

## **POLICY AND RESOURCES COMMITTEE – 18 APRIL 2013**

### **PLANNING FEE INCREASE**

#### **1. Recommendations**

**The Committee is recommended to:**

- 1.1 Consider the increase in Planning Fees for all development from April 2013 and agree that the additional revenue can be earmarked for prioritisation of use with Planning & Building Standards.**

#### **2. Background / Discussion**

- 2.1 For a number of years there has been a growing divide between Planning Application Fees and the cost to the Council of processing Planning Applications. Whilst Development Management processes incur a cost to a number of Council Services which deal with aspects of development planning, the majority of the costs associated with determining applications are borne within the Planning Service.
- 2.2 The Scottish Government has acknowledged the need to address the growing divide between these costs and the fees charged on submission of a valid application. Following detailed consultation with the public and private sector the Local Government Minister agreed a blanket increase of planning fees of 20 per cent. The legislation behind this move is the Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amended Regulations 2013. This legislation will come into force on the 6 April 2013.
- 2.3 The increase is designed to allow Authorities to improve performance, while keeping overall planning fees in Scotland lower than the English equivalent. A high level group will review planning performance, and look at proposals to link performance with wider reform of planning fees. Ministers will also pursue a statutory mechanism to penalise authorities who under perform in the longer term. There is a risk that if performance does not improve then Planning Authorities may well see fee income reduce from the proposed levels. There is currently no indication of how this performance will be measured however it is likely that it will be linked to the Scottish Government's recently introduced Planning Performance Framework. This provides a standard method of reporting on qualitative and quantitative performance indicators.
- 2.4 Aberdeenshire Council has been striving to improve its performance in relation to the timely determination of Planning Applications. A modernisation review is currently underway as part of measures to ensure that we deliver a modern and effective Development Management Service which can deliver an efficient and effective service in line with local and government aspirations. The review has identified that workload levels within the Authority are amongst the highest in Scotland. To address this issue the Service has employed a number of temporary staff in the short term to address these

issues. Current temporary staffing costs (which have been in place since September 2012) exceed the equivalent of £250,000 per annum.

- 2.5 Alongside a more effective structure and efficient core processes, realistic levels of permanent professional staff must be provided to ensure that the Authority meets expectations as described above. This will result in an increase of staffing costs above the current permanent level of staffing. Ensuring that any increase in planning fee income remains within the Service will help allow for budget security over the coming years and help pay for any additional costs identified through the formal review process.
- 2.6 The Head of Finance, Head of Human Resources and Monitoring Officer within Corporate Services have been consulted in the preparation of this report. The Head of Finance would highlight that the level of additional income received will vary depending on the number of applications processed each year. It is therefore difficult to guarantee that the additional income will be available to fund any increase in the staffing complement. The Service has agreed to accept the risk that the additional income may not be available and manage any funding gap within their total Service revenue budget.

### **3 Equalities, Staffing and Financial Implications**

- 3.1 There are no predicted impacts on equalities impacts resulting from the recommendations of this report.
- 3.2 The financial implications are that based on the last three years income the Service would receive in order of £360,000 - £400,000 additional income each year which has not been included in the recently agreed budget, but it should be noted that the number of applications arising each year cannot be guaranteed. There are a number of qualitative improvements required by the Scottish Government for agreement to increase fee rates. The Service is presently reviewing its staff structure to meet the additional level of demands imposed.

**Stephen Archer**  
**Director of Infrastructure Services**

Report prepared by \*\*\*James Wheater, Project Officer\*\*\*  
Date \*\*\*11/03/2013\*\*\*