

# **Proposed Changes to Fees Charged for Applications under the Electricity Act 1989**

## **Analysis of Consultation Responses**

**October 2022**

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# Executive Summary

## The consultation

The Scottish Government consulted on proposals to revise existing fees set out in The Electricity (Applications for Consent and Variation of Consent) (Fees) (Scotland) Regulations 2019 for applications made under sections 36, 36C and 37 of the Electricity Act 1989.

The consultation set out proposals for changes to the existing fees as follows:

- an increase to existing fee categories of approximately 20%
- new bandings for larger scale applications for developments that exceed capacities of 500 megawatts (MW), 750 MW and 1 gigawatt (GW); and
- changes to the fees and bandings for variation applications to reflect the increased resource needed where these applications require an environmental impact assessment (EIA)

The consultation posed four questions, with a closed agree/disagree or yes/no element and also inviting further comment.

The final number of responses received was 25, including 22 from group respondents and 3 from individual members of the public.

The key findings from the analysis are that respondents' views vary fairly significantly. Some of the key matters raised are as follows:

- increasing application fees to provide cost recovery is broadly supported in principle but there is disagreement or uncertainty with the proposed levels
- more clarity is required on the improvements and efficiencies to be made to the consenting process and service if fees are to increase, including improved consenting timescales
- funding and resourcing provided to planning authorities should be adequate to reflect the costs to planning authorities of processing the applications as statutory consultees
- more information or evidence is required to justify the magnitude of the proposed fees for variation applications and the new bandings for 500 MW and above projects
- greater certainty is required on statutory consultee funding going forward, including for offshore projects.
- it is broadly recognised that new bandings are required to capture the amount of work involved for the increasing scale of offshore developments
- the proposed fee increases would have financial implications for developers as they would increase the budget required for projects

Further details of the questions asked in the consultation and the key findings in the responses are outlined on the following pages on tables 1 and tables 2A to 2E.

**Table 1. Questions asked by consultation**

<b>Q</b>	<b>Question</b>
1	Do you agree or disagree with the proposed application fees as set out at Table A? Please say why you have arrived at this view.
2	Do you agree or disagree with the new bandings for developments with a capacity greater than 500MW as set out at Table A? Please say why you have arrived at this view.
3	Do the proposed application fees set out in this consultation have any financial, regulatory or resource implications for you and/or your business (if applicable)? If so please explain these.
4	Do you have any other comments?

**Table 2A. Summary of responses to questions 1, 2 and 3**

Question	Agree		Disagree		Unsure / No answer	
	Number	Percent	Number	Percent	Number	Percent
<b>1</b>	8	32	8	32	9	36
<b>2</b>	11	44	7	28	7	28
<b>3</b>	18	72	4	16	3	12

**Table 2B. Summary of views expressed in responses to questions 1, 2 and 3 which agree.**

Question	Respondent types with most widespread agreement	Key comments from respondents who agree
<b>1</b>	Other membership body, networks company, individuals, and support in principle from planning authorities.	<p>Increasing fees to achieve cost recovery is supported to reflect the level of work required in dealing with applications.</p> <p>The proposed 20% increase appears to be proportionate.</p> <p>Increases in fees are acceptable if they result in improvements and efficiencies in the consenting process.</p> <p>There should be greater clarity and certainty on the proportion of fees to be paid to planning authorities.</p> <p>Adequate resource/funding should be given to planning authorities to deal with applications as statutory consultees.</p>
<b>2</b>	Planning authorities, other membership body, and individuals	<p>New bandings reflect the level of work involved for the increasing scale of developments.</p> <p>Planning authorities should receive an adequate proportion of the application fees for offshore projects.</p> <p>New fee bandings introduced to deal with offshore projects may have unintended</p>

		consequences for certain types of onshore development such as pumped hydro storage.
<b>3</b>	Electricity generation developers, the developer organisation, planning authorities/ other public sector bodies, and the other membership body	<p>The proposed increases have financial implications for developers as they would increase the budget required for projects.</p> <p>Financial implications for planning authorities in responding to applications are significant. There is a lack of resource to respond to the applications which puts pressure on budgets.</p> <p>The proposed revised fees will not cover planning authority costs, especially where a public inquiry is triggered.</p>

**Table 2C. Summary of views expressed in responses to questions 1, 2 and 3 which disagree.**

<b>Question</b>	<b>Respondent types with most widespread disagreement</b>	<b>Key comments from respondents who disagree</b>
<b>1</b>	Electricity generation developers	<p>Increasing fees is supported in principle if there are improvements to the consenting service/process.</p> <p>The proposed 20% increase appears to be proportionate and reflects the level of work required.</p> <p>The proposed fees are too high and not properly justified.</p> <p>A 20% increase is not sufficient to cover the costs incurred by planning authorities where an application is referred for public inquiry.</p> <p>The Scottish Government should provide greater detail on improvements to be made to the service as a result of any increase in fees.</p> <p>The proposed fees for variation applications, particularly those that do not increase capacity, are too high and not justified by evidence.</p> <p>The resources/funds for statutory consultees should be increased.</p>

