

## Heads of Planning Scotland (HOPS) Briefing on Planning Fee Income and Applications Research (April 2020 to March 2021)

### About this briefing

This note has been prepared on behalf of the HOPS Executive Committee to show the impact on planning services over the course of the financial year April 2020 to March 2021. Comparative data was collected for the two preceding years.

This note shows high level information collected by HOPS illustrating the impact of COVID-19 on the types of applications being validated and determined, associated fee income experienced by planning authorities and other working practices. The report also refers to information collected by other organisations where appropriate.

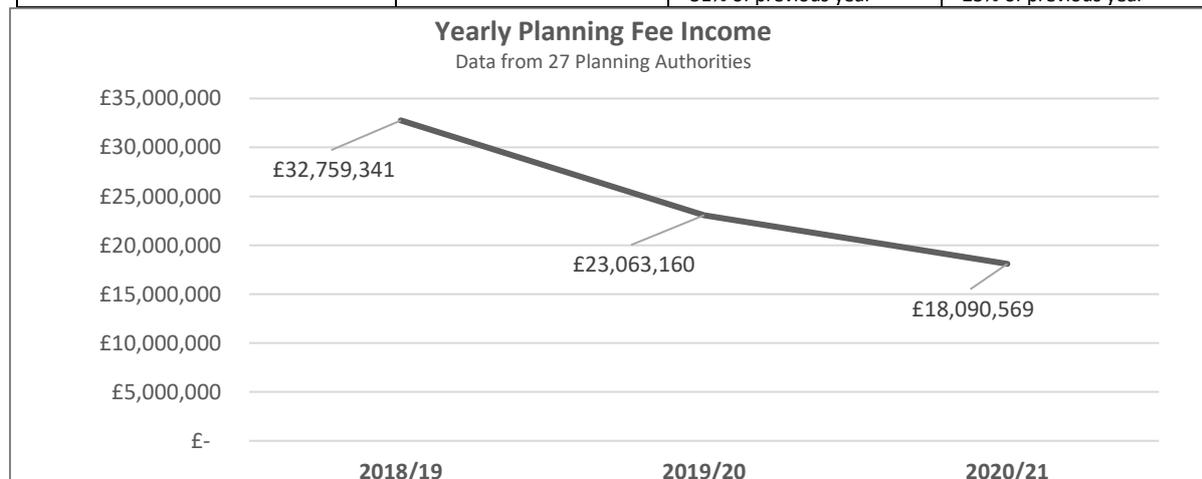
### Background

HOPS have a long-term strategic objective of obtaining mechanisms for a properly and proportionately resourced planning service. Resourcing is seen as a critical “game changer” for HOPS which needs to underpin all planning reform changes. Full and sustainable cost recovery is needed to enable reinvestment in key planning work areas and provide improved performance levels.

HOPS continue to work with the Scottish Government, COSLA and the Royal Town Planning Institute (RTPI) to provide the information required to make informed decisions on appropriate resources changes.

### Fee income (April 2020 to March 2021)

Yearly Planning Fee Income	2018/19	2019/20	2020/21
Data from 27 Authorities	£32,759,341	£23,063,159 -31% of previous year	£18,090,568 -23% of previous year



Planning fees play a vital part in meeting the costs of providing a planning service. It is important to note that the income is not ringfenced or can be retained exclusively by a planning service. Different Planning Authorities have different practices regarding the capture of planning fee income.

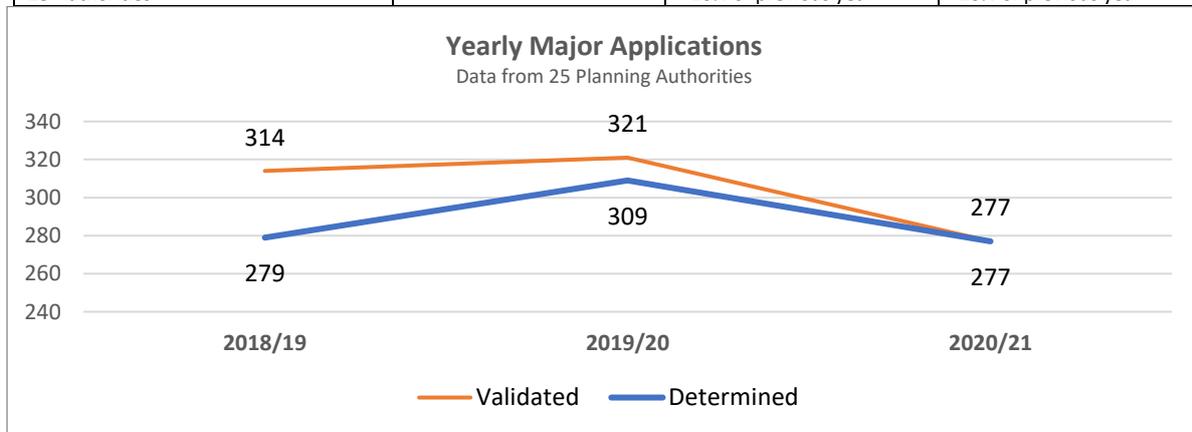
A decline in fee income was seen in the year 2019/20 (31%) and again in 2020/21 (23%). The fee income decline is particularly noticeable in rural and semi-rural areas.

