



Report to: Town Planning Committee

Subject: Consultation on Proposed Changes to Planning Fees

Date: 6 June 2013

Reporting Officer: Neil Dunlop (ext 6177)

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1	Relevant Background Information
1.1	This is the first set of proposals brought forward as part of the second phase of a review of Planning Fees.
1.2	In its response to phase 1 (Dec 2010), the Council expressed concern about the lack of consultation with Local Government and the impact which the removal of concessionary fees would have on the Council. In addition to the issues identified above, the Council was also concerned that Phase 2 would include proposed changes to the miscellaneous fee category which could have significant impacts on statutory Waste Management operations such as the development of household recycling centres. In this consultation, the proposal is to resolve the issue of plant and machinery applications within a larger site. This normally occurs in mineral extraction sites rather than waste management sites.
1.3	This consultation impacts on planning applications relating to <ul style="list-style-type: none">• renewal planning permission - the introduction of reduced fees;• mixed use applications - the introduction of a revised methodology calculating fees;• applications for Certificates of Lawful Use or Development and consent to display advertisements - the removal of the fee exemptions for resubmitted applications• the fee for two or more dwelling houses - the correction of an anomaly in the existing provisions;• the provision of community facilities (including sports grounds) and playing fields - the removal of the fee for applications made by non-

	<p>profit making organisations; and</p> <ul style="list-style-type: none"> minerals, gas and waste applications - the introduction of a revised methodology for calculating fees
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2	Key Issues
2.1	<p>The Department states that this is a step towards providing a fairer and more robust funding framework for the transferred planning system. The planning fee structure is complex and can be difficult to administer involving measurements and calculations which have caused errors in the past. Any simplification will reduce the time taken to calculate fees and audit the results.</p>
2.2	<p>The introduction of a reduced fee to renew an application where the time-limit has not yet expired is similar to that in England where the rate is a flat fee. The proposal is to introduce a rate which is 25% of the full permission. The use of this percentage rather than a flat rate is sensible as it will continue to reflect the on-going changes to fees without the need for further legislation. Renewals of permission are normally straightforward and only where there has been a change of circumstances would there be any additional work to be carried out.</p>
2.3	<p>The methodology for calculating the fee for mixed use schemes has not been logical as the calculation varies depending on whether there is a residential component and this can create difficulties if there are shared areas. This has resulted in difficulties for developers trying to calculate the fee. The new proposal is to make the fee the sum of the fees for each of the uses proposed, subject to a maximum. This is a more readily understandable method and should provide more certainty.</p> <p>The Department makes the point that this methodology would also apply where there is an outline application on part of the site and a full application on another part of the site. This is not common but is a reasonable approach.</p>
2.4	<p>However, where an application involves plant and machinery (cat 5), it is proposed that the existing method of taking the higher of the calculations is retained. This again is a sensible practical solution to the problem of charging for plant and machinery applications on the basis of the area of the site where the site may be the same size as the extraction site or the footprint of the office building. This would therefore be a double-charging of fees and is unrelated to the amount of work involved.</p>
2.5	<p>The imposition of a fee for resubmitted Certificates of Lawful Use or Development (CLUDs) and Consent to Display advertisements is a further simplification of the existing Regulations and a recognition of the work involved in processing such applications. There are a series of specific conditions which must be met to achieve the current exemptions but this can itself be a source of dispute as, on occasions, some but not <i>all</i> the conditions may be met.</p>