2	Electricity generation developers	<p>Disagreement with the proposed bandings and fees without improvements to efficiencies and the consenting process.</p> <p>The outcome of the previous fees consultation was to not include higher bandings above 300MW.</p> <p>Larger capacity projects don't necessarily result in more complex applications and environmental issues that require more resources.</p> <p>The proposed changes do not reflect a fair cost level when crossing bands.</p> <p>50% of the fee to be given to the LPA would not cover the costs in all circumstances, especially where a development straddles multiple local authority areas and the voluntary payment is split between them.</p>
3	None of the categories of respondents had widespread 'no' responses. Two planning authorities, a network operator and an individual said 'no'.	<p>No financial, regulatory or resource implications.</p> <p>There could be indirect impacts if generating stations are not pursued as a result of these increases by the loss of additional renewable energy being fed into the national grid.</p>

**Table 2D. Summary of views expressed in responses to questions 1, 2 and 3 which are unsure or response was unclear.**

<b>Question</b>	<b>Respondent types with most widespread response of "unsure", or response was unclear</b>	<b>Key comments from respondents who were unsure</b>
1	Planning authorities/ other public sector bodies and the developer organisation	<p>Increasing fees by 20% and introducing new bands for larger projects is supported.</p> <p>There should be greater clarity and certainty on the proportion of fees to be paid to planning authorities.</p>

		<p>The fees and the proportion of them provided to planning authorities should be higher than what is proposed to reflect the costs to planning authorities of processing applications as statutory consultees.</p> <p>Legislation should be amended to increase the capacity threshold for projects requiring section 36 consents so that more projects are processed as planning applications and dealt with by planning authorities.</p> <p>The fees for overhead line applications not requiring EIA should be the same as overhead line applications requiring EIA.</p> <p>The proposed fees are supported provided they would help accelerate consenting processes – there should be greater detail on improvements and efficiencies to be made.</p> <p>The proposed increases appear arbitrary and are not supported by an adequate justification or robust evidence base. It is therefore not possible to accurately comment on the acceptability and proportionality of the proposed increases.</p>
<b>2</b>	<p>Planning authorities/ other public sector bodies, a networks company, and the developer organisation</p>	<p>The additional fees for the higher bandings might add a significant costs to project design and development, but it is assumed that developers working at such a scale would be able to cover the increase.</p> <p>Networks companies did not consider themselves best placed to respond on this question.</p> <p>The proposed increases appear arbitrary and are not supported by a robust evidence base. It is therefore not possible to accurately comment on the acceptability and proportionality of the proposed increases.</p>
<b>3</b>	<p>None of the categories of respondents had widespread ‘don’t know’ responses.</p>	<p>There is uncertainty over how fees are to be shared with planning authorities and if fees will cover the cost of the resources local authorities require to input to applications.</p>

**Table 2E. Summary of responses to question 4.**

Various points were made and are summarised at section 3 below. Points included: increases in fees should be tied to improvements in consenting services; further information is required to justify the level of the proposed fee increases; there is a need for greater funding for planning authorities; there is a need for improving performance of planning authorities; other proposals for approaching fees scales and categorising applications; proposals for separate funding for public local inquiries; and changes to capacity thresholds for projects requiring section 36 consent.

# 1. Introduction

This report presents an overview of findings from an analysis of responses to the Scottish Government's consultation on proposals to revise existing fees set out in The Electricity (Applications for Consent and Variation of Consent) (Fees) (Scotland) Regulations 2019 ("Fees Regulations 2019") for applications made under sections 36, 36C and 37 of the Electricity Act 1989. The consultation opened on 30 March 2022 and closed on 23 June 2022.

## The consultation process

The Scottish Government is proposing to increase the existing application fee tariffs to more accurately reflect the costs of processing applications. The Scottish Government consulted on proposals to revise existing fees set out in the Fees Regulations 2019 for applications made under sections 36, 36C and 37 of the Electricity Act 1989.

The consultation document set out proposals for:

- an increase to existing fee categories of approximately 20%;
- new bandings for larger scale applications for developments that exceed capacities of 500MW, 750MW and 1 GW; and
- changes to the fees and bandings for variation applications to reflect the increased resource needed where these applications require an environmental impact assessment (EIA).

