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Gweinidog yr Amgylchedd a Datblygu Cynaliadwy
Minister for Environment and Sustainable Development



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

Lord Dafydd Elis-Thomas AM
Chair of the Environment &
Sustainability Committee
National Assembly for Wales
Cardiff Bay
Cardiff

30 April 2012

Dear Dafydd,

ENVIRONMENT AND SUSTAINABILITY COMMITTEE INQUIRY INTO ENERGY POLICY AND PLANNING IN WALES.

Following my colleague Carl Sargeant's attendance at the Committee Inquiry into Energy Policy and Planning in Wales on the 15th March, he agreed to provide written information for the Committee on the capacity within local authorities to handle large scale planning applications. As planning falls within my portfolio, I am responding to you on this matter.

The resources required by local authorities for the exercise of their statutory duties is included in the general block grant given by Welsh Ministers to each unitary authority. Any new or additional responsibilities are the subject of discussions and negotiations with the WLGA to establish what level of additional funding is required for their delivery. In the case of land use planning, some local authority work is covered by application fee income which is required to accompany most, but not all, planning applications. An application for listed building consent, for example, does not currently attract a fee. The Welsh Government is responsible for setting planning application fee levels, which should be budget neutral, that is, they are set at a level whereby the expenses incurred by authorities are covered, but without making a profit.

Other planning duties for which local authorities are responsible are included within their block grant; this funding includes that required for preparing local development plans, securing environmental improvements, monitoring bio-diversity and tree preservation orders or undertaking enforcement.

Local Authorities are responsible for the prioritisation and allocation of the block grant awarded to them in order to ensure that they provide the necessary range of services

required by the people they serve. Whilst the Welsh Government puts in place monitoring arrangements, the details of specific grant allocations and hence the money provided for the planning services in an area, is a matter for the local authority.

Planning fee income has been affected by the recession, and I understand that large urban planning authorities have been affected quite noticeably in this context, reflecting the lower number of higher fee applications submitted.

When it comes to energy applications, I know you are aware that schemes over 50MW are not devolved and will be processed by the National Infrastructure Directorate (NID) within the Planning Inspectorate, and that decisions on such schemes in Wales are taken by UK Ministers. Applicants submit a fee to the NID for their Development Consents Orders. Projects below the 50MW threshold require planning permission from the local planning authority who charge the applicant a fee for processing the application. In the case of wind farms, the planning fee is proportionate to the size (area) of the proposal with the maximum potential fee currently set at £250,000.

In the case of proposals over 50MW local planning authorities are required to consider proposals as if they were the determining body in order to make meaningful representations to the UK Government. As a consequence, the workload for local authorities is similar for projects above and below the 50MW threshold, but in the case of projects over the threshold, there is no fee income available to them. The Welsh Government has acknowledged this anomalous situation and provides financial assistance to those authorities which have to process wind farm applications over 50MW located within the Strategic Search Areas contained in Technical Advice Note 8. This assistance has been available for 4 years since 2008/9 and to date nearly £500,000 has been paid to qualifying authorities.

Where a local planning authority receives a request for pre-application advice that requires substantially more resources than is normal, it is open to them to recover costs by charging a fee under section 93 of the Local Government Act 2003. This provision may be used for energy applications above and below 50MW and I understand that some authorities are/were using it, such as Anglesey.

The Welsh Government provides additional funding to planning authorities to access independent specialist advice in respect of renewable energy projects which they are expected to determine. We recognise that such applications can be technically complex and often require specialist skills and knowledge in order to assess the likely impacts. The funding available from the Welsh Government allows local planning authorities to procure expert specialist technical assistance in order to help with the consideration of renewable energy projects. This funding has been in place for 2 years with an annual spend of c. £40,000, on 3 applications in 2010/11 and 4 in 2011/12.

In order to provide direct practical assistance to local planning authorities, the Welsh Government has also produced a wide range of published material over recent years in order to facilitate the effective planning of renewable energy projects. The material available for local planning authorities ranges from Practice Guidance Notes on the planning aspects of different forms of renewable energy technologies, through to a Renewable Energy Toolkit for Planners which allows for a fuller consideration of renewable energy issues within Development Plans. Additional funding is available to local planning authorities to assist them with the production of Renewable Energy Assessments using the toolkit methodology with joint working and sub-regional collaborative proposals encouraged. This assistance has been produced specifically to assist local authorities develop expertise and capacity to consider new energy projects. Copies of the relevant material have already been circulated to members of the Committee.

Looking to the future, I have established an Independent Advisory Group to advise me on the content of a Planning White Paper and subsequent Planning Bill. I know that the Group has already heard evidence from a range of renewable energy stakeholders and local

authorities, and I am expecting that they will make further recommendations for the effective planning of renewable energy projects in Wales, including capacity issues.

Best wishes,

A handwritten signature in black ink, appearing to read 'John', written in a cursive style.

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