



Subject:	Inflationary uplift of Planning and Regional Property Certificate Fees
Date:	18 April 2023
Reporting Officer(s):	Kate Bentley, Director of Planning and Building Control
Contact Officer(s):	Ed Baker, Planning Manager (Development Management)

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of Main Issues
1.1	To advise the Committee that the Department for Infrastructure has introduced an inflationary uplift of planning fees as of 06 April 2023. SOLACE has also agreed to an increase in fees for Regional Property Certificates.
2.0	Recommendation
2.1	That the Committee notes the report.
3.0	Main Report
3.1	<u>Background</u> The Planning Fees (Amendment) Regulations (NI) stipulate the fees required for submission of a planning application. These are set centrally by the Department for Infrastructure (DfI). DfI last implemented an inflationary uplift to planning fees in 2019.
3.2	The NI Audit Office and Public Accounts Committee reviews of the NI planning system in 2022 both make recommendations to improve the financial sustainability of the system.

3.3	The NI Audit Office recommendation is: ' <i>...that the Department and councils work in partnership to ensure that the planning system is financially sustainable in the longer term.</i> '
3.4	Similarly, Recommendation 11 of the Public Accounts Committee report recommends that: ' <i>The planning system must be financially sustainable and this requires an appropriate, long-term funding model. The Committee recommends that all those involved in delivering planning work together to achieve this. In the short term the Department should take the lead on bringing forward legislation on planning fees as a matter of urgency.</i> '
3.5	Officers are very clear that the new inflationary uplift of planning fees does not address either of these recommendations, including the requirement to address the long-term financial sustainability of the NI planning system. A much more thorough review is required with collaboration between DfI, councils, customers and industry. In the shorter term, and as a minimum, there should be consideration of the introduction of fees for current non-chargeable applications such as Proposal of Application Notices (PANs), Discharge of Conditions, Non-Material Changes etc.
3.6	DfI's current work programme for reform of the NI planning system does not address either of the NI Audit Office or Public Accounts Committee recommendations in respect of financial sustainability of the system. However, DfI has verbally recognised this and the Council continues to lobby the Department on this point. <u>Inflationary Uplift</u>
3.7	The Planning (Fees) (Amendment) Regulations (NI) 2023 came into effect on 06 April 2023 and applies a one-year inflationary uplift of 12.3% (based on RPI as at August 2022) across all existing fee categories. For example, this means that: <ul style="list-style-type: none"> • an extension, improvement or alteration of a dwellinghouse has increased from £291 to £327; • the erection of a single dwellinghouse has risen from £868 to £965; and • the erection of 50 dwellings has increased from £18,492 to £20,777.
3.8	A copy of the amended fee regulations is provided at Appendix 1 . <u>Increase to Regional Property Certificate Fees</u>
3.9	SOLACE has agreed to a 20% uplift in fees for Regional Property Certificates. A 15% uplift came into effect on 06 April 2023 and the 20% uplift will be implemented mid-May 2023.
4.0	Financial & Resource Implications
4.1	The increase in planning fees set by DfI is welcomed as the Council's planning income continues to significantly fall short of overall costs to provide the service (both Planning Policy and Development Management functions). In 2022/23, planning fee income was £496k down on projected income due to the impact of COVID-19 (for example, the Council continues to receive less applications for Grade A offices as more people work from home). The turbulent global economy has also impacted on investment and planning activity.
4.2	Notwithstanding, the inflationary uplift of planning fees does not address the financial sustainability of the NI planning system and further reform is required. This will require collaboration between DfI, councils, customers and industry.
5.0	Equality or Good Relations Implications / Rural Needs Assessment
5.1	No adverse impacts identified.

6.0	Appendices – Documents Attached
	Appendix 1 – Copy of the Planning (Fees) (Amendment) Regulations (NI) 2023