The consultation posed four questions, with a closed agree / disagree element or yes/no element and also inviting further comment as follows:

1. Do you agree or disagree with the proposed application fees as set out at Table A? Please say why you have arrived at this view.
2. Do you agree or disagree with the new bandings for developments with a capacity greater than 500MW as set out at Table A? Please say why you have arrived at this view.
3. Do the proposed application fees set out in this consultation have any financial, regulatory or resource implications for you and/or your business (if applicable)? If so please explain these.
4. Do you have any other comments?

The references to "Table A" in the questions mean Table A of the consultation paper which sets out the proposed fees.

## Overview of written submissions

The final number of submissions received was 25, including 22 from group respondents and 3 from individuals who appeared to be members of the public. 20 submissions were made via the consultation website and five submissions were made in writing, some of which did not adhere to the template of questions and answers used by the website – for example, not providing a clear response to the closed agree / disagree or yes/no elements but providing written comments neither wholly in clear agreement or disagreement, or raising other issues.

A profile of respondent types is provided in Table 3 below.

**Table 3. Overview of consultation respondents**

<b>Group Type</b>	<b>Number</b>	<b>Percentage</b>
Businesses and developers, including:		
Electricity generation developers	10	40%
Electricity networks companies	2	8%
Developer membership organisations	1	5%
Planning authorities/other public sector bodies	8	32%
Other membership bodies	1	5%
<b>Group respondents (total)</b>	<b>22</b>	<b>88%</b>
<b>Individuals</b>	<b>3</b>	<b>12%</b>
<b>Total</b>	<b>25</b>	<b>100%</b>

Respondents were grouped into seven broad respondent types based on their role – five types for group respondents, and one for individuals. The main points to note about the composition of the groups are:

- **Electricity generation developers** – 10 respondents representing a range of organisation sizes and types.
- **Electricity networks companies** – two respondents comprised of the owners of the licensed electricity transmission and distribution network owners in Scotland.
- **Developer membership organisations** – one respondent which was Scottish Renewables.
- **Planning authorities / other public sector bodies** – eight respondents representing a number of local planning authorities in Scotland and Heads of Planning Scotland, the representative organisation for senior planning officers from Scotland's local authorities, and Historic Environment Scotland.
- **Other membership bodies** – one respondent which was the Royal Town Planning Institute Scotland.

A full list of the respondents is included in Appendix 1.

**Table 4A. Summary of responses to questions 1, 2 and 3**

Question	Agree		Disagree		Unsure / No answer	
	Number	Percent	Number	Percent	Number	Percent
<b>1</b>	8	32	8	32	9	36
<b>2</b>	11	44	7	28	7	28
<b>3</b>	18	72	4	16	3	12

**Table 4B. Summary of views expressed in responses to questions 1, 2 and 3 which agree.**

Question	Respondent types with most widespread agreement	Key comments from respondents who agree
<b>1</b>	Other membership body, networks company, individuals, and support in principle from planning authorities.	<p>Increasing fees to achieve cost recovery is supported to reflect the level of work required in dealing with applications.</p> <p>The proposed 20% increase appears to be proportionate.</p> <p>Increases in fees are acceptable if they result in improvements and efficiencies in the consenting process.</p> <p>There should be greater clarity and certainty on the proportion of fees to be paid to planning authorities.</p> <p>Adequate resource/funding should be given to planning authorities to deal with applications as statutory consultees.</p>
<b>2</b>	Planning authorities, other membership body, and individuals	<p>New bandings reflect the level of work involved for the increasing scale of developments.</p> <p>Planning authorities should receive an adequate proportion of the application fees for offshore projects.</p> <p>New fee bandings introduced to deal with offshore projects may have unintended</p>

		consequences for certain types of onshore development such as pumped hydro storage.
<b>3</b>	Electricity generation developers, the developer organisation, planning authorities/ other public sector bodies, and the other membership body	<p>The proposed increases have financial implications for developers as they would increase the budget required for projects.</p> <p>Financial implications for planning authorities in responding to applications are significant. There is a lack of resource to respond to the applications which puts pressure on budgets.</p> <p>The proposed revised fees will not cover planning authority costs, especially where a public inquiry is triggered.</p>

**Table 4C. Summary of views expressed in responses to questions 1, 2 and 3 which disagree.**

<b>Question</b>	<b>Respondent types with most widespread disagreement</b>	<b>Key comments from respondents who disagree</b>
<b>1</b>	Electricity generation developers	<p>Increasing fees is supported in principle if there are improvements to the consenting service/process.</p> <p>The proposed 20% increase appears to be proportionate and reflects the level of work required.</p> <p>The proposed fees are too high and not properly justified.</p> <p>A 20% increase is not sufficient to cover the costs incurred by planning authorities where an application is referred for public inquiry.</p> <p>The Scottish Government should provide greater detail on improvements to be made to the service as a result of any increase in fees.</p> <p>The proposed fees for variation applications, particularly those that do not increase capacity, are too high and not justified by evidence.</p> <p>The resources/funds for statutory consultees should be increased.</p>

2	Electricity generation developers	<p>Disagreement with the proposed bandings and fees without improvements to efficiencies and the consenting process.</p> <p>The outcome of the previous fees consultation was to not include higher bandings above 300MW.</p> <p>Larger capacity projects don't necessarily result in more complex applications and environmental issues that require more resources.</p> <p>The proposed changes do not reflect a fair cost level when crossing bands.</p> <p>50% of the fee to be given to the LPA would not cover the costs in all circumstances, especially where a development straddles multiple local authority areas and the voluntary payment is split between them.</p>
3	None of the categories of respondents had widespread 'no' responses. Two planning authorities, a network operator and an individual said 'no'.	<p>No financial, regulatory or resource implications.</p> <p>There could be indirect impacts if generating stations are not pursued as a result of these increases by the loss of additional renewable energy being fed into the national grid.</p>

**Table 4D. Summary of views expressed in responses to questions 1, 2 and 3 which are unsure or response was unclear.**

Question	Respondent types with most widespread response of "unsure", or response was unclear	Key comments from respondents who were unsure
1	Planning authorities/ other public sector bodies and the developer organisation	<p>Increasing fees by 20% and introducing new bands for larger projects is supported.</p> <p>There should be greater clarity and certainty on the proportion of fees to be paid to planning authorities.</p>

		<p>The fees and the proportion of them provided to planning authorities should be higher than what is proposed to reflect the costs to planning authorities of processing applications as statutory consultees.</p> <p>Legislation should be amended to increase the capacity threshold for projects requiring section 36 consents so that more projects are processed as planning applications and dealt with by planning authorities.</p> <p>The fees for overhead line applications not requiring EIA should be the same as overhead line applications requiring EIA.</p> <p>The proposed fees are supported provided they would help accelerate consenting processes – there should be greater detail on improvements and efficiencies to be made.</p> <p>The proposed increases appear arbitrary and are not supported by an adequate justification or robust evidence base. It is therefore not possible to accurately comment on the acceptability and proportionality of the proposed increases.</p>
<b>2</b>	<p>Planning authorities/ other public sector bodies, a networks company, and the developer organisation</p>	<p>The additional fees for the higher bandings might add a significant costs to project design and development, but it is assumed that developers working at such a scale would be able to cover the increase.</p> <p>Networks companies did not consider themselves best placed to respond on this question.</p> <p>The proposed increases appear arbitrary and are not supported by a robust evidence base. It is therefore not possible to accurately comment on the acceptability and proportionality of the proposed increases.</p>
<b>3</b>	<p>None of the categories of respondents had widespread ‘don’t know’ responses.</p>	<p>There is uncertainty over how fees are to be shared with planning authorities and if fees will cover the cost of the resources local authorities require to input to applications.</p>

#### **Table 4E. Summary of responses to question 4.**

Various points were made and are summarised at section 3 below. Points included: increases in fees should be tied to improvements in consenting services; further information is required to justify the level of the proposed fee increases; there is a need for greater funding for planning authorities; there is a need for improving performance of planning authorities; other proposals for approaching fees scales and categorising applications; proposals for separate funding for public local inquiries; and changes to capacity thresholds for projects requiring section 36 consent.

#### **Analysis approach**

The Scottish Government carried out an internal analysis of the responses to the consultation.

The remainder of this report presents an analysis of all submissions. This includes the balance of views on the “closed” agree/disagree and yes/no questions by respondent group, and a summary of key issues raised by written responses. Our analysis has sought to identify key motivations for agree/disagree and yes/no responses, views on specific elements of proposals for increases in application fees, and any modification or alternatives suggested by respondents. The report also highlights where views or suggestions are specific to one or more respondent types.

Where respondents responded via the website, their response to the consultation closed question elements (whether affirmative, negative or not answered) is used in tables 5 to 8 below. Where respondents submitted written responses in formats of their choosing without clear separation of the closed question and written comments, the analysis has interpreted the written comments to establish whether the closed question element was met with agreement, disagreement, not answered or unclear.

It should be noted that the purpose of the report is to reflect the balance and range of views expressed through the consultation. It does not seek to provide any policy recommendations.

## 2. Respondents' Views On Proposed Changes To Fees

This section provides a summary of respondents' views on the proposed changes to application fees. The references to "Table A" in the questions mean Table A of the consultation paper which sets out proposed fees.

**Question 1: Do you agree or disagree with the proposed application fees as set out at Table A? Please say why you have arrived at this view.**

A total of 25 respondents answered the "closed" consultation question on whether application fees should be revised. 8 respondents agreed, 9 disagreed, and 8 were unsure or unclear.

