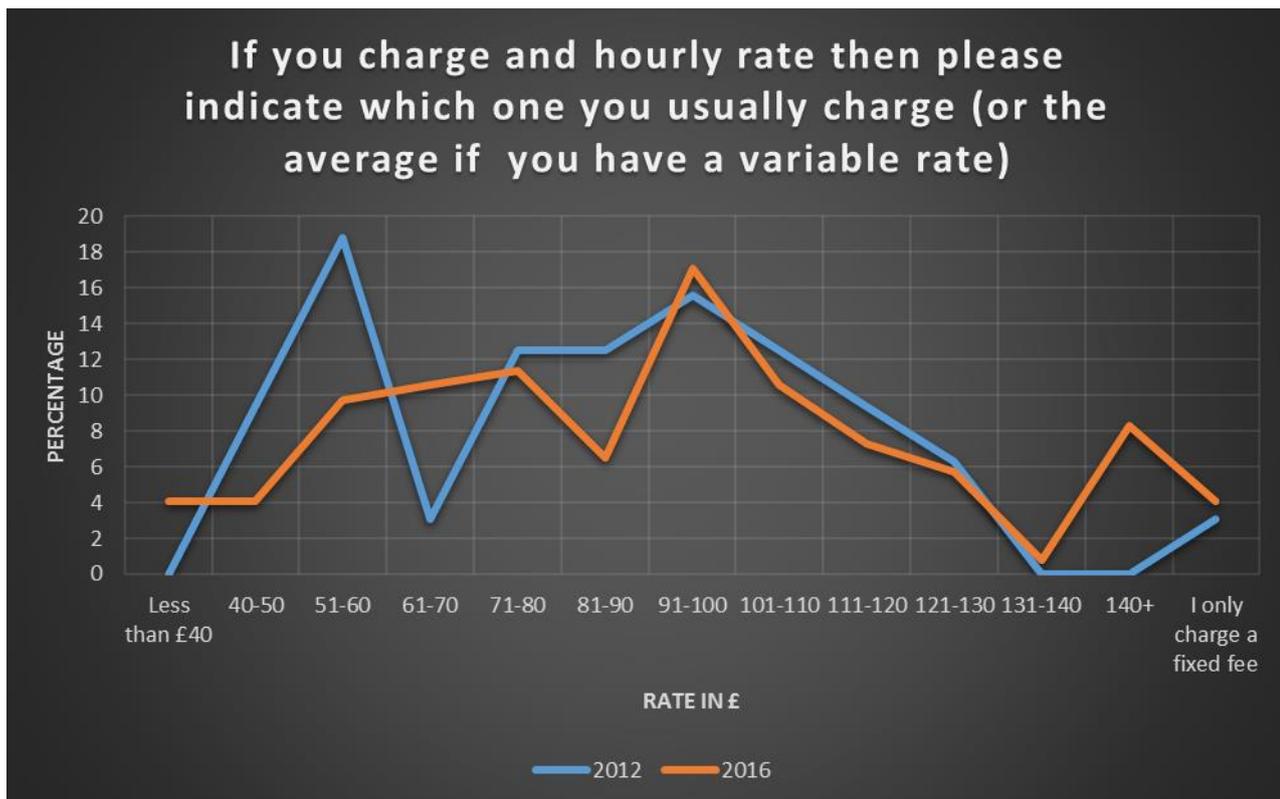
The mentoring of new recruits into the profession can be seen as an important part of succession planning and business growth. It can also be an one element of being a reflective practitioner and can count towards the CPD requirements of a Chartered Town Planner.

The findings show that 27% of consultants would they would consider offering work experience to a graduate. This is a 3% increase since 2012. The RTPI has published guidance on offering [work experience](#) and [finding work placements](#) in the UK for graduate internships and also [supports employers to during the APC process](#) through its [Learning Partners scheme](#).

4. Consultancy rates and fees

Hourly rates

The survey indicates that hourly rates for independent consultants have increased since 2012 with 17% of respondents charging between £91-£100 per hour. In 2012 the majority of respondents charged £51-£60. Over a quarter said their hourly rate was an increase on the year before with rate increases between 5%- 20%. There have been no decreases. This is a different picture compared to 2012 where a number of decreases in hourly rates were reported.



Fee calculations

A third of independent consultants continue not to charge a fixed fee for a completed job.

However 20% would charge £201-£300 as a minimum fee, followed by £501-600. This split is identical to the findings of the 2012 survey. The majority of respondents report that their fixed fee is the same as in 2012 with a proportion (16%) indicating an increase.

A success-related element to fees is not established practice for the majority of respondents (79%). Those consultants that do operate on this basis do so by a lump sum unrelated to the normal fee (8%) or an upfront arrangement that tops up an otherwise discounted fee to the normal level (6%). It is also the case that 7% of the independent consultants who completed the survey would use another formula for their fee calculation such as, for example, £500 per dwelling approved.

Overall earnings

According to the survey, average earnings have risen. The top net fee incomes at the end of 31 March 2016 were in the brackets of £50,000-£60,000, £150,000+ and £70,000-£80,000.

This differs to the net fee incomes reported in 2012 when the top three answers were £10,000-£20,000, £20,000-£30,000 and £150,000+ respectively.

Where income has risen, it has been largely due to increased client activity (32%). Activity in 2012 was much more mixed and uneven.

Payments

Most practice's top three ways to cover unpaid fees are:

- 1) 'reminder letters';
- 2) 'negotiating a watertight contract in the first place'; or
- 3) 'chasing by phone'.

If the recovery process (for example using a debt collection agency or through the small claims court) was related to a late payment of £500 or less, a significant number of respondents thought it wasn't worthwhile to pursue (40%).

5. Future projections and conclusions

The findings indicated that 85% of independent consultants that responded had 'no worries' or were 'very' or 'somewhat' confident about the economic health of their planning sector over the next two years.

According to the respondents, there are a range of opportunities that are open and attractive to consultants and demand will come from a range of areas.

The most popular areas that will generate consultancy work were listed as housing, major infrastructure projects and local or neighbourhood / community planning.

Future work opportunities will depend on 'realising the growing demands in local areas', the 'general steer of national policy' and the 'growth of the economy'.

In this light, the planning profession will need to consider and likely to adapt to further changes which may occur over the next few years with [the UK's exit from the EU](#).

The RTPI is likely to undertake another survey in 2019-20 to see how the marketplace for independent planning consultants may have changed.

RTPI SUPPORT FOR INDEPENDENT CONSULTANTS

The Institute offers peer-to-peer support through of its [Independent Consultants Network](#), and guidance through a series of Member [practice advice notes](#) (including [Starting your own Private Practice](#) and [Ethics and Professional Standards](#)). Consultants can also benefit from events such as the RTPI Planning Convention as well as other regional and national CPD seminars and workshops.

We encourage all independent consultants to engage in RTPI consultations and volunteer projects such as Better Planning, where their expertise and professionalism is valued. Members can also volunteer as [RTPI Ambassadors](#), and promote planning as a career choice to young people and schools through the [Future Planners](#) campaign.

There are also [opportunities to get involved](#) with the Institute through Planning Aid England, joining an RTPI committee or becoming an APC assessor.