

Planning Committee

10.00am, Thursday, 2 March 2017

Planning Fees

Item number	9.1
Report number	
Executive/routine	Executive
Wards	All

Executive Summary

The purpose of this report is to seek Committee ratification of the response to the Scottish Government consultation on Raising Planning Fees.

The Scottish Government committed to consult on enhanced fees following a recommendation from the Independent Review of the Scottish Planning System of May 2016. The review recommended that fees for major applications should be increased substantially so that the service moves towards full cost recovery.

The consultation on Raising Planning Fees seeks views on increasing the maximum fee for major applications to £125,000 and planning permission, in principle, to £62,500.

This proposed increase to the maximum fee is likely to result in a substantial increase in major application planning fee revenue for the planning authority. This additional revenue is expected to be linked to improved performance of the planning service.

Links

Coalition Pledges

Council Priorities [CP5](#)

Single Outcome Agreement [SO1](#)

Planning Fees

1. Recommendations

- 1.1 It is recommended that Committee:
 - 1.1.1 ratifies the consultation response sent to the Scottish Government on raising planning fees; and
 - 1.1.2 notes the potential financial impact on the Council's planning resources.

2. Background

- 2.1 In September 2015, an independent panel was appointed by Scottish Ministers to review the Scottish planning system. The report of the panel 'Empowering Planning to Deliver Great Places' was published on 31 May 2016. Recommendation 37 of the Report is 'Planning Fees on major applications should be increased substantially so that the service moves towards full cost recovery'.
- 2.2 The Scottish Government's response, published in July 2016, included 10 immediate actions to be taken forward as a priority. Action 6 committed the Scottish Government to consult on enhanced fees to ensure that planning authorities are better resourced.
- 2.3 The Scottish Government issued a consultation paper in December 2016 and invited responses by 27 February 2017. A draft response has been submitted by officers to meet this deadline and the Scottish Government has been advised that this is subject to ratification by Committee.

3. Main report

Scottish Government Consultation on Raising Planning Fees

- 3.1 Planning fees are currently capped at £18,720, £20,044 and £30,240 depending on category of development. In the Independent Panel Review of the Scottish Planning System it was recommended that a reviewed maximum fee should be considered to better reflect the level of resource that major applications demand.
- 3.2 In order to facilitate moving to a full cost recovery, the Scottish Government is consulting on raising planning fees. The consultation seeks views on increasing the maximum fee to £125,000 for major applications of most categories of development and, £62,500 for applications for planning permission in principle. It includes details

of a reduced charge per unit or per 0.1 hectare for developments over a certain size to ensure that applicants in Scotland do not pay more than they would in other administrations for any size of proposed development.

- 3.3 The proposed changes do not include an across the board percentage increase as well as increasing the maximum fee. The only impact will therefore be on major application fee revenue. Further changes to the fee structure, including charging for discretionary services, are expected as part of the planning reform programme.

Proposed New Fee Structure

- 3.4 A brief summary of the main proposed changes is shown in table 1 below:

Table 1 Table of Fees Summary

1. Residential development (other than alteration of an existing dwelling)		
	Proposed Fee	Current Fee
(A) Planning Permission in Principle	£401 x 0.1hectares up to £10,028 then £100 per additional 0.1hectares up to a cap of £62,500	£401 x 0.1hectares up to £10,028
(B) Full Planning Permission	£401 x per unit up to £20,050 then £200 per additional unit up to £125,000	£401 x per unit up to £20,050
2. The erection of buildings (other than residential, agricultural buildings and glasshouses and alterations to existing dwellings)		
(A) Planning Permission in Principle	£401 x 0.1hectares up to £10,028 then £100 per additional 0.1hectares up to a cap of £62,500	£401 x 0.1hectares up to £10,028
(B) Full Planning Permission	Where gross floor area exceed 3,750sqm £200 per 75spm will be charged up to a cap of £125,000	£401 x 75sqm up to £20,050

Link between Fees and Improved Performance

- 3.5 The recommendation of the panel to increase the fee maximum does not suggest ring-fencing fees. However, it states that local authorities must accept that all increases in fees must be directly linked with improved performance which will require investment in the resourcing of planning authorities.
- 3.6 The consultation does not suggest ring-fencing fees. However, it states that local authorities must accept that all increases in fees should be directly linked with improved performance which will require investment in the resourcing of planning authorities. There is a clear expectation from Scottish Ministers that any increased planning revenue will be reinvested to support the planning service. This could be through additional planning officers, additional consultee expertise or additional professional expertise from associated disciplines. It will be up to the Council as planning authority to decide how this additional revenue is best used to ensure the service improves performance.