2.6	<p>The Department has proposed the removal of an anomaly built into the previous change in fees for two or more dwelling houses whereby it was cheaper to apply to build two houses than one. This anomaly has been resolved by making the first house the same cost whether it is only one or more than one and the second house is capped at £160. The cost of three houses and more remains unchanged. This is a sensible rationalisation of the current problem.</p>																									
2.7	<p>The removal of the fee for non-profit making organisations providing community facilities is a welcome resolution of the difficulties which have arisen with the interpretation of the current regulations. The fact that the application must be for community facilities will hopefully be clear and, perhaps more examples such as community gardens and allotments should be included. The position of private sports clubs can be ambiguous with regard to their status as non-profit making bodies and this may need further clarification.</p> <p>The Council would also want to clarify whether non-profit organisations includes local government.</p>																									
2.8	<p>The revision of the methodology for calculating the fees for applications for Minerals, Gas and Waste reflects concerns which were expressed about the step change which occurs because the charging was for each 0.5ha. The proposal is to align Northern Ireland with other jurisdictions by reducing the threshold to 0.1ha. This will mean that applications which are just over the thresholds will not be charged a much larger fee. An example is shown below:</p> <table border="1" data-bbox="327 1176 1380 1478"> <thead> <tr> <th data-bbox="327 1176 654 1288">SITE (CATEGORY APPLICATIONS)</th> <th data-bbox="654 1176 774 1288">AREA 8</th> <th data-bbox="774 1176 917 1288">Current Fee – calculated per 0.5 ha</th> <th data-bbox="917 1176 1189 1288">Proposed Fee – calculated per 0.1 ha</th> <th data-bbox="1189 1176 1380 1288">Difference</th> </tr> </thead> <tbody> <tr> <td data-bbox="327 1288 654 1332">0.6 ha</td> <td data-bbox="654 1288 774 1332"></td> <td data-bbox="774 1288 917 1332">£3,726</td> <td data-bbox="917 1288 1189 1332">£2,190</td> <td data-bbox="1189 1288 1380 1332">- £1,536</td> </tr> <tr> <td data-bbox="327 1332 654 1377">0.75 ha</td> <td data-bbox="654 1332 774 1377"></td> <td data-bbox="774 1332 917 1377">£3,726</td> <td data-bbox="917 1332 1189 1377">£2,920</td> <td data-bbox="1189 1332 1380 1377">- £806</td> </tr> <tr> <td data-bbox="327 1377 654 1422">2.1 ha</td> <td data-bbox="654 1377 774 1422"></td> <td data-bbox="774 1377 917 1422">£9,315</td> <td data-bbox="917 1377 1189 1422">£7,665</td> <td data-bbox="1189 1377 1380 1422">- £1,650</td> </tr> <tr> <td data-bbox="327 1422 654 1478">11 ha</td> <td data-bbox="654 1422 774 1478"></td> <td data-bbox="774 1422 917 1478">£40,304 (fee maximum)</td> <td data-bbox="917 1422 1189 1478">£40,304 (fee maximum)</td> <td data-bbox="1189 1422 1380 1478">None</td> </tr> </tbody> </table>	SITE (CATEGORY APPLICATIONS)	AREA 8	Current Fee – calculated per 0.5 ha	Proposed Fee – calculated per 0.1 ha	Difference	0.6 ha		£3,726	£2,190	- £1,536	0.75 ha		£3,726	£2,920	- £806	2.1 ha		£9,315	£7,665	- £1,650	11 ha		£40,304 (fee maximum)	£40,304 (fee maximum)	None
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2.9	<p>The Department provided a series of questions which reflect the answers which they would like on this consultation. However I feel they are restrictive in some of the questions asked and I would [propose that BCC reflect its own concerns in its response to this consultation.</p> <p>The Department also asked for comments on the Regulatory Impact Assessment and the Equality Impact Assessment. There are no concerns about the Assessments as presented.</p>																									
3.0	<p>Fee income</p> <p>In the previous response to the Fees consultation, it was understood that the Department would provide a data set on the time, cost and complexity of applications processed, across divisional offices, headquarters and by application category. This information will be important to ensure that</p>																									

	<p>income generated by undertaking particular planning related functions covers the cost of actually delivering that function. It is important that the cost of applications is properly assessed prior to the transfer of specific planning functions to councils taking place, so as to ensure the continuation and resilience of the service post-transfer.</p> <p>No information has been provided to allow this analysis.</p>
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4	Resource Implications
4.1	None

5	Equality and Good Relations Considerations
5.1	There are no Equality and Good Relations considerations attached to this Consultation.

6	Recommendations
6.1	There are no specific major issues in these proposals for the Council. Most of them are practical resolutions of problems identified in the past, relating to the calculation of fees rather than the actual level of the fee. The outstanding issue for the Council will be the need for information relating to the cost of delivering the service for Belfast which is not addressed by this paper.
6.2	Members are requested to consider and, if appropriate, endorse the content of the suggested response to the consultation as set out in Appendix 1.

7	Decision Tracking
7.1	Further to agreement a response will be submitted to the DoE

8	Documents Attached
Appendix 1: Draft response to DoE	
Appendix 2: Consultation paper from DoE	

Appendix 1

Draft Response

Belfast City Council Response to ‘*Planning Fees and Funding Consultation Paper*’

Belfast City Council has considered the proposed amendment to the Planning Fees and is generally content with the proposals put forward. It is understood that this is part of a second phase of the review of planning fees which has previously been considered and that further work is proposed.

It is not necessary to answer the individual question set out in the consultation form as there are no specific disagreements with the proposals put forward. It is important that the fees regime is easily understood and the calculations straightforward as this will save time for the staff who are engaged in auditing the income. Any changes which achieve this are to be welcomed.

The one area where further clarification is suggested related to para 34 of the consultation paper, where the examples of community facilities could be extended to make clear that allotments, multi-use games areas and gardens are included. The Council would also want clarification that local government is included within the non-profit making organisations.

However, it must be noted that there is no information given as to how particular fees were arrived at and, in view of the forthcoming return of planning powers to Councils, there is insufficient reasoning given which would allow the Council to assess the future impact of these fee levels on the delivery of the service by the Council. The absence of this key data was previously commented upon in the response to the first fees reform paper and it is disappointing that the Department has yet to make any information available

Conclusion

Belfast City Council acknowledges the need to move towards a sustainably resourced planning system that is fit for purpose. However, the Council remains concerned the review continues without detailed discussions with local Councils and the financial information to support the changes being proposed.