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Llywodraeth Cymru
Welsh Government

Welsh Government

Consultation Document

Changes to planning and related application fees

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Responses by: 13 March 2020

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Overview

The primary source of funding for local planning authorities (LPAs) is generated from fee income received for determining applications, which are intended to recover the costs for providing this service and are prescribed in the Town and Country Planning (Fees for Applications, Deemed Applications and Site Visits) (Wales) Regulations 2015 (as amended).

Although the aim of application fees is to recover the costs of LPAs in providing a development management service, it has become increasingly clear fee levels do not cover the costs of running development management services. Consequently, LPAs are moving further away from cost recovery.

This consultation aims to seek the views of stakeholders for increasing planning fees in Wales, to assist in improving cost recovery for local planning authorities.

How to respond

The closing date for responses is 13 March 2020 and you can respond in any of the following ways:

Email: Please complete the consultation response form and send it to:

planconsultations-g@gov.wales

Please include 'Changes to planning and related application fees – WG39261' in the subject line.

Post: Please complete the consultation response form and send it to:

Changes to planning and related application fees
Planning Directorate
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

Contact details For further information:

Email: planconsultations-g@gov.wales

Tel: Owain Williams on 0300 025 1715

Data protection How the views and information you give us will be used

The Welsh Government will be data controller for any personal data you provide as part of your response to the consultation. Welsh Ministers have statutory powers they will rely on to process this personal data which will enable them to make informed decisions about how they exercise their public functions. Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about or planning future consultations. Where the Welsh Government undertakes further analysis of consultation responses then this work may be commissioned to be carried out by an accredited third party (e.g. a research organisation or a consultancy company). Any such work will only be undertaken under contract. Welsh Government's standard terms and conditions for such contracts set out strict requirements for the processing and safekeeping of personal data.

In order to show that the consultation was carried out properly, the Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. If you do not want your name or address published, please tell us this in writing when you send your response. We will then redact them before publishing. You should also be aware of our responsibilities under Freedom of Information legislation. If your details are published as part of the consultation response then these published reports will be retained indefinitely. Any of your data held otherwise by Welsh Government will be kept for no more than three years.

Your rights:

Under the data protection legislation, you have the right:

- to be informed of the personal data held about you and to access it
- to require us to rectify inaccuracies in that data
- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased'
- to (in certain circumstances) data portability
- to lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection.

For further details about the information the Welsh Government holds and its use, or if you want to exercise your rights under the GDPR, please see contact details below:

Data Protection Officer:
Welsh Government
Cathays Park
CARDIFF
CF10 3NQ

e-mail: Data.ProtectionOfficer@gov.wales

The contact details for the Information Commissioner's Office are:

Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Tel: 01625 545 745 or 0303 123 1113

Website: <https://ico.org.uk/>

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CONSULTATION PAPER

Changes to Planning Application Fees

1. Introduction and Overview

Introduction

- 1.1 The Welsh Government is supportive of a planning system which manages the development and use of land in the public interest, prioritising long-term collective benefits, as well as contributing to improving the economic, social, environmental and cultural well-being of Wales.
- 1.2 To help the planning system deliver these objectives, we need to ensure local planning authorities (“LPA”) have access to the necessary resources, which are used in the most efficient and effective manner to balance the need for the considered determinations of applications against issuing decisions in a timely manner.
- 1.3 The primary source of funding for LPAs is generated from fee income received for determining applications, which are intended to recover the costs for providing this service. However, with various legislative, policy and procedural changes which have occurred since planning fees were last updated in 2015 (discussed further in Chapter 2), as well as other factors, such as inflation, an uplift in administrative costs and the effects of public sector austerity, we acknowledge changes to these fees are required to reflect ever-increasing demands on the development management system.
- 1.4 This consultation paper sets out proposals to change planning application fees in Wales.

The basis for planning fees

- 1.5 Section 303 of the Town and Country Planning Act 1990 provides the necessary power for the Welsh Minister to prescribe fees or charges in connection with planning functions. These are currently detailed in the Town and Country Planning (Fees for Applications, Deemed Applications and Site Visits) (Wales) Regulations 2015 (as amended) (“the 2015 Regulations”).