Planning Fee Revenue – Implications for the City of Edinburgh Council

- 3.7 In order to give an indicative guide to the likely impact of the proposed changes on the Council’s planning revenue, a comparison of the proposed changes has been made with major application fees from 2014 to 2016. Details of all major applications fees, and a comparison of the proposed fee under the increased maximum fee, are shown in Appendix 1. A summary of the impact of increased fees is shown in Table 2 below:

Table 2 Comparison of Existing and Proposed Maximum Fee

Year	Number of Applications	Existing Fee	Proposed Fee	Increase	
2014	43	£562,566	£1,366,796	£804,230	143%
2015	37	£495,650	£835,077	£339,427	68%
2016	29	£438,480	£774,516	£336,036	77%

- 3.8 Table 2 shows that increasing the maximum fee would result in a significant increase in fees for the planning authority. The increased maximum fee applied to 2016 major applications would have resulted in an additional £336,056 in revenue. This equates to an increase of 77% in major application fee income.
- 3.9 On the basis of the analysis on the impact of an increased maximum fee in Edinburgh, the Council supports the Scottish Government’s proposal.

4. Measures of success

- 4.1 An improved planning service where performance meets targets and the level of service to the customer meets expectations.

5. Financial impact

- 5.1 The increased maximum fee for major applications would result in increased fee revenue for the planning authority as detailed in this report.

6. Risk, policy, compliance and governance impact

- 6.1 There is no impact on risk, policy, compliance and governance impact arising from this report.

7. Equalities impact

- 7.1 There is no relationship between the matters described in this report and the public sector general equality duty. There is no direct equalities impact arising from this report.

8. Sustainability impact

- 8.1 The impacts of this report, in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties, have been considered. Relevant Council sustainable development policies have been taken into account. The change in planning fees will have no adverse impacts on carbon emissions, the City's resilience to climate change impacts, achieving a sustainable Edinburgh in respect of social justice, economic wellbeing or good environmental stewardship.

9. Consultation and engagement

- 9.1 No formal public consultation has taken place as part of this Report. However, the Scottish Government have consulted on raising planning fees.

10. Background reading/external references

- 10.1 [Empowering Planning to Deliver Great Places](#)
10.2 [Review of Scottish Planning Scottish Government Response](#)
10.3 [Consultation on Raising Planning Fees](#)

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11. Links

Coalition Pledges	
Council Priorities	CP5 – Business growth and investment
Single Outcome Agreement	SO1 Edinburgh's economy delivers increased investment, jobs and opportunities for all
Appendices	Appendix 1 – Major Application 2014 – 2016 Existing and Proposed Fee Comparison