- 2 electricity generation developers agreed, 6 disagreed and 2 were unclear
- 1 electricity networks company agreed and 1 was unsure
- the developer organisation did not clearly state if it agreed, disagreed or was unsure, but considered it was unable to accurately respond on the basis of the information given, which was interpreted as "unsure"
- 2 planning authorities agreed, 1 planning authority disagreed and 5 planning authorities/other public bodies were unsure
- the other membership body agreed
- 2 individuals agreed and 1 disagreed

The respondent types showing most widespread **agreement with the proposal** in Question 1 were an electricity networks company, the other membership body and individuals. There was also a demonstration of support in principle for proposed fee increases from planning authorities in their responses.

The respondent types showing most widespread **disagreement with the proposal** in Question 1 were electricity generation developers.

9 respondents were **unsure or unclear**, the majority of which were planning and other public sector bodies.

**Table 5. Do you agree or disagree with the proposed application fees as set out at Table A? Please say why you have arrived at this view.**

Group Type	Agree	Disagree	Unsure/ Unclear/ No response	Total
Businesses and developers, including:				
Electricity generation developers	2	6	2	10
Electricity networks companies	1	0	1	2
Developer membership organisations	0	0	1	1
Planning authorities/other public sector bodies	2	1	5	8
Other membership bodies	1	0	0	1
<b>Group respondents (total)</b>	<b>6</b>	<b>7</b>	<b>9</b>	<b>22</b>
<b>Individuals</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>3</b>
<b>Total</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>25</b>

There follows a summary of points raised by respondents, listed in descending order of number of respondents raising each point. The number in brackets next to each indicates the number of respondents making the point in response to this question. It should be noted that some respondents repeated the same point across responses to more than one question.

- increasing application fees to provide cost recovery is supported in principle (17)
- the proposed 20% increase appears to be proportionate and reflects the level of work required (10)
- there should be improvements and efficiencies in the consenting process if fees are to increase (7)
- funding and resourcing provided to planning authorities should be adequate to reflect the costs to planning authorities of processing the applications as statutory consultees (6)
- the increase in revenue from the increased fees should be used to improve consenting timescales, staffing and the consenting service (6)
- the Scottish Government should provide greater detail on improvements to be made to the service before any increase in fees (5)
- there should be greater clarity and certainty on the proportion of fees to be paid to planning authorities (5)
- the costs for planning authorities where an application is referred for public inquiry exceed the proportion of the current and proposed application fees that would be paid to the planning authority. This is a disadvantage given it is public authority objections that trigger public inquiries (4)
- introducing new bandings is reasonable given the increasing scale of development (3)
- the proposed fees for variation applications, particularly those that do not increase capacity, are too high and not justified by evidence (3)

- the resources/funds for statutory consultees more generally should be increased (2)
- there should be greater clarity on how any increased fees will be used to improve the level of service provided by planning authorities and statutory consultees on applications (2)
- the threshold of projects requiring section 36 consents should be increased to 100MW capacity or more rather than the threshold remaining at 50MW (2)
- application fees have already been changed recently, in 2019 (2)
- the proposed fees are excessive (1)
- fees for projects over 500MW are considerably higher than the general proposed increase of 20% (1)
- the bandings below 300MW are not required and instead the banding should be 50MW to 300MW, and the fee for that banding should be the proposed 50 – 100MW fee (1)
- the total application fee could be paid in stages (pre-application and at application stage) to allow earlier cost recovery for the resource needed to engage in the pre-application stage (1)
- the potential for cost savings should be fully and openly explored before increases to application fees are implemented (1)
- there should be fixed maximum consenting timeframes for section 37 applications (1)
- there should be no penalty for the establishment of renewable power generation (1)
- the scale of fees should be index-linked to keep pace with inflation (1)
- the fee increase is more commensurate with the natural resource worth (1)
- it is unclear what impact the 20% cost increase is likely to have on project development and therefore on delivery of net-zero (1)
- further proposed increases will lead to some projects which are currently marginal in terms of viability becoming unviable (1)
- query why a second consultation on fees is being carried out if the 2019 consultation did not resolve the existing shortfall in cost recovery (1)
- measureable performance improvements or key performance indicators should be introduced for Scottish Government consenting services (1)
- whilst processing agreements are not widely used in section 36 applications, their introduction would put in place a formal working framework between developers and regulators, and could include consultee expectations (1)
- the Scottish Ministers should ensure resource is available to increase the pipeline of planners and develop the necessary skills in the existing workforce (1)
- a more even spread of fees for projects above 500MW would be more appropriate (1)

**Question 2: Do you agree or disagree with the new bandings for developments with a capacity greater than 500MW as set out at Table A? Please say why you have arrived at this view.**

A total of 24 respondents answered the “closed” consultation question on whether they agreed or disagreed with new bandings for developments with a capacity

greater than 500MW. 11 respondents agreed, 7 disagreed, and 6 were unsure or unclear. One respondent, an electricity networks company, confirmed it had no response to this question.