The purpose of planning fees

- 1.6 Planning decisions often bring private benefit to applicants, for example, a property with planning permission for works and improvements may be significantly more valuable than it would be without. Because of this, the fee which accompanies a planning application is an acknowledgement of both this private benefit, as well as reflecting the overall cost of handling, administering and determining various types of applications. Fee levels are designed to

include recovery of direct costs for this process and an apportionment of related overheads.

2. Increasing Planning Fees

The Issue

- 2.1 For a considerable period LPAs have been faced with a number of issues which have affected how the development management system in Wales operates, such as reductions in service funding and diminishing specialist resources. Furthermore, the Welsh Local Government Association submitted evidence to the National Assembly for Wales Finance Committee in October 2016, demonstrating a 53% budget cut to planning services between 2009/10 and 2016/17 financial years. This can not only affect the quality of decisions being made, but also have a profound effect on whether these decisions can be made in a timely manner.
- 2.2 Since the introduction of the 2015 Regulations, LPAs have also been subject to additional requirements through policy and legislation changes and additions when determining applications. For example, the introduction of the Well-being of Future Generations (Wales) Act 2015 places a duty on public bodies to carry out sustainable development and although this is not a new concept for the planning system, this legislation requires public bodies to take account of the five ways of working, as specified in the legislation, and take all reasonable steps (in exercising its functions) to meet their specified well-being objectives¹.
- 2.3 The aim of application fees is to recover the costs of LPAs in providing a development management service. However, it has become increasingly clear fee levels do not cover the costs of running development management services. Consequently LPAs are moving further away from cost recovery. This could lead to a detrimental impact on how the development and management of land in Wales is delivered by the planning system, which is one of the main levers for economic, social and environmental progress.

Our proposals

General fee increase

- 2.4 Our evidence suggests the current fee levels for applications are not sufficient to run an efficient development management service as cost recovery is not being achieved. LPAs continue to lose vital income, with the inequality between fees and costs expanding.

¹ S.3(2)(b) and S.5 of the Well-Being of Future Generations (Wales) Act 2015

- 2.5 The basic principle in managing public money is to set fees which recovers full costs. This approach ensures LPAs neither profit at the expense of service users, nor makes a loss which require a subsidy from an additional financial source². Therefore, we need to strike the right balance between the service provided by development management teams in local authorities and the fee level required to be submitted with each application.
- 2.6 To address the existing deficit between the cost of determining applications and the income received for providing this service, we are proposing to retain the current and established fee structure set out in the 2015 Regulations in the short-term and increase planning fees across the board by approximately 20%³, excluding fees for pre-application services, which will remain at current levels. In return, we require the additional income generated from the fee will remain the service provision budgets of LPAs and not be offset by an equivalent reduction in corporate funding for the service.
- 2.7 This exception has been made as fees for pre-application services were introduced following the Planning (Wales) Act 2015 and are based on a more recently established structure and evidence-base, which we consider is still appropriate, given the short period of time fees for pre-application services have been in force. Furthermore, it is not our intention to discourage applicants from valuable pre-application discussions with LPAs.
- 2.8 The proposed changes to fees are set out in Annex A.

Introducing fees for Applications for Certificates of Appropriate Alternative Development

- 2.9 Applicants are currently able to submit an application to LPAs for a Certificate of Appropriate Alternative Development in Wales, under section 17 of the Land Compensation Act 1961 without a fee.
- 2.10 Like other applications submitted to LPAs, these types of applications will require a certain level of input in terms of time and resource, in order for them to be determined. Furthermore, the applicant will receive a level of benefit such a Certificate.
- 2.11 To support LPAs in recovering their costs in determining applications for certificates of appropriate alternative development, we are proposing to introduce a fee of £230 per application.

Q1

Do you agree with the proposed 20% increase in application fees, excluding pre-application services? If not, why not?

² Section 6 of HM Treasury – Managing Public Money, July 2013 (Revised March 2018)

³ For the purposes of rounding, there are minor variations in the level of increase.

Q2

Do you agree with introducing a fee of £230 for applications for Certificates of Appropriate Alternative Development, made under section 17 of the Land Compensation Act 1961? If not, why not?