Appendix 1 Major Application 2014 – 16 Existing and Proposed Fee Comparison

Application Number 2016 Applications	Proposal	Existing Fee	Proposed Fee
15/02905/PPP	Planning permission in principle for residential development	£10,028.00	£13,828.00
15/03571/FUL	139 new apartments	£20,055.00	£37,850.00
16/00770/FUL	139 new apartments	£20,055.00	£37,850.00
16/02873/FUL	Extension and redevelopment of existing library	£20,105.00	£22,450.00
10/02552/FUL	Construction of an Anaerobic Digestion Plant	£5,423.00	£5,423.00
14/04962/FUL	Mixed use development	£20,055.00	£23,050.00
15/03850/PPP	Planning permission in principle for residential development	£10,028.00	£12,728.00
15/05133/PPP	Planning permission in principle for residential development	£10,028.00	£20,028.00
16/00937/FUL	Hotel development	£20,055.00	£28,250.00
15/02788/FUL	Mixed use development	£20,055.00	£36,050.00
16/03823/FUL	Main Stand redevelopment and Nursery (including demolitions)	£20,055.00	£24,850.00
15/05224/PPP	Planning permission in principle for residential development	£10,028.00	£17,328.00
16/00869/FUL	Continued use of site for 24 hour secure airport car parking with ancillary valet services	£202.00	£202.00
14/02814/PPP	Planning permission in principle for mixed use development	£19,100.00	£21,856.00
15/00590/FUL	Student accommodation	£20,055.00	£16,040.00
15/04445/FUL	Mixed use development	£20,055.00	£42,400.00
15/02786/FUL	Mixed use development	£20,055.00	£26,865.00
15/03780/FUL	201 new apartments	£20,055.00	£50,650.00
14/05174/PPP	Planning permission in principle for mixed use development	£3,609.00	£3,609.00
16/01415/FUL	59 new apartments	£20,055.00	£21,850.00
15/00661/FUL	Hotel development	£20,055.00	£32,850.00
15/03075/FUL	157 new houses	£20,055.00	£41,450.00
14/05059/FUL	Variation on condition	£202.00	£202.00
14/05060/FUL	Variation of condition	£202.00	£202.00
15/00643/FUL	376 new houses	£20,055.00	£94,874.00
15/05457/FUL	201 new houses with commercial unit	£20,055.00	£51,453.00
14/01238/PPP	Planning permission in principle for residential development	£9,550.00	£13,828.00

13/02660/FUL	72 new houses	£19,100.00	£24,450.00
14/04880/FUL	210 new houses	£20,050.00	£52,050.00

Application Number 2015 Applications	Proposal	Existing Fee	Proposed Fee
15/01207/FUL	126 new houses	£20,055.00	£35,250.00
14/01056/FUL	Mixed use development	£19,100.00	£27,050.00
15/03989/FUL	Hotel development	£20,055.00	£59,250.00
14/01283/PPP	Amendments to previous application	£192.00	£192.00
14/01509/PPP	Planning permission in principle for residential development.	£9,550.00	£11,628.00
14/01737/PPP	Variation of condition	£192.00	£192.00
14/03502/PPP	Planning permission in principle for residential development.	£9,550.00	£18,528.00
14/04172/FUL	143 new houses	£19,100.00	£39,858.00
15/00322/FUL	Office development	£20,055.00	£36,850.00
14/05137/FUL	18 new houses	£7,218.00	£7,218.00
15/00877/FUL	54 new houses	£20,055.00	£21,659.00
15/02898/FUL	Retail development	£20,055.00	£16,842.00
13/01405/FUL	Hotel development	£19,100.00	£35,250.00
14/03230/FUL	Mixed use development	£4,584.00	£4,584.00
14/04674/FUL	Student accommodation	£20,055.00	£23,050.00
05/01358/OUT	Planning permission in principle for residential development.	£6,500.00	£6,500.00
14/00169/FUL	186 new houses	£20,055.00	£47,250.00
14/01389/FUL	Material variation	£2,112.00	£2,112.00
14/03416/PPP	Planning permission in principle for mixed use development	£9,550.00	£18,728.00
14/03883/FUL	51 new houses	£19,100.00	£20,250.00
15/01148/FUL	76 new houses	£20,055.00	£25,250.00
14/02958/FUL	26 new houses	£9,932.00	£10,426.00

