Julie James AS/MS Y Cwnsler Cyffredinol a'r Gweinidog Cyflawni Counsel General and Minister for Delivery

Eich cyf/Your ref Ein cyf/Our ref Llywodraeth Cymru Welsh Government

To: Peredur Owen Griffiths MS Chair Finance Committee Senedd Cymru SeneddFinance@senedd.wales

10 Hydref 2025

Annwyl Peredur

Financial implications of the Planning consolidation Bills

Thank you for your letter of 29 September 2025.

I note you are referring to the RIA for the Bills, however Standing Order 26C does not require such an assessment to be undertaken. Instead SO26C.9(vii) requires me to set out the "best estimates" for any additional expenditure. This is the basis for the preparation of Part 2 of the Explanatory Memorandum to the Bills.

Question 1: methodology used to estimate the transitional costs

Transitional costs were estimated using the best available data, including published datasets, staff pay rates (where available), and our experience in implementing previous Acts, in particular the Historic Environment (Wales) Act 2023 ("the 2023 Act"). Staff time against identified activities were multiplied by relevant pay rates to calculate costs.

For the costs attributed to the Welsh Government, these were calculated using the organisation's standard average staff costs for each relevant grade for the 2025-26 financial year. These averages include all associated on-costs, such as employer's National Insurance and pension contributions, ensuring the best estimate of staff costs involved in the identified transitional activities. The identification of the transitional activities and estimate of staff time were informed from experience in implementing previous Bills and direct engagement with teams in the Planning Directorate and Planning Environment Decisions Wales.

As set out in Part 2 of the Explanatory Memorandum, the costs identified for stakeholders primarily relate to their familiarisation with the new Acts and to make one-off updates to websites and documents to ensure they correctly reference this new legislation, should the Bills be passed and enacted. As the Bills do not change the substance or practical

Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1SN Gohebiaeth.Cwnsler.Cyffredinol@llyw.cymrucorrespondence.Counsel.General@gov.wales

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

operation of the law, these transitional costs are primarily administrative in nature and reflect typical activities associated with consolidation of the law.

Planning authority costs were modelled using assumptions from the 2023 Act, where planning officers were considered equivalent to a Welsh Government Higher Executive Officer grade. Our analysis of local authority websites helped determine the extent of changes needed to those sites. Whilst consultation with a Planning Authority helped estimate the time required to update development management systems and templates, they also identified this work would be undertaken by a systems officer. This is understood to be an administrative role equivalent to a Welsh Government Executive Officer grade.

Planning consultant staff costs are commercially sensitive and not publicly available. Estimates for legal advisers were derived from the 2024 Annual Survey of Hours and Earnings (ASHE), with on-costs added. Prior experience with implementing other Bills together with engagement with colleagues with private sector experience within Government informed the estimates for staff time related to familiarisation with the new legislation.

For IT service providers, see paragraph 76 of the Explanatory Memorandum.

Question 2: input from planning authorities, planning consultants and private law firms

The cost estimates were informed by targeted engagement and sector-specific insights.

For planning authorities, direct engagement was undertaken with one authority to understand the requirements for updating IT systems, websites and decision notices. Their feedback, informed by the work they undertook associated with the commencement of the 2023 Act, contributed to the estimate that approximately four days of a systems officer's time would be needed to implement the necessary changes.

In relation to planning consultants, due to the diversity of consultancy models and commercial sensitivities, no direct engagement has taken place. Notwithstanding this, the approach taken is based on experience of implementing other planning and related legislation and with engagement with colleagues within Government who have previously worked in private practice.

For private law firms, input was gathered through engagement with colleagues who were on secondment to the Welsh Government from the private sector, helping to outline the process and time required for legal professionals to familiarise themselves with the legislation. Published data from the Law Society was also used to estimate the number of firms likely to be affected.

The approach set out above is considered both proportionate and appropriate in ensuring the requirements of Standing Order 26C.9(vii) are met.

Question 3: confidence in costs for Welsh Government

I am confident the cost estimates identified for the Welsh Government are robust and reflective of expected resource use. These estimates are grounded in actual staff pay data, established working patterns, and experience from implementing planning-related legislation and the implementation of the consolidation project resulting in the 2023 Act. This precedent has informed both the time estimates and the analysis of specific tasks required for implementation.

Question 4: assessment of cost savings

As noted above, an assessment of cost savings is not required under Standing Order 26C and has therefore not been undertaken. The anticipated benefits and savings relating to consolidation and codification more generally were considered as part of the Explanatory Memorandum to the Legislation (Wales) Bill in 2019.

I am copying this letter to the Legislation, Justice and Constitution Committee.

Yn gywir,

Julie James AS/MS

Y Cwnsler Cyffredinol a'r Gweinidog Cyflawni Counsel General and Minister for Delivery