

## **British Aggregates Association**

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**Janet Amery  
PDP Resources (Fees)  
Communities and Local Government  
Zone 4/J2, Eland House  
Bressenden Place  
London  
SW1E 5DU**

Dear Janet

### **Planning Fees in England: proposals for Change - Consultation**

Thank you for the opportunity to comment on these proposals.

The British Aggregates Association (BAA) represents the interests of some 80 members of which 60 are independent and privately-owned SME quarry companies throughout the UK with some 10% of national output and who operate out of over 100 sites. We are part of the consultation and lobbying process both in the UK and Europe – and are also represented through the CBI (Confederation of British Industry) Minerals Group and CPA (Construction Products Association). We have individual member representation on all the ten Regional Aggregates Working Parties (RAWPs) in England and Wales, and through the national steering groups; and work closely and constructively with other stakeholders including the Planning Officers' Society (POS).

We would make the following general comments:

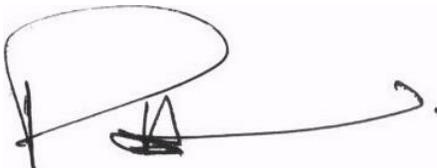
- The overall proposals are draconian and combined with the cumulative effect of other regulations and fiscal measures are a growing 'barrier to entry' for SMEs. This is causing them to exit the sector and has serious implications for the competitiveness of the industry as a whole.
- Any increase greater than inflation is considered unreasonable, particularly in light of fees having been increased by 40% in 2005 and the upper cap increased to £50,000.
- The removal of the cap would be particularly onerous on the industry and most specifically on the smaller SME operators represented by BAA. The upper cap of £21,000 in Scotland is considered a more appropriate level for the rest of the country.
- The proposals would make a small mineral application with full EIA cost over £250,000 with a typical mineral worth of less than 1 million tonnes!! This would be a 5 fold increase over current – and 10 times more than in Scotland!!

- In addition if there is no cap, operators are likely to minimize the size of the application area. This would adversely affect the quality and design of mineral operations as applicants are likely to reduce the extent of peripheral planting, screening mounds, and other environmental mitigation measures that would normally increase the size of a planning application area.
- The proposal to introduce yet more new fees and to impose major increases on Section 73 applications is unjustified and again will have a disproportionate effect on the minerals sector and particularly the SMEs. Currently a permission variation costs £135 – it will now rise to be a full application which could be over £100,000!!
- The proposals are based on land area which is totally unrelated to the tonnage of mineral (volume) extracted or the intrinsic value of the mineral - which for aggregates is the lowest market value per tonne. It will be particularly disadvantageous to shallow workings such as sand and gravel as opposed to deeper hard rock quarries.
- Minerals applications are quite different to other development. They are temporary, cover large areas and have many conditions attached to control the operations. They are also generally subject to a series of variations in conditions during their life, most of which are quite trivial and require little time and effort from the local authorities.
- It is unreasonable that applicants should be expected to fund the whole cost of the service as it benefits the wider community, and the industry are also contributing to business rates and taxes, and their positive impact on employment and the buoyancy of the local community.
- The proposals are essentially looking to impose even more draconian stealth taxes on an overburdened industry, yet do not address the fundamental problems with the planning system and attracting and retaining quality practitioners into local authority work.
- We note from previous consultations on fees to local authorities that CLG appear to put equal weight on to comments made by the recipients of the increases which appears unfair to us, not least due to the clear *conflict of interests*. Indeed, on the previous consultation it was the local authorities who were responsible for a second consultation as they wanted a higher cap!!

The responses to your specific questions are attached.

If you require any further information or clarification, or would like to discuss any aspects further please do not hesitate to contact me.

Yours Sincerely

A handwritten signature in black ink, appearing to be 'Peter Huxtable', with a large loop at the start and a long horizontal stroke extending to the right.

**Peter Huxtable**  
MA(Cantab) CEng FIQ FIMMM  
Secretary

## ANNEX

### BAA Response to the consultation questions

**Q1:** *Would a fee level increase of 25% be reasonable? Should householder applications be largely shielded from that increase?*

Any increase above inflation is not reasonable, justified or fair. We had an effective 300% increase in 2005 with no improvement in performance for mineral planning applications.

Mineral development is different than other forms of development. Operators must continuously replace reserves by seeking new permissions to stay in business, and often seeking variations on existing permissions for good geological, environmental and regulatory changes. Fees are already a high and ongoing cost of business.

**Q2:** *Would you prefer that fees go up by the full 40% to provide more resources for planning?*

No. This would be a totally unwarranted raid on the industry.

**Q3:** *What are the likely effects of any of the changes on you, or the group or business or local authority you represent? Will there be unintended consequences, do you think?*

The cost of planning applications for the minerals industry is already a considerable burden, apart from the increasing time, effort and constraints to progress and deliver new permissions. This combined with the cumulative effect of other regulation is a serious disincentive to proposing new operations and business investment; and is already a significant factor discouraging mineral operators submitting new applications. Entry level for the industry is already very high and is increasingly a barrier to stay in business for aggregate SME operators which represent BAA membership.

These proposals could seriously undermine the ability of the industry to supply the essential raw materials nationally required. The impact on SMEs will be proportionally greater as they may not have sufficient permitted reserves or other sites from which to supply their markets in order to offset any more increases.

**Q4:** *Performance on development control is currently measured against targets to turn around 60% of major applications within 13 weeks, 65% of minor applications and 80% of other applications within 8 weeks. Given the desire for further service improvements flowing from any fee increase - without perverse incentives - what do you think would be the best form of performance measurement for development control and what should be an appropriate benchmark?*

We are unconvinced that the government target system has resulted in real improvements as we believe they are subject to manipulation. The significant increase in appeals referred to in the consultation on the appeals process is, we believe a symptom of the poor quality of decision making at a local level often as a result to meet targets.

**Q5:** *Are current fee maximums serving any useful purpose?*

Yes, but they are currently much too high and should be lowered. The cost of processing mineral planning applications is not directly related to the area of the application. The removal of the cap would also have perverse effects that would run contrary to good planning practice.

**Q6:** *Do you welcome the proposed fees for discharge of conditions? Do you agree this should not apply to conditions imposed on, say, listed building consents?*

No. This is duplication and not necessary. The planning fee along with annual monitoring fees covers this area.

**Q7:** *Will it be useful if the local planning authority can offer a 'premium service'?*

No. The introduction of the premium service would simply increase the fees for those who are prepared to pay the premium rate and introduce a second class service for the remainder

**Q8:** *Currently, Government sets planning fee levels. How do you feel in principle about the idea that each local authority should be able to fix its own (non-profit-making) planning charges in future?*

No. A simple centrally fixed system of reasonable charges is the most cost effective method; and to have a national level playing field across the whole UK.

**Q9:** *Do you have any comment on the outcomes predicted in the partial RIA, in particular the costs and benefits (see Annex B)?*

We believe that the RIA has given insufficient consideration to the consequences of the proposals on the minerals sector and as a result has seriously underestimated the impact the increases in fees would have on our sector; most specifically the independent SME operator.