- 2 electricity generation developers agreed, 6 disagreed and 2 were unclear
- 1 electricity networks company was unsure and 1 did not respond
- the developer organisation did not clearly state if it agreed, disagreed or was unsure, but considered it was unable to accurately respond on the basis of the information given, which was interpreted as “unsure”
- 6 planning authorities agreed, no planning authorities/other public bodies disagreed and 2 planning authorities/other public bodies were unsure
- the other membership body agreed
- 2 individuals agreed and 1 disagreed

The respondent types showing most widespread **agreement with the proposal** in Question 2 were planning authorities, the other membership body and individuals.

The respondent types showing most widespread **disagreement with the proposal** in Question 2 were electricity generation developers.

5 respondents were unsure or unclear from various group types.

**Table 6. Do you agree or disagree with the new bandings for developments with a capacity greater than 500MW as set out at Table A? Please say why you have arrived at this view.**

Group Type	Agree	Disagree	Unsure/ Unclear/ No response	Total
Businesses and developers, including:				
Electricity generation developers	2	6	2	10
Electricity networks companies	0	0	2	2
Developer membership organisations	0	0	1	1
Planning authorities/other public sector bodies	6	0	2	8
Other membership bodies	1	0	0	1
<b>Group respondents (total)</b>	<b>9</b>	<b>6</b>	<b>7</b>	<b>22</b>
<b>Individuals</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>3</b>
<b>Total</b>	<b>11</b>	<b>7</b>	<b>7</b>	<b>25</b>

There follows a summary of points raised by respondents, listed in descending order of number of respondents raising each point. The number in brackets next to each indicates the number of respondents making the point in response to this question. It should be noted that some respondents repeated the same point across responses to more than one question.

- the new bandings will capture the amount of work involved for the increasing scale of offshore developments (8)

- the proposed increases appear arbitrary and are not supported by a robust evidence base. Further information is required to explain the magnitude of proposed increases (5)
- given the involvement of planning authorities in offshore projects, planning authorities should receive an adequate proportion of the application fees for offshore projects (5)
- the outcome of the 2019 fees consultation was to not introduce bandings for projects over 300MW on the basis that costs do not significantly increase once a threshold of 300MW is crossed (4)
- larger capacity projects do not necessarily result in larger or more complex applications and environmental considerations that require more resources to review - the level of resources required to assess them are likely to remain similar (4)
- the proposed changes do not reflect a fair cost increase when moving between scale bands, with certain movements between bands being disproportionately high and others being disproportionately low when compared to other differences in bands (3)
- developers will require to pay fees for applications for planning permission (if applied for separately) and for marine licenses in addition to Electricity Act consent fees which increases consenting costs overall (2)
- costs of consenting in England and Wales may be higher, but there is an argument that the “value-for-money” for the applicant is greater in England and Wales, because of the set timescales for determinations and access to experienced staff (2)
- there are currently no statutory periods for determining section 36 applications, resulting in varied and unpredictable timescales. Increased fees should be accompanied by guarantees on determination timescales similar to England and Wales (2)
- agree with the bandings in principle, if the increased fees reduce risk of consenting delays and improve consenting processes (1)
- proposed new bandings are required, particularly in respect of the increased offshore development activity, but may have unintended consequences for other forms of renewable development such as pumped hydro storage which may have less ability to pay the significant increases without adverse impacts to their development prospects (1)
- disagreement with the proposed bandings and fees without improvements to efficiencies and the consenting process (1)
- there should be no penalty for the establishment of renewable power generation (1)
- a separate pricing system should be created for offshore applications as offshore developers are more capable of absorbing the financial consequences of the proposed fee rises (1)
- the additional fees for the higher bandings might add a significant costs to project design and development, but it is assumed that developers working at such a scale would be able to cover the increase (1)

**Question 3: Do the proposed application fees set out in this consultation have any financial, regulatory or resource implications for you and/or your business (if applicable)? If so please explain these.**

22 respondents answered this “yes/no/don’t know” question in their response on whether the proposed application fees have any financial, regulatory or resource implications for the respondent and/or its business. 17 respondents said “yes” (including a respondent who did not state “yes” or “no” but their response indicated in the affirmative), 4 said “no”, and 1 said “don’t know”. One respondent, an individual, did not answer the question. Two further respondents provided general comments on the consultation but did not directly address this question.

