



Review of Planning Application Fees

January 2015



WLGA • CLILC

INTRODUCTION

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities and the three fire and rescue authorities.
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
3. WLGA welcomes the opportunity to comment on the consultation on the review of planning application fees. These proposals should be considered in the context of declining incomes to LPAs and continuing budget cuts, for example a number of LPAs are having to find 40% budget cuts over 3 years.

Q1 Do you agree with the proposed 15% increase in fees?

4. We welcome an increase in fees as the last increase was back in 2009. However, we do not understand why the proposal is for a 15% increase when the consultation document clearly states that the average cost recovery across Wales is only 66%, leaving the LPAs to fund the 34% difference in a difficult financial climate.
5. For this reason, the WLGA would welcome a higher increase in line with Scotland, where a 20% increase was introduced in 2013 and a further 5% increase in November 2014. Therefore a 25% increase would seem more appropriate, particularly as the increase will take a number of months to be introduced and positively impact on budgets. During this time, planning authority budgets will continue to be squeezed. The RIA states that since 2009, the costs associated with design and development process have increased by 7% as a result of inflation. During this time planning fee levels have remained static, and so of the 15% increase in planning application fees, inflation is considered to form 7%. In effect then, the increase being proposed is only 8%.
6. At the very minimum, the funding gap (34%) should be split equally between the applicant and the LPA resulting in a 17% fee increase.

7. We also consider it would be appropriate to build into any changes to fees, a yearly increase or a formula based on the RPI to ensure that the fee does not, in effect, become devalued.

Q2 Do you agree that introducing a refund will improve LPA performance?

8. We do not agree with linking a fee increase to performance. The Planning (Wales) Bill as proposed, will bring in a number of measures which focus on performance of local planning authorities. These measures should be given time to bed in before additional measures are introduced.
9. This proposal may result in unintended consequences as LPAs will be reluctant to hand back the planning fee so will determine the application within the set time periods. As a result applications may be refused to comply with these determination targets. This scenario will not improve the planning system for applicants nor planning authorities.

Q3 Do you agree with the proposed time period of 16 to 24 weeks.

10. We do not agree with linking a fee increase to performance. It is likely that the more complex applications will be the ones that run close to or over the proposed time period. The time taken to determine an application may be extended as a result of additional information being required from the developer or from statutory consultees, it is not right therefore to penalise the local planning authority for delays resulting from the actions of others. These larger, more complex applications command a significant fee that the LPA would be reluctant to refund hence the comments in response to Q2 are relevant.

Q4 Do you agree with the proposed fee levels to accompany the discharge of planning conditions

11. Charging for the discharge of planning conditions in Wales is long overdue and this proposal will bring Wales into line with England. However, the level of fee being proposed is significantly below that charged in England, £195 in England compared to £83 proposed in Wales. We would welcome clarity on how the proposed fees have been calculated. The Minister is keen to see consistency across local planning authorities, therefore we would ask the question whether the fees in Wales should mirror the fees in England?

Q5 Do you agree with our proposed time period of 16 weeks after which the fee to accompany a discharge of condition would be refunded?

12. We do not agree with linking a fee increase to performance.

Q6. Do you agree with the introduction of a standardised fee to accompany a confirmation that conditions have been discharged?

13. We are not entirely clear why this would need to be introduced as a certificate of lawfulness could be issued and an appropriate fee charged for this. If this proposal is progressed then the charges should reflect the charges made in England.

Q7. Do you agree with proposals for the introduction of a set fee to accompany the drafting of a Section 106 planning obligation?

14. Local authorities are under severe financial pressure and are losing staff. It does not necessarily follow that paying a fee to accompany drafting of 106 agreements will result in a better service. This will depend very much on the resources available at the time in the individual local authorities.

Q8. Do you agree that the fee to accompany a ground appeal should only be payable to the LPA?

15. We welcome the retention of a greater proportion of the fee

Q9. Do you agree that advertisements on broadband cabinets in a specified area should be treated as a single site for the purposes of charging a fee?

16. We are of the view that this proposal regarding advertisements on broadband cabinets is time limited during the rollout of Superfast Broadband and therefore doesn't warrant a change to the fee regulations.

Q10. Should the applicant be entitled to a free go following approval of a reserved matters application?

17. We do not agree with this proposal. Reserved matters applications can generate a significant amount of work and therefore it is not a reasonable proposal to expect LPAs to process the application without a fee.

Q11a. Do you agree that applications for renewable energy development should have a separate fee schedule to Section 5, Plant and Machinery?

18. We would agree on the proviso that the changes do not reduce the fee for ground intensive applications such as solar farms which generate a considerable amount of work.

Q11b. Do you agree that wind turbines should also have a separate system of fee calculation?

19. The WLGA agrees with this proposal. Currently the system to calculate the fee is based on the extent of the development and particularly in the case of applications for single turbines the area of developable land is small which translates into a small fee. These applications can be time consuming and costly and the current fee structure does not reflect this.

Q11c. What factors, or combination of factors, should be taken into account when calculating the fee for wind turbines?

20. We would agree with the commentary against the various options (output, number and height) and as a result can see the logic in the proposal for a set fee per 0.1 hectare depending on the development size.

Q12. Do you agree that fees for cross-boundary planning applications should be addressed with all constituent LPAs receiving a fee?

21. By their very nature, cross boundary applications are more likely to be the larger and more complex applications and in these circumstances we would agree with this proposal.

Q13. Do you have any comments to make about the draft partial Regulatory Impact Assessment?

22. We are not entirely clear what paragraph 5.21 is proposing. Is it a forecast that based on current performance stats that probably 10% of applications will fall outside the proposed determination times and therefore given that the average fee paid is £462 that LPAs can expect (on current performance) to pay back approximately £4,640? If this is the case using an average fee based on all applications is misleading. It is the

more complex applications (which command a higher fee) which take longer to determine and are at risk of incurring refunds at a level much higher than the average £462.

- 23. It would be useful to see the rationale for arriving at the proposed 15% increase and levels of fee being proposed for the discharge of conditions etc.
- 24. The increase in a fee will increase the revenue available to a LPA from fees, however this will not result in an overall increase in available revenue as LPAs are experiencing cuts to their core budgets as part of corporate budget cuts.

Q14. Additional Comments

- 25. The Planning (Wales) Bill proposes a number of additional duties for local planning authorities for which local planning authorities could charge a fee; namely pre-application advice and local authority involvement in Developments of National Significance. If these proposals are contained in the final Planning (Wales) Act we would welcome discussion with Welsh Government on the appropriate fee level for local planning authority activity.

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