

West Dunbartonshire Council
Report by the Strategic Lead - Regulatory
Planning Committee: 12 February 2020

Subject: Planning Performance and Fees Consultation 2019

1. Purpose

- 1.1** To advise the Committee of the Scottish Government's "Planning Performance and Fees" consultation, and to agree the Council's response.

2. Recommendations

- 2.1** It is recommended that the Committee agrees that Appendix A forms the Council's response to the consultation paper.

3. Background

- 3.1** Over the last few years the Scottish Government has embarked upon a series of significant amendments to the Scottish planning system, and the resourcing of the planning system has been a recurring issue since the financial downturn. The Independent Panel Report in 2016 appointed to review the planning system considered both performance and fees and since then the Government have been gathering information to inform the approach going forward. Following the introduction of the Planning (Scotland) Act 2019, the Scottish Government has launched a consultation seeking comments on two aspects of planning reform: performance and fees. It is important to note that the consultation seeks views on how planning fees cover the cost of determining an application and not any additional duties required by the new Planning Act. The Government have noted that currently planning fees only account for on average 63 % of the cost of determining an application and it is expected by closing the gap would free up resources for the remainder of the planning service.

4. Main Issues

- 4.1** The consultation paper sets out the Scottish Government's proposals and contains 153 specific questions on which the Council's views are sought. The questions and recommended responses are attached in Appendix A. The Consultation Paper is split into 2 main sections.
- Performance - which formalises a mechanism of annual performance reporting by each Scottish planning authority and the introduction of a National Planning Improvement Co-ordinator.
 - Fees - substantial changes to the planning fee structure and also looks more widely at non-statutory charging for the first time.

Performance

- 4.2** The Planning (Scotland) Act 2019 places annual performance reporting by planning authorities on a statutory basis. The Planning Performance Framework (PPF) established by Heads of Planning in 2011-12 has been a valuable tool in demonstrating planning authorities' commitment to continuous improvement and all the work they do in delivering the planning service from determining applications, producing development plans, to working corporate services, sharing and learning from each other. The Scottish Government has recognised significant improvement in the markings awarded to authorities for the 15 key markers from the PPF demonstrating commitment to continuous improvement. This Council has now produced 8 PPF annual reports and reports the feedback received from the Scottish Government to Planning Committee on the key markers on an annual basis. The Consultation Paper asks views on whether a vision for the Planning Service in Scotland should be set out and whether the proposed approach set out in the PPF is correct and seeks suggestions on the Key Indicators and National Outcomes. The Council is supportive of a vision for the Planning System and has suggested in the response that the vision should be more outcome based indicating the role that planning can play in creating a better Scotland. In terms of the Key Indicators it indicates that performance should be measured on outcomes of what the planning system delivers i.e. quality housing, quality places, environment etc. rather than be focused purely on how long it takes to process an application; or the age of the development plan.
- 4.3** The Scottish Government is also proposing the appointment of a National Planning Improvement Co-ordinator to monitor and provide advice to planning authorities and others on the performance of general or specific functions. The Co-ordinator will be appointed by the Scottish Ministers and their role will be to focus on the performance of the planning system as a whole. It is recommended in the response that their role should be one of support when authorities are experiencing performance issues and they should be responsible in the PPF process and sit independently from the Scottish Government.

Planning Fees

- 4.4** A root and branch review of the planning application fee structure has been under consideration for over a decade and this Council has responded to the Consultation Papers in 2010 and 2012 to the levels of fees charged with no changes made to the method of calculation fees or to the categories. Fee levels were increased in 2013, 2014 and 2017 with the maximum planning fee increased to £125,000 in 2017. This present consultation paper does not commit to full cost-recovery through the proposed changes but proposes it moves closer towards that outcome. The consultation looks at how the fee regime could be revised as well as looking at the potential for discretionary charging, increased fees for retrospective applications, the removal of fees for advertising planning applications and reducing and waiving fees.
- 4.5** In terms of the proposed fee changes, many of the 153 questions follow the same standard format but repeated for different classes of development, all of

which are detailed in Appendix A. The key changes proposed of greatest relevance to West Dunbartonshire Council as Planning Authority include the following:

- Housing Applications - a sliding, reducing scale is proposed in recognition of the fact that the amount of work and cost involved for a single house can often be as much as for multiple units. The current fee for up to 10 units is £401 per unit and would increase to £600, 11 to 49 units would be £450 per unit and housing developments containing 50 or more units would be £23,550 with each additional unit charged at £250 until a new fee maximum of £150,000 is reached (current maximum fee is £124,850);
- Planning Permission in Principle (PPP) - 1 residential unit is currently £401 and would be reduced to £300. Where an application for PPP is based on site size the fee would rise by £300 per 0.1 ha incrementally until the maximum fee of £75,000 is reached;
- Extensions to Dwellinghouses - would increase from £202 to £300. However, for lesser domestic alterations (replacement of windows, sheds, gates, fences and other enclosures, garages and microgeneration equipment) the fee would reduce to £150;
- Retail & Leisure - Applications for development creating no new floor space, or not more than 50m² of new floor space will be charged a fee of £300. For developments above 50m² the fee is £1,500 for the first 50-100m² of the development followed by £800 per 100m² thereafter up to 2,500m², then the fee reduces to £500 per 100m² or part thereof subject to a maximum of £150,000. Applications for PPP shall be charged at £500 for each 0.1 hectare of the site subject to a maximum of £75,000.
- Business & Commercial – these buildings are charged according to the gross floor space to be created. Applications for development creating no new floor space, or not more than 50m² of new floor space, are charged a fee of £300. For buildings above that size the fee is £800 for the first 100m² of floorspace with this falling to £400 per additional 100m² or part thereof subject to a maximum of £150,000 (20% increase). Applications for Planning Permission in Principle shall be charged at £400 for each 0.1 hectare of the site subject to a maximum of £75,000;
- Electricity Generation – to be divided into 3 categories, instead of the current single category, wind farms, hydro schemes, and other energy generation projects (solar, energy storage, heat networks). Hydro schemes would increase from £401 per 0.1ha to £500 up to a maximum of £25,000. Other energy generation projects would be calculated on site size or floor space. The first 100m² of site size / floor space to be created will be £1,000 with £500 for every 100m² thereafter to a maximum of £150,000;
- Plant & Machinery - applications will be charged according to the area of the site and increase from £401 per 0.1ha to £500 or part thereof, subject to a maximum of £150,000;
- Access, Car Parks (Existing Uses) - subject to a flat rate fee of £600;
- Winning & Working of Minerals - charged according to the area of the site at a rate of £500 for the first 0.1 ha of the site and after that at a rate of £250 per ha or part thereof, subject to a maximum of £150,000;