HOPS note that while fee income varies year by year for individual authorities, much of this is due to larger impact of fee income from even a small number of Major Applications. Previous HOPS research on the impact of the “Major Application Fee Increase”<sup>1</sup> (2018) showed the disparity across the country in where major applications are received and the dangers in reliance on this to cover costs of other applications. The impact on application types is shown below.

HOPS’ research with CIPFA on “Costing the Planning Service”<sup>2</sup> (2019) showed that only 66% of the Development Management core application processing costs were at that time covered by fee income. We expect the significant drop off in fee income since this period will have further adverse impacts on the immediate resources available to Development Management Services.

### Application type and numbers (April 2020 to March 2021)

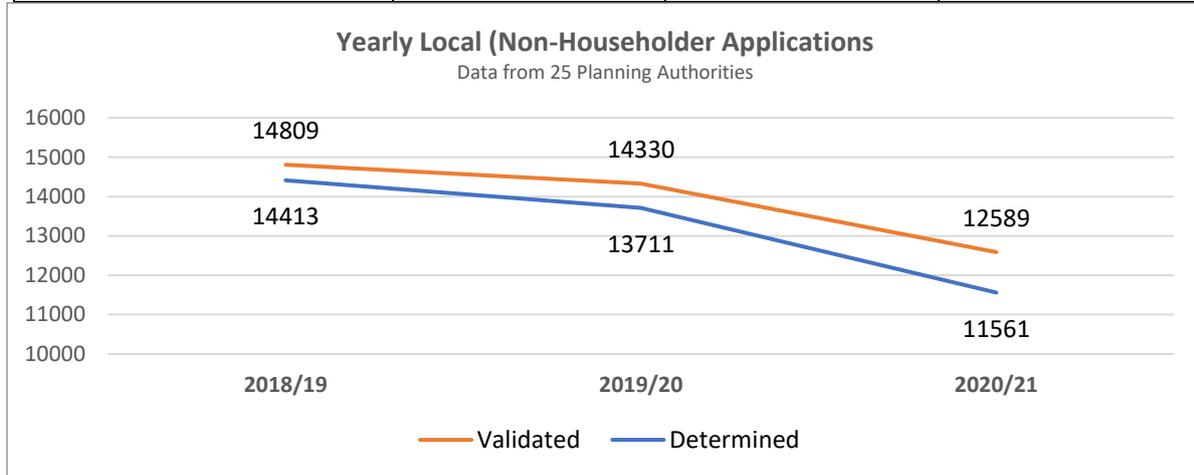
Major	2018/19	2019/20	2020/21
Validated 25 Authorities	309	315 +2% of previous year	265 -16% of previous year
Determined 25 Authorities	275	303 +10% of previous year	273 -10% of previous year



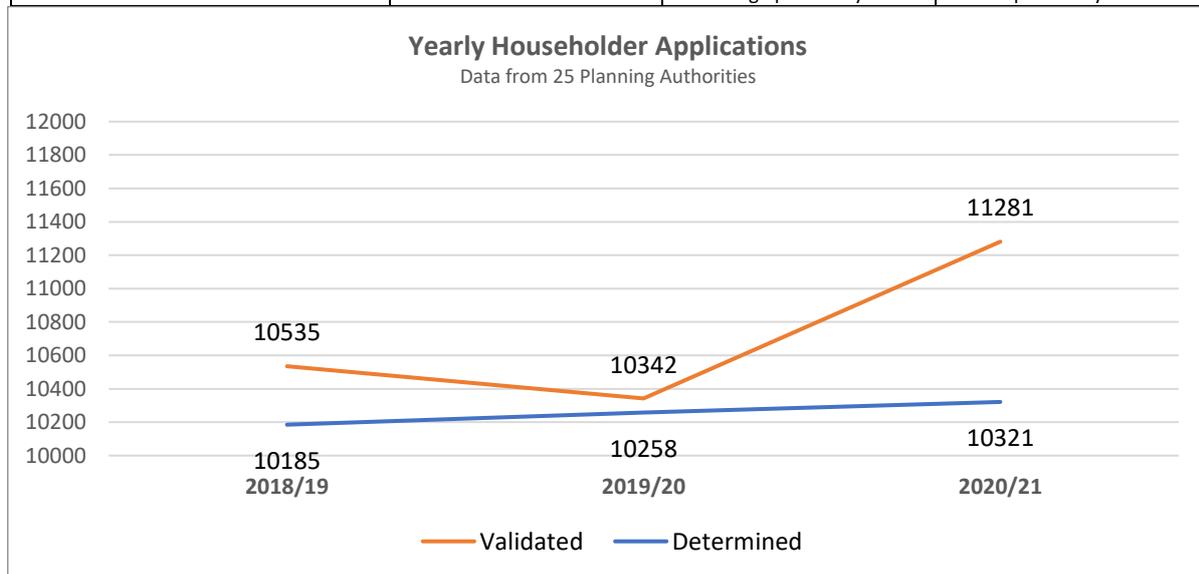
<sup>1</sup> <https://hopscotland.files.wordpress.com/2019/02/finalised-hops-report-on-major-application-fees-040219.pdf>

<sup>2</sup> <https://hopscotland.files.wordpress.com/2019/03/hops-costing-the-planning-service-action-report-220219.pdf>

Local (non-householder)	2018/19	2019/20	2020/21
Validated 25 Authorities	14353	13828 -4% of previous year	12115 -12% of previous year
Determined 25 Authorities	13919	13241 -5% of previous year	11164 -16% of previous year



Householder	2018/19	2019/20	2020/21
Validated 25 Authorities	10318	10136 -2% of previous year	11047 +9% of previous year
Determined 25 Authorities	10020	10061 No change previous year	10120 +1% of previous year



The workload of planning authorities has changed over this period. Whilst quarters 1 and 2 noted drops in the overall number of applications, throughout quarters 3 and 4 householder applications increased significantly for almost all planning authority areas. Whilst there has been a decline in the number of major applications the workloads of planning staff have not decreased. There is an expectation that numbers of Local (non-householder) and Householder applications will stay at the same rate or increase over the coming year. Should planning authorities see an increase in Major applications along with this increased level of householder applications we should expect an impact on processing times.

## Current Issues

In addition to the planning application and fee data summarised here, HOPS requested that planning authorities provide additional evidence of their work to improve services during the past year in their annual Planning Performance Framework (PPF) reports.

Many authorities have noted requirements to redeploy planning staff over the previous year. Whilst this at the beginning of the period was planning staff supporting areas such as economic development and grant funding programmes, we are now seeing several cases of policy staff being re-assigned to development management tasks due to the workloads.

While planning authorities dealt well with the impact of COVID-19 and we did not see application timescales drop as much as may have been expected we still note that significant challenges are still in place for development management staff. Access to computer hardware and back office systems (Uniform) varied across the country and we noted that some authorities have stated this has been detrimental to efficient working practices and would look to address this.

Planning services continue to face significant budget pressures in the wider context of Council budget deficits and reduction in income. The RTPI have identified<sup>3</sup> that planning suffered the largest reductions in expenditure of all local government service areas, 26% reduction in planning spending since 2010/11, including a further 6% in 2019/20, further evidence can be seen in the Local Government Benchmarking Report by the Improvement Service<sup>4</sup>

Planning's role in helping the recovery and acting as a catalyst to the wider economy is critical yet there remain concerns given competing pressures, with increased costs and reduced fees for local authorities that planning itself and our service delivery are under threat due to other demands. In order to safeguard and ensure that the crucial role that Planning plays in the wider economy to aid recovery and to help build and provide a vision for our communities and regions, greater recognition and Government support is needed to help deliver this.

Local Authority Development Management function have been identified as a channel which can help support the Scottish Governments COVID-19 recovery action *"to exploring options to alleviate planning restraints, build capacity and deal more quickly with complex applications"*<sup>5</sup>. Going forward we expect that the planning service will also need to act more as an enabling service for other positive change to happen. This position has previously been stated by Audit Scotland in 2019<sup>6</sup> and is one which HOPS fully support. The current circumstances are seeing local authority planning staff being overwhelmed by the statutory and regulatory role.

