

**Date:** 04 January 2011

**Consultation:** Planning Fees in Northern Ireland: Proposals for Change

## Introduction

The Northern Ireland Federation of Housing Associations (NIFHA) represents registered and non-registered housing associations in Northern Ireland. Collectively, our members provide 34,000 good quality, affordable homes for renting or equity sharing. Further information is available at [www.nifha.org](http://www.nifha.org)

## General Comments

NIFHA welcomes the opportunity to respond to the proposed changes indicated within the Planning Fees in Northern Ireland: Proposals for Change Consultation Paper. Our members within the Housing Association movement will be required to make a number of applications to the planning service especially with regard to the successful achievement of the Social Development Programme so we, as their representative body, pay careful attention to any changes that may increase their collective or individual costs.

NIFHA recognises that the main aims of the consultation paper are to reduce the levels of cross subsidies within the fee structure while at the same time improving equity and we agree that the service, should in these times of financial constraints, be provided as cost effectively as possible and at the very least should levy a fee which at the very least enables the recovery of its costs.

We also acknowledge that there has been a significant reduction in the number of planning applications which has in turn had implications for their ability to raise revenue from planning fees which may lead to a greater funding requirement from the Northern Ireland Executive and the Assembly.

## Specific Comments

NIFHA welcomes the proposal to remove the fees currently applicable to Listed Building Consents, Conservation Area Consents and Consents to Demolish within Areas of Townscape Character (ATC / AVC) as we believe that these applications have the potential to be beneficial to our society as a whole and should not therefore have a cost applied to them.

We note with interest the proposal to remove the concessionary fee from bodies such as the Northern Ireland Housing Executive and we would state that Housing Associations as the main providers of new social housing in Northern Ireland should have been treated as one of the bodies where a concessionary fee was applicable because of their voluntary nature and the high level of public benefit they provide.

NIFHA however, has strong concerns regarding the proposed methodology for the calculation of new planning fees. Our members are, by their very nature, diverse in the number and types of dwellings they provide for social housing. The current Social Housing Development Programme, which Housing Associations will deliver, contains schemes ranging in number from 1 dwelling to 202 dwellings; increases in the cost of making planning applications will have a significant impact on the cost for our members in providing new social housing in Northern Ireland. This may bring financial pressure to our members particularly as it may coincide with reducing Housing Association Grant support from DSD.

For example in calculating the planning fees for a small housing development of around 12 dwellings, the cost under the current system would be £3,258 and under the proposed system would be £4,020 an increase of £762. Our members, to remain financially viable, will have to recover this increase either from DSD in the form of grant or as is more likely to be the case pass the increase in costs on to the social housing tenant recovering the increase from them in the rent they pay, which will in turn have implications for the future affordability of social housing.

In calculating the planning fees cost to the proposed scheme currently within the Social Housing Development Programme of 202 dwellings it may be seen that under the current system the cost would be £11, 834 and under the proposed system the fees will be £168,750 an increase of £156,916, which is a substantial amount in increased costs for a social enterprise.

The consultation document states that the Planning Service are “mindful of the total cost of a planning fee as part of the total “on cost” of a new development will not rise to a level where it has a disincentive effect on development”. Our members as non profit making bodies will have to ensure the financial validity in providing each of their social housing schemes in the light of these proposed increases in fees.

I hope you find NIFHA's comments useful.

**Maire Kerr**  
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*NIFHA – Working Together for Better Housing*

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