- Waste Disposal and Minerals Stocking - charged according to the area of the site with the first 0.1 ha requiring a fee of £500 followed by a rate of £300 per 0.1 ha or part thereof, subject to a maximum of £150,000;
- Conversion of Flats and Houses - charged at the same rate as residential units;
- Change of use of a building - charged at £600 per application;
- Change of use of land - based on the site area with an initial fee of £500 for the first 0.1 ha and £300 for each 0.1 ha or part thereof up to a maximum of £150,000;
- Conservation Area – alterations to a property which would have otherwise been permitted development would be half the normal fee, rather than the full fee as at present;
- Listed Building Consent –proposed introduction of a fee as currently no fee payable;
- Advertisement Consent - increase from £202 to £300;
- Section 42 applications (applications to vary or remove conditions of an existing planning permission) – increase from £202 to £300.

In general, the Council is supportive of the suggested proposed uplift in planning fees across all categories of development and welcomes the move towards full cost-recovery. It is suggested that the upper cap for planning fees should be increased above £150,000 for certain types of development and that fees are subject to the rate of inflation on an annual basis.

4.6 The consultation also considers the issue of discretionary charging, which has for the first time been included in the new Act. It seeks views regarding the potential for charging for the following:

- charging for pre-application discussions;
- processing agreements (a bipartite agreement for the timescales and milestones in processing more complex applications);
- non-material variations (considerations of minor changes to planning permissions),
- the monitoring and discharging of conditions;
- Masterplan Consent Area (previously known as Simplified Planning Zones);
- Enhanced Project Managed Applications (a new concept for a more corporate project management role for major developments including different permissions and licences),
- self /custom build registers;
- advertising applications;
- charging for appeals to the Scottish Ministers and Notices of Review to the Council Local Review Body (currently there is no fee for either);
- reducing and waiving fees.

In principle the Council is supportive of discretionary charging but it indicates that it should be up to each Local Authority to decide whether they wish to charge for pre application discussions or other duties as it may be a disincentive to invest in areas requiring regeneration and economic growth. The Council is however supportive of charging for non-material variations,

planning agreements, monitoring and discharging of conditions and asks that a national applicable rate is set.

- 4.7** The consultation also seeks comments regarding a surcharge for retrospective applications (a surcharge of 100% is suggested although planning authorities should have the discretion to waive this where it considers a genuine mistake has been made) and whether or not a refund should be given to applicants if there had been an unreasonable delay in the processing of their application. The Council would support the extra charge for retrospective applications which could be a disincentive for unauthorised development but would not support any refund of fees as the cost to the Planning Authority has already been incurred.

5. People Implications

- 5.1** There are no personnel issues associated with this report.

6. Financial Implications

- 6.1** It is difficult to accurately predict the actual effect that the proposed fee changes would have for the Council. It is anticipated that the new fee arrangements will be in place by mid-2020. Whilst it is clear that the proposals would result in a reduction in income in some categories (e.g. planning permission in principle applications, some householder applications), overall, the bulk of the application types received by the Council would be the subject of an increase in fees. It is expected that the outcome of this consultation and that of other local planning authorities will result in a likely increase in planning fees for the Council. The additional resources would be required to be invested to help support planning improvements.

7. Risk Analysis

- 7.1** There are no known risks associated with this report.

8. Equalities Impact Assessment (EIA)

- 8.1** There is no requirement for an equalities impact report

9. Consultation

- 9.1** A workshop took place with all Planning Officers. The Strategic Lead – Resources has been consulted.

10. Strategic Assessment

- 10.1** The above Consultation covers a wide range of topics and is considered to contribute to all of the Council's strategic priorities and in particular towards:

- Economic growth and employability.
- Local housing and sustainable infrastructure.

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Date: 12th February 2020

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Appendix:	Appendix A – West Dunbartonshire Council's proposed response to "Planning Performance and Fees" consultation
Background Papers	<p>Scottish Government "Planning Performance and Fees" consultation' https://consult.gov.scot/planning-architecture/planning-performance-and-fees/</p> <p>West Dunbartonshire Council Planning Performance Framework 2018-19 https://www.west-dunbarton.gov.uk/planning-building-standards/planning-applications/planning-application-service-and-performance/</p>
Wards Affected:	None.