Our future proposals

- 2.12 We recognise periodically increasing planning fees by a certain percentage, while moving towards cost recovery, is unsustainable and does not address the changes to, and complexities of, running a development management service.
- 2.13 For example, our evidence suggests minor and householder applications typically cost much more to determine than the fee set by legislation. As a result, major application fees are used to subsidise the determination of these types of applications.
- 2.14 Following this consultation, it is our intention to consider whether there is the need to reform the method for charging fees and the level of fees in the longer term.
- 2.15 The Welsh Government will carry out research to identify the true costs of running development management services in greater detail against the cost of individual applications.
- 2.16 To support this research, we are also seeking to carry out investigative work into the efficiency of development management teams in Wales in determining applications, specifically, considering how quickly applications are determined and the processes and procedures used to undertake these functions. Our overall aim is to ensure development management services run as efficiently as possible while ensuring their service is funded appropriately through application fees.
- 2.17 Any future proposals relating to cost recovery modelling or development management processes and procedures will be subject to further consultation.

Q3

Do you have any comments to make, or evidence to put forward in relation to the current fee regime, or any suggestions for improvements?

Q4

We would like to know your views on the effects that changes for planning and related applications fees would have on the Welsh language, specifically, on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Q5

Please also explain how you believe the proposed policy for changes to fees for planning and related applications could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

Annex A – Amendments to the 2015 Regulations:

Proposed amendments to the 2015 Regulations

Regulation within the 2015 Regulations	Proposed fee payable
<i>11. Fees for applications for certificates of lawful use or development</i>	
11(3)(b). An application made under section 191(1)(c) of the Town and Country Planning Act 1990.	£230
11(6)(a). Where the use specified in an application under section 191(1)(a) is a use as 50 or fewer dwellinghouses.	£460 per dwellinghouse
11(6)(b). Where the use specified in an application under section 191(1)(a) is a use as more than 50 dwellinghouses.	£23,000 base fee £120 per dwellinghouse in excess of 50
<i>13. Fees for certain applications under the General Permitted Development Order</i>	
13(1)(a). Where an application is made to a local planning authority for their determination as to whether the prior approval of the authority will be required in relation to development under Schedule 2 to the GDPO, a fee must be paid to the authority for applications under Part 6 (agricultural buildings and operations), applications under Part 7 (forestry buildings and operations) and applications under Part 11 (demolition).	£100
13(1)(b). Where an application is made to a local planning authority for their determination as to whether the prior approval of the authority will be required in relation to development under Schedule 2 to the GDPO, a fee must be paid to the authority for applications under Part 24 (communications).	£460
<i>14. Fees in respect of the monitoring of mining and landfill sites</i>	
14(4). Where the whole or part of a site is active.	£400 per visit (subject to a maximum of 8 visits per 12 months)

14(5). Where the site is inactive.	£135 per visit (subject to 1 visit per 12 months)
<i>15. Fees for applications made under planning condition</i>	
15(1)(a). Where an application is made to a local planning authority under Article 23 of the DMP(W)O 2012 and where the application relates to a permission for development which falls within category 6 or 7 specified in the table set out in Part 2 of Schedule 1.	£35
15(1)(b). Where an application is made to a local planning authority under Article 23 of the DMP(W)O 2012 in any case other than those specified under paragraph 15(1)(a).	£115
<i>16. Fees for non-material changes to planning permission</i>	
16(1)(a). Applications made under section 96A(4) of the Town and Country Planning Act 1990 and the application is a householder application.	£35
16(1)(b). Applications made under section 96A(4) of the Town and Country Planning Act 1990 and the application is anything other than a householder application.	£115
<i>16A. Fees for post-submission amendments to major development</i>	
16A(3). Where an amendment to a valid application for major development is submitted to a local planning authority in accordance with Article 22(1A) of the DMP(W)O 2012 a fee must be paid.	£230

Schedule 1

Fees in respect of applications and deemed applications for planning permission or for approval of reserved matters