- 9 electricity generation developers said “yes”, none said “no” and 1 response was unclear or did not directly address this question
- 1 electricity networks company did not respond “yes” or “no” but their response indicated in the affirmative, and 1 said “no”
- the developer organisation said “yes” in terms of implications for its members
- 5 planning authorities/other public bodies said yes, 2 planning authorities said “no” and 1 planning authority said “don’t know”
- the other membership body said “yes”
- 1 individual said “yes”, 1 said “no” and 1 did not respond

**Table 7. Do the proposed application fees set out in this consultation have any financial, regulatory or resource implications for you and/or your business (if applicable)? If so please explain these.**

Group Type	Yes	No	Don't know/ Unclear/ No response	Total
Businesses and developers, including:				
Electricity generation developers	9	0	1	10
Electricity networks companies	1	1	0	2
Developer membership organisations	1	0	0	1
Planning authorities/other public sector bodies	5	2	1	8
Other membership bodies	1	0	0	1
<b>Group respondents (total)</b>	<b>17</b>	<b>3</b>	<b>2</b>	<b>22</b>
<b>Individuals</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>
<b>Total</b>	<b>18</b>	<b>4</b>	<b>3</b>	<b>25</b>

There follows a summary of points raised by respondents, listed in descending order of number of respondents raising each point. The number in brackets next to each indicates the number of respondents making the point in response to this question. It should be noted that some respondents repeated the same point across responses to more than one question.

- the proposed increases have considerable financial implications for developers as they would increase the budget required for projects (9)

- the financial implications for planning authorities in responding to applications are significant – existing staff resources require to be used and also external consultants engaged. There is a lack of resource to respond to the applications which puts pressure on budgets (5)
- the proposed revised fees will not cover planning authority costs, especially where a public inquiry is triggered (4)
- as there is no formal agreement on the fee contribution payable to planning authorities, it is more challenging to resource (2)
- as well as new projects, the proposed increases would have financial impacts on projects requiring variations – such projects have been developed and financed based on the existing fee structure (2)
- whilst fee increases would increase project costs, if there was a quicker consenting timeline, the benefits of that would outweigh the negative impact of increasing the fees (2)
- an impact test on Scottish firms has not been undertaken. The proposed increases will discourage smaller developers from undertaking large developments (1)
- in a market where cost reduction and competition for contracts for difference is critical, adding costs to offshore wind projects at any stage is considered a risk (1)
- the proposed fee increases could impact the company's future operations in Scotland and the development pipeline (1)
- at a time where developers are trying to make savings and attempting to deliver projects on a subsidy-free basis, the proposed fees would be a threat to the number of projects brought forward which will impact on meeting renewable energy targets (1)
- if increased fees are introduced, fees should then remain steady for the foreseeable future for the benefit of consumers and to create certainty for industry (1)
- there would be no direct impact, but we could be indirectly impacted if generating stations are not pursued as a result of these increases by the loss of additional renewable energy being fed into the national grid (1)
- statutory consultees are an integral part of the system and experience resourcing pressures as a result of high volumes of renewable energy applications – statutory consultees are not currently resourced to deal with the forthcoming volume of applications (1)
- the Business and Regulatory Impact Assessment should specifically include statutory consultees as there is a risk to delivery of renewable projects if the staffing numbers in these bodies are not addressed (1)
- there should be a formal agreement for payment of a proportion of application fees to planning authorities to achieve full cost recovery (1)
- given the uncertainty over how fees are to be shared with planning authorities, it is unclear if fees will cover the cost of the resources planning authorities require to input to applications (1)

# 3. Other Issues Raised By Respondents

Other points raised by respondents, either in the 17 direct responses to Question 4, which asked “do you have any other comments”, or elsewhere in their responses beyond the scope of the foregoing questions, include the following. They are listed in descending order of number of respondents raising each point. The number in brackets next to each indicates the number of respondents making the point. It should be noted that some respondents repeated the same point across responses to more than one question.

- legislation should be amended to increase the threshold for projects requiring section 36 consents rather than the threshold remaining at 50MW, so that a greater proportion of applications are processed as planning applications and dealt with by planning authorities. (6)
- increased fees should result in improvements to the consenting service and timeframes/there should be clear goals or key performance indicators set on improvements (5)
- further information is required to justify the magnitude of the proposed fee increases (3)
- a separate fund could be established to support planning authorities, and perhaps community groups, to take part in public inquiries (3)
- the fees paid to planning authorities should be used to contribute towards improving the planning authorities’ role in the energy consenting regime and should be tied to the performance of each planning authority (3)
- there should be further clarity on what improvements can be expected from the energy consenting regime if fees are to increase (2)
- planning authorities that play a statutory consultee role in applications are underfunded (2)
- the frequency of changes to fees should be minimised, to provide businesses with certainty and stability, avoiding unintended consequences on investment confidence (2)
- there should be a transparent approach to redistributing any increased fees to statutory consultees (2)
- proposal to pay reduced fee for a standard assessment which covers specific development design and a higher fee for a Rochdale envelope approach (2)
- there should be an arrangement in place for planning authorities to receive a proportion of the fees for offshore developments (2)
- the proposed fees are another cost to the renewables industry following fee rises in 2019, the loss of relief on rates, and the removal of market support, all of which discourage investment in new generating projects and threaten the Scottish Government’s renewable energy targets (1)
- the timing of the proposed fee increases is surprising when the onshore wind energy industry is expected to deliver a significant increase in generation capacity in the coming years (1)

