

**To: Planning and Property Policy Board**

**On: 24 January 2017**

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**Report by: Director of Development and Housing Services**

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**Heading: Scottish Government Consultation on Raising Planning Fees**

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## **1. Summary**

- 1.1 Following the Independent Review of the Scottish Planning System published in May 2016, the Scottish Government published their initial response in July 2016 which included a number of immediate actions, one of which was to review the fees charged for processing Planning Applications.
  - 1.2 In December 2016 the Scottish Government published the 'Consultation on Raising Planning Fees'. This proposes raising the maximum fee to £125,000 for major applications in some categories and includes a reduced charge per unit to ensure that applicants in Scotland do not pay more than they would in other parts of the UK.
  - 1.3 The aim of the revised cap is to better reflect the level of resources major applications demand and the consultation paper makes clear that any increase in fees must be linked to sustained improvements in performance; and that the fee increase proposed will provide increased resources to planning authorities to help support performance improvement.
  - 1.4 Scottish Ministers have indicated that they will consider the need for further changes to resourcing the planning system, including strengthening the link between fees and performance.
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## **2. Recommendations**

- 2.1 That the Board;

- (i) Agrees that this Report should form the response to the Scottish Government consultation on Planning Fees;
  - (ii) Supports the proposals to increase the maximum cap in relation to certain categories of Planning Applications.
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### **3. Background**

- 3.1. Fees for planning applications were first introduced through Section 87 of the Local Government and Planning Act 1980 and the Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Regulations 1981 so that users of the planning system, rather than taxpayers in general, meet the costs incurred by local planning authorities in deciding planning applications.
- 3.2. The maximum planning fees in Scotland have been consistently levied at a significantly lower rate than in England and Wales. For example, the maximum for residential development in Scotland is currently limited to £20,050; whilst in England it is set at £250,000 and in Wales is £287,500. It is proposed to increase the maximum fee in Scotland to £125,000.
- 3.3. Similar differences exist between the maximum for forms of development other than housing. In Scotland the current maximum fee for retail, commercial, and industrial development is £20,050; whilst in England it is set at £250,000 and in Wales is £287,500. It is proposed to increase the maximum fee in Scotland to £125,000.
- 3.4. For waste related activities, the respective current maxima are £30,240 (Scotland); £65,000 (England); and £74,800 (Wales). It is proposed to fix the cap in Scotland at £125,000.
- 3.5. It is perhaps worth noting that although the consultation paper is titled 'Raising Planning Fees' the proposals do not represent across the board increases. The fees per house unit, floor space unit or site area unit are not in themselves being raised; it is only the cap.
- 3.6. There will be no effect from the proposed changes on any development involving less than 50 houses, or on sites of less than 2.5 hectares. For the maximum cap to be reached, the proposals would require to relate to development involving 575 houses or more; or for Planning Permission in Principle on a site of 55 hectares or greater.
- 3.7. The context of this in Renfrewshire is that other than the proposed mixed use Community Growth Area in Bishopton which involved some 2500 houses, there have been no applications in Renfrewshire in recent years which would have reached the proposed new maximum.

- 3.8. It is also noted that larger scale applications are generally more complex, generate more public interest, demand greater scrutiny of development plan policy, flood risk, traffic, ground conditions and other relevant considerations. As such, it is considered reasonable that a greater fee on those developments which impose the greatest demands on resources to process them.
  - 3.9. There also needs to be a balance struck to ensure that applicants for smaller and more routine forms of development, particularly householder extensions and small house-building projects are not disproportionately disadvantaged.
  - 3.10. It is noted that there would be no impact from the proposed fee increase on the costs currently borne either by householders for domestic extensions, for businesses seeking changes of use or for house builders seeking consent for developments of less than 50 units.
  - 3.11. The proposals are therefore generally welcome as a means to assist in better resourcing the planning service to ensure that sustainable development on sites which fully accord with the Development Plan are processed quickly and efficiently to encourage investment; and that those proposals which conflict with the Development Plan can be resisted and decisions robustly defended on appeal.
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## Implications of the Report

1. **Financial** – The proposed fee increases have the potential to generate additional income which would result in a better match between the costs involved in processing larger and more complex proposals and their fees; and would assist in the costs of delivering the planning service.
2. **HR & Organisational Development** – None.
3. **Community Planning** – None.
4. **Legal** – None.
5. **Property/Assets**–None.
6. **Information Technology** – None.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. It would be usual for the Scottish Government to undertake a regulatory impact assessment.
8. **Health & Safety** – None.

9. **Procurement** – None.
  10. **Risk** – None.
  11. **Privacy Impact** – None.
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### **List of Background Papers**

- (a) Background Paper 1: 'Consultation on Planning Fees' - Scottish Government, December 2016. This is available to view at:-

<https://consult.scotland.gov.uk/planning-architecture/consultation-on-raising-planning-fees>

The foregoing background papers will be retained within Development & Housing Services for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is David Bryce, Development Standards Manager, 0141 618 7892; david.bryce@renfrewshire.gov.uk

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