Part 1: Fees payable under regulation 3 or regulation 10

Draft Fee Schedule

Paragraph number of Schedule 1 Part 1	Proposed fee payable
2. Where an application or deemed application is made or deemed to be made by or on behalf of a community council.	50% of original fee
3(1). Where an application or deemed application is made or deemed to be made by or on behalf of a club, society or other organisation (including any persons administering a trust) which is not established or conducted for profit and whose objects are the provision of facilities for sport or recreation.	£460
4. Application for approval of one or more reserved matters.	£460
5. Applications made under section 73 of the Town and Country Planning Act 1990.	£230
5A(3)(a). Applications made under section 73 of the Town and Country Planning Act 1990, following refusal of a non-material change, or where the local planning authority have not given notice of their decision in respect of an earlier application with the time specified in article 28A(7) of the DMP(W)O 2012, for householder applications.	£190
5A(3)(b). Applications made under section 73 of the Town and Country Planning Act 1990, following refusal of a non-material change, or where the local planning authority have not given notice of their decision in respect of an earlier application with the time specified in article 28A(7) of the DMP(W)O 2012, for any other case.	£115
6(a). An application relating to development carried out without planning permission.	The fee specified in Part 2 of Schedule 1

6(b). An application relating to any other case.	£230
7. Applications for planning permission to extend a time limit under sections 91 or 92 of the Town and Country Planning Act 1990, where planning permission has previously been granted for development which has not yet begun.	£230
13(2)(a). Applications for outline planning permission for development falling into more than one category, where the site area does not exceed 2.5 hectares.	£460 per 0.1ha
13(2)(b). Applications for outline planning permission for development falling into more than one category, where the site area does exceeds 2.5 hectares.	£11,500 base fee £120 per 0.1ha above 2.5ha £150,000 maximum fee

Part 2 – Scale of Fees in Respect of Applications Made or Deemed to be Made:

Draft Fee Schedule

Category of Development	Proposed fee payable
<i>I. Operations</i>	
<p>1. The erection of dwellinghouses (other than development within category 6 below).</p>	<p>(a) where the application is for outline planning permission and –</p> <p>(i) the site area does not exceed 2.5 hectares, £460 for each 0.1 hectare of the site area,</p> <p>(ii) the site area exceeds 2.5 hectares, £11,500 and an additional £120 for each 0.1 hectare in excess of 2.5 hectares, subject to a maximum total of £150,000;</p> <p>(b) in other cases –</p> <p>(i) where the number of dwellinghouses to be created by the development is 50 or fewer, £460 for each dwellinghouse,</p> <p>(ii) where the number of dwellinghouses to be created by the development exceeds 50, £23,000 and an additional £100 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £300,000.</p>
<p>2. The erection of buildings (other than buildings in categories 1, 3, 4, 5 or 7)</p>	<p>(a) Where the application is for outline planning permission and –</p> <p>(i) the site area does not exceed 2.5 hectares, £460 for each 0.1 hectare of the site area,</p> <p>(ii) the site area exceeds 2.5 hectares, £11,500 and an additional £120 for each 0.1 hectare in excess of 2.5 hectares, subject to a maximum in total of £150,000;</p> <p>(b) in other cases –</p> <p>(i) where no floor space is to be created by the development or where the area of gross floor space to be created by the development does not exceed 40 square metres, £230,</p> <p>(ii) where the area of the gross floor space to be created by the development exceeds 40 square metres but does not exceed 75 square metres, £460,</p>

	<p>(iii) where the area of gross floor space to be created by the development exceeds 75 square metres, £460 for each 75 square metres (or part thereof), subject to a maximum in total of £300,000.</p>
<p>3. The erection, on land used for the purpose of agriculture, of buildings to be used for agricultural purposes (other than Buildings in category 4).</p>	<p>(a) Where the application is for outline planning permission and—</p> <p>(i) the site area does not exceed 2.5 hectares, £460 for each 0.1 hectare of the site area,</p> <p>(ii) the site area exceeds 2.5 hectares, £11,500 and an additional £120 for each 0.1 hectare in excess of 2.5 hectares, subject to a maximum in total of £150,000.</p> <p>(b) in other cases—</p> <p>(i) where no floor space is to be created by the development or where the area of gross floor space to be created by the development does not exceed 465 square metres, £85,</p> <p>(ii) where the area of gross floor space to be created by the development exceeds 465 square metres but does not exceed 540 square metres, £460,</p> <p>(iii) where the area of gross floor space to be created by the development exceeds 540 square metres, £460 and an additional £460 for each 75 square metres (or part thereof) in excess of 540 square metres, subject to a maximum in total of £300,000.</p>
<p>4. The erection of glasshouses on land use for the purposes of agriculture.</p>	<p>(a) Where the gross floor space to be created by the development does not exceed 465 square metres, £85;</p> <p>(b) where the gross floor space to be created by the development exceeds 465 square metres, £2,600.</p>
<p>5. The erection, alteration or replacement of plant or machinery.</p>	<p>(a) Where the site area does not exceed 5 hectares, £460 for each 0.1 hectare of the site area;</p> <p>(b) where the site area exceeds 5 hectares, £23,000 and an additional £120 for each 0.1 hectare in excess of 5 hectares, subject to a maximum in total of £300,000.</p>
<p>6. The enlargement, improvement or other alteration of existing dwellinghouses.</p>	<p>(a) Where the application relates to one dwellinghouse, £230;</p>