14/04843/FUL	Variation of condition	£202.00	£202.00
14/01446/FUL	61 new houses	£19,100.00	£22,250.00
14/01649/PPP	Planning permission in principle for mixed use development	£9,550.00	£45,218.00
14/04044/FUL	60 new houses	£19,100.00	£22,050.00
10/03506/PPP	Planning permission in principle for mixed use development	£7,975.00	£7,975.00
13/05302/PPP	Cemetery, Crematorium, Memorial Garden, Chapel of Rest	£9,550.00	£35,028.00
14/01166/FUL	Ground Stabilisation Works.	£1,970.00	£1,970.00
14/03513/FUL	Mixed use development	£19,100.00	£36,050.00
14/03940/FUL	Mixed use development	£19,100.00	£46,258.00
11/00387/FUL	81 new houses	£15,950.00	£26,250.00
14/03643/FUL	Mixed use development	£19,100.00	£46,250.00
14/03736/PPP	Planning permission in principle for mixed use development	£9,550.00	£11,028.00
14/05145/PPP	Planning permission in principle for mixed use development	£10,028.00	£21,628.00
14/05255/FUL	Student accommodation	£20,055.00	£19,649.00
14/04101/FUL	Amendments to previous application	£19,100.00	£25,354.00

Application Number 2014 Applications	Proposal	Existing	Proposed Fee
13/01843/FUL	Amendment to condition	£192.00	£192.00
13/02640/FUL	183 new houses	£19,100.00	£46,650.00
13/03546/FUL	Amendment to condition	£192.00	£192.00
13/04209/FUL	Material variation to planning permission	£12,988.00	£75,850.00
13/04972/PPP	Women's Regional Unit at HMP Edinburgh	£9,550.00	£3,208.00
12/01415/FUL	60 new houses	£15,950.00	£22,050.00
12/03392/FUL	Mixed use development	£15,950.00	£22,450.00
13/02527/FUL	Material variation to planning permission	£19,100.00	£32,450.00
13/04479/FUL	147 new houses	£19,100.00	£39,450.00
13/04656/FUL	Mixed use development	£19,150.00	£25,655.00
14/00426/FUL	Variation of condition	£192.00	£192.00
12/03574/FUL	209 new houses	£15,950.00	£51,850.00

13/04966/PPP	Mixed use development	£9,550.00	£12,028.00
14/01704/PPP	Variation of condition	£192.00	£192.00
14/02806/PPP	Planning permission in principle for residential development	£9,550.00	£31,528.00
14/03222/FUL	Teaching facilities	£16,044.00	£16,842.00
12/04126/PPP	Planning permission in principle for residential development	£7,975.00	£12,028.00
13/05165/FUL	85 new houses	£19,100.00	£27,050.00
13/05183/FUL	203 new houses	£19,100.00	£50,650.00
14/01776/PPP	Planning permission in principle for residential development	£9,550.00	£35,328.00
12/04007/FUL	153 new houses	£15,950.00	£40,650.00
12/04007/SCH3	153 new houses	£15,950.00	£40,650.00
13/00040/FUL	192 new houses	£15,950.00	£48,450.00
13/01022/FUL	73 new houses	£15,950.00	£24,650.00
13/01378/FUL	91 new houses	£19,100.00	£28,250.00
13/02584/FUL	155 new houses	£19,100.00	£41,050.00
14/00578/FUL	Revision to previous permission	£0.00	£0.00
14/01820/FUL	66 new houses	£19,100.00	£23,250.00
12/04064/FUL	Hotel development	£15,950.00	£13,233.00
13/03406/FUL	Mixed use development	£19,100.00	£96,250.00
13/03407/FUL	Mixed use development	£19,100.00	£46,450.00
14/02256/FUL	Student accommodation	£19,100.00	£119,650.00
14/02494/FUL	Sports facilities	£19,100.00	£55,650.00
12/03567/FUL	Mixed use development	£15,950.00	£35,850.00
13/03181/FUL	220 new houses	£19,100.00	£54,050.00
14/01057/PPP	Planning permission in principle for residential development	£9,550.00	£35,028.00
14/01472/FUL	Variation of condition	£192.00	£192.00
12/00046/PPP	Planning permission in principle for residential development	£7,975.00	£17,928.00
13/04232/FUL	Health facilities	£19,200.00	£56,450.00
13/04278/FUL	Student accommodation	£19,100.00	£20,250.00
13/04292/PPP	Health facilities	£9,650.00	£28,028.00
07/04646/OUT	Planning permission in principle for residential development	£7,250.00	£32,528.00
14/04100/FUL	Mixed use development	£2,674.00	£2,674.00