HOPS have noted that recovery methods being taken by local authorities need to be place based and not only address the COVID-19 response but also the climate change emergency and the continued growth in social and economic inequality. Having properly resourced planners with local knowledge will be key into addressing the needs of communities. Local authority planners have the skills to be able to join up other forward-thinking areas of work whether that is in local community wealth

---

<sup>3</sup> <https://www.rtpi.org.uk/research/2021/june/resourcing-the-planning-service-key-trends-and-findings-2021/>

<sup>4</sup> [https://www.improvementservice.org.uk/\\_\\_data/assets/pdf\\_file/0025/23848/Benchmarking-Overview-Report-2019-20.pdf](https://www.improvementservice.org.uk/__data/assets/pdf_file/0025/23848/Benchmarking-Overview-Report-2019-20.pdf)

<sup>5</sup> <https://www.gov.scot/news/rebuilding-better/>

<sup>6</sup> [https://www.audit-scotland.gov.uk/uploads/docs/um/planning\\_roundtable\\_feb2019.pdf](https://www.audit-scotland.gov.uk/uploads/docs/um/planning_roundtable_feb2019.pdf)

building to adapt and make resilient local economies or help integrate nature-based solutions to support more sustainable development.

Planning services are also seeing a greater drive to provide better digital solutions to benefit engagement with communities and to help streamline the development management process for future applications. As stated in the missions of the Digital Planning Strategy for Scotland<sup>7</sup> there need to be the correct conditions for these aspirations to flourish, HOPS consider that under resourced planning authorities would be detrimental to these aspirations.

---

### Next Steps

HOPS are aware that the planning fee review may bring in additional income<sup>8</sup> once in place and there is a call from the development industry to bring in increased fees if a better service is provided. HOPS will continue to work with the Scottish Government, COSLA and the RTPI on this matter. We note however this source of funding will not be immediate and cannot alleviate strains that planning authorities are currently experiencing. HOPS recognise that planning authorities are dealing with significant backlogs in the system and have been subsidising the low level of resources for the work required for at least a decade.

HOPS recognise that correctly set planning application fees will be required for the long-term resilience of the planning system.

HOPS recommend that a separate immediate funding stream should be investigated to help address the significant deficit faced by planning departments following the 2020/21 year. Taking an immediate preventative approach will enable planning authorities to not only address current strains on the system but make themselves ready for the approaching challenges of increasing development requirements, duties within the Planning (Scotland) Act 2019 and the impending National Planning Framework 4.

We have past evidence from the HOPS Research on the Increase in Major Fees<sup>9</sup> showed that planning authorities reinvested with immediate resources, previous reinvestment included:

- Opportunity to trial new approaches, e.g., the setting up of a dedicated small applications team.
- Investment in new technology
- Recruiting vacant posts and temporary planning officers
- Creation of new posts e.g. lead officer and urban design officer
- Extension of temporary staff contracts
- Enforcement resources
- The use of consultants
- Development Management and Development Planning initiatives
- EIA scoping and screening

---

<sup>7</sup> <https://www.gov.scot/publications/transforming-places-together-scotlands-digital-strategy-planning/>

<sup>8</sup> <https://www.gov.scot/publications/planning-performance-fees-consultation-analysis-responses/>

<sup>9</sup> <https://hopscotland.files.wordpress.com/2019/02/finalised-hops-report-on-major-application-fees-040219.pdf>

As noted in the list above, there are were many examples of increased funding being put back into staffing issues. Recruitment will be a significant factor in address the backlog in the planning system and improve other performance measures. As noted by the Skills Development Scotland research<sup>10</sup> it is expected 700 new planners will be needed within the next 10-15 years to address not only the current situation, but the many challenges local planning authorities will face.

HOPS see a vital role for the incoming Planning Performance Co-ordinator to manage not only the performance of planning authorities but to ensure they are well placed to in terms of resources to enable them to recruit the skilled staff required.

**Heads of Planning Scotland**  
**November 2021**

---

<sup>10</sup> [https://www.partnersinplanning.scot/\\_\\_data/assets/pdf\\_file/0016/23623/Skills-in-Planning-Research-Final-February-2021.pdf](https://www.partnersinplanning.scot/__data/assets/pdf_file/0016/23623/Skills-in-Planning-Research-Final-February-2021.pdf)