- a further increase in development costs will hinder the industry's capability to deliver projects at a time when assistance is needed (1)
- failure of certain planning authorities to respond on applications has resulted in significant delays. There should be clarity on how increased fees will assist planning authorities to deliver timely responses (1)
- it would be useful to understand whether the proportion of fees allocated to planning authorities in July 2019 – July 2021 has supported their capacity to efficiently and judiciously respond to planning applications consistent with target timescales (1)
- the Scottish Government should explore the establishment of an internal team of landscape architects to take responsibility for parts of the assessment currently undertaken by planning authorities/NatureScot to speed up determinations (1)
- there is a risk of onshore wind and other onshore renewable technologies losing out in terms of Scottish Government resource and training to offshore developments due to Scotwind (1)
- any changes to fees should result in improved resourcing at consultee level – the funds should be ring-fenced so that statutory consultees can draw on additional fees to increase resourcing (1)
- query as to why there is a distinction between projects requiring EIA and those not requiring EIA in relation to fees on the basis that this approach is arbitrary (1)
- the proposed fee changes discourage hybrid sites - the fee structure as proposed will increase the number of individual, non-hybrid sites being brought to local planning authorities, increasing the burden on planning authorities (1)
- there should be a sliding scale of fees for solar – planning fees for solar are capped at £25,000 but for those over 50MW there are substantial increases (1)
- there are discrepancies in the data in the Fee Monitoring Report accompanying the consultation (1)
- the new fees will still not cover the costs needed to fund the Energy Consents Unit and Marine Scotland (1)
- fee rises are not the sole solution and will not resolve the shortfall in in Energy Consents Unit income (1)
- if fee increases are to be implemented, fee payment stages should be introduced (1)
- making a distinction between EIA and non-EIA projects is welcome and this should be recognised in future changes to fees for planning applications (1)
- there should be a plan-led approach to energy through a national energy plan including a sectoral plan for onshore wind (1)
- the proposed National Planning Framework 4 may also bring into the realm of development management increased scrutiny over policy matters such as decarbonisation, zero waste, health and wellbeing etc. If such specialisms become imbedded in the section 36 process, additional expertise at planning authorities will have to be resourced and funded (1)
- there are increasing numbers of onshore wind proposals with nationally important scheduled monuments within the development site boundary and

the increasing height of modern wind turbines means that there is the potential for setting impacts to be more pronounced (1)

- planning authorities have significant numbers of applications to deal with and developers should bear the cost of this – if additional costs of planning authorities are not met, the time frame for responding to applications should be increased (1)

# 4. Appendix 1: Consultation Respondents

Organisation or Individual	Organisation group	Name of organisation or individual
Organisation	Electricity generation developers	BayWa r.e. UK Ltd
Organisation	Electricity generation developers	Community Windpower
Organisation	Electricity generation developers	EDF
Organisation	Electricity generation developers	ERG UK
Organisation	Electricity generation developers	Floating Energy Allyance 1 Ltd
Organisation	Electricity generation developers	Red Rock Power Limited
Organisation	Electricity generation developers	Renewable Energy Systems Limited
Organisation	Electricity generation developers	ScottishPower Renewables
Organisation	Electricity generation developers	SSE Renewables
Organisation	Electricity generation developers	Statkraft UK
Organisation	Electricity networks companies	SP Energy Networks
Organisation	Electricity networks companies	SSEN Transmission
Organisation	Developer membership organisations	Scottish Renewables
Organisation	Planning authorities/other public sector bodies	Heads of Planning Scotland
Organisation	Planning authorities/other public sector bodies	Comhairle nan Eilean Siar
Organisation	Planning authorities/other public sector bodies	Glasgow City Council
Organisation	Planning authorities/other public sector bodies	The Highland Council
Organisation	Planning authorities/other public sector bodies	Moray Council
Organisation	Planning authorities/other public sector bodies	Scottish Borders Council
Organisation	Planning authorities/other public sector bodies	West Dunbartonshire Council
Organisation	Planning authorities/other public sector bodies	Historic Environment Scotland
Organisation	Other membership bodies	RTPI Scotland
Individual		(Withheld)
Individual		(Withheld)
Individual		Tony Kime



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