	(b) where the application relates to 2 or more dwellinghouses, £460 .
<p>7.</p> <p>(a) the carrying out of operations (including the erection of a building) within the curtilage of an existing dwellinghouse, for purposes ancillary to the enjoyment of the dwellinghouse as such, or the erection or construction of gates, fences, walls or other means of enclosure along a boundary of the curtilage of an existing dwellinghouse; or</p> <p>(b) the construction of car parks, service roads and other means of access on land used for the purposes of a single undertaking, where the development is required for a purpose incidental to the existing use of the land.</p>	£230 in each case.
8. The carrying out of any operations connected with exploratory drilling for oil or natural gas.	<p>(a) Where the site area does not exceed 7.5 hectares, £460 for each 0.1 hectares of the site area;</p> <p>(b) where the site area exceeds 7.5 hectares, £34,500 and an additional £120 for each 0.1 hectare in excess of 7.5 hectares, subject to a maximum in total of £300,000.</p>
9. The carrying out of any operations not coming within any of the above categories.	<p>(a) In the case of operations for the winning and working of minerals—</p> <p>(i) where the site area does not exceed 15 hectares, £230 for each 0.1 hectare of the site area,</p> <p>(ii) where the site area exceeds 15 hectares, £34,500 and an additional £120 for each 0.1 hectare in excess of 15 hectares, subject to a maximum in total of £80,000;</p>

	(b) in any other case, £230 for each 0.1 hectare of the site area, subject to a maximum of £300,000 .
<i>II. Uses of land</i>	
10. The change of use of a building to use as one or more separate dwellinghouses	<p>(a) Where the change of use is from a previous use as a single dwellinghouse to use as two or more single dwellinghouses—</p> <p>(i) where the change of use is to use as 50 or fewer dwellinghouses, £460 for each additional dwellinghouse,</p> <p>(ii) where the change of use is to use as more than 50 dwellinghouses, £23,000 and an additional £120 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £300,000;</p> <p>(b) in all other cases—</p> <p>(i) where the change of use is to use as 50 or fewer dwellinghouses, £460 for each dwellinghouse,</p> <p>(ii) where the change of use is to use as more than 50 dwellinghouses, £23,000 and an additional £120 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £300,000.</p>
11. The use of land for the disposal of refuse or waste materials or for the deposit of material remaining after minerals have been extracted from land, or for the storage of minerals in the open.	<p>(a) Where the site area does not exceed 15 hectares, £230 for each 0.1 hectare of the site area;</p> <p>(b) where the site area exceeds 15 hectares, £34,500 and an additional £120 for each 0.1 hectare in excess of 15 hectares, subject to a maximum in total of £80,000.</p>
12. The making of a material change in the use of a building or land (other than a material change of use coming within any of the above categories).	£460 .

Schedule 2 – Fees for Advertisements – Scale of Fees in Respect of Applications for Consent to Display Advertisements

Draft Fee Schedule

Category of development	Fee payable
<p>1. Advertisements displayed on business premises, on the forecourt of business premises or on other land within the curtilage of business premises, wholly with reference to all or any of the following matters—</p> <p>(a) the nature of the business or other activity carried on the premises;</p> <p>(b) the goods sold or the services provided on the premises; or</p> <p>(c) the name and qualifications of the person carrying on such business or activity or supplying such goods or services.</p>	<p>£120</p>
<p>2. Advertisements for the purpose of directing members of the public to, or otherwise drawing attention to the existence of, business premises which are in the same locality as the site on which the advertisement is to be displayed but which are not visible from that site.</p>	<p>£120</p>
<p>3. All other advertisements.</p>	<p>£460</p>