

Email to: Finance.Constitution@parliament.scot

24 January 2018

Dear Sir/Madam,

WRITTEN EVIDENCE ON THE PLANNING (SCOTLAND) BILL FINANCIAL MEMORANDUM

The Royal Town Planning Institute (RTPI) is the champion of planning and the planning profession. We work to promote the art and science of planning for the public benefit. We have around 2000 members in Scotland and a worldwide membership of over 25,000. We:

- support policy development to improve approaches to planning for the benefit of the public;
- maintain the professional standards of our members;
- support our members, and therefore the majority of the planning workforce, to have the skills and knowledge they need to deliver planning effectively;
- maintain high standards of planning education;
- develop and promote new thinking, ideas and approaches which can improve planning;
- support our membership to work with others who have a role in developing places in Scotland; and
- improve the understanding of planning and the planning system to policy makers, politicians, practitioners and the general public.

Consultation

1. *Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?*

Yes, and yes. Throughout RTPI Scotland's response to the Scottish Government *Places, People and Planning* consultation paper we highlighted the need for adequate resources to ensure that the proposals made could be implemented successfully – including those to be introduced by primary and secondary legislation and by new policy and guidance. Without specific detail on the content and working of the proposals it was difficult to comment in detail on financial assumptions. However, proposals such as the introduction of local place plans and non-statutory regional partnership working have clear resource implications for the public and community sectors, and these were highlighted by RTPI Scotland in our response. [RTPI Scotland research](#) has shown that between 2009 and 2016 local authorities lost 23% of their planning staff, while over the same period their planning service budgets were cut by 32.5%. Over the same period the [planning performance framework](#) shows that performance has improved: Local authority planning services are doing more, and with less. For performance to continue to improve, supported by the changes to be introduced by the Bill and any subsequent secondary legislation, policy and guidance, further resource will be required.

2. *If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?*

In principle, the financial memorandum recognises that reform of the planning system goes beyond the Planning Bill to include secondary legislation and new policy and guidance, which will not be developed until the Bill is enacted. It is acknowledged that the overall effect of costs and savings in the Bill will in many cases be neutralised by new requirements introduced through other mechanisms. However, it is essential that the Scottish Government communicates that local authority corporate management should not see the removal of some statutory duties as an opportunity to make savings in the planning service, before their regulatory or non-statutory replacements are introduced.

3. *Did you have sufficient time to contribute to the consultation exercise?*

Yes, RTPI Scotland has welcomed the open and collaborative approach that the Scottish Government has taken to the planning review.

Costs

4. *If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.*

RTPI Scotland will not be directly impacted by the financial implications of the Bill.

5. *Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?*

No comment.

6. *If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?*

RTPI Scotland's membership includes planners working across the public, private and third sectors. There is general consensus that the development sector is comfortable to pay higher fees in return for a better quality planning service. The Bill introduces a number of measures aimed at improving the planning service, both in terms of process more generally and specifically with regard to performance. We therefore suggest that fees should be increased with a view to moving the development management service towards full cost recovery as soon as practicable.

Research submitted by RTPI Scotland to the Scottish Government, [Developing skills, behaviours and knowledge to deliver outcomes](#), proposed that support on planning skills across sectors could be funded by top slicing planning fees: dedicating 1% of the total planning fees received across Scotland would generate around £250,000 annually. The proposal in the financial memorandum is that the planning performance coordinator post included in the Bill would be funded from core Scottish Government funding. RTPI Scotland believes that using a top-slicing mechanism would better emphasise the independent nature of the role, and a bottom-up approach to supporting planning and planners across specialisms and sectors.

7. *Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?*

No comment.

Wider Issues

8. *Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?*

RTPI Scotland is concerned about the failure of the financial memorandum to offer an estimated total cost of production of local place plans, along the dependence on community

and third party sources for funding for them. Local place plans are a key component of the Scottish Government's efforts to improve public trust in the planning system. Without making new financial provision to support them there is a risk they will be inaccessible to a large number of communities in Scotland. The financial memorandum cites English neighbourhood plans as comparable, giving an estimated cost of around £13000 per plan. Another comparison worth making is that of charrettes, already operational across Scotland and designed to widen active participation in the planning system. The estimated cost of a charrette is between £30000 and £40000; much higher than the figure quoted for neighbourhood plans. The financial memorandum assumes that grants may come available from Scottish Government, local authorities, local business or the third sector. RTPi Scotland remains concerned that if local place plans are introduced, but without the necessary dedicated support for implementation, many communities will continue to be excluded from participation and feel further disenfranchised.

The financial memorandum anticipates a saving of £17m - £25.5m as a result of moving local development plans from a five year to a ten year cycle. It also states that this saving is expected to be absorbed by new requirements to be made under regulations. RTPi Scotland wishes to reiterate that it is crucial that this notional saving is seen as such: The policy motive for extending the plan life cycle is to allow local authorities to devote more staff time to delivering plans. It is imperative therefore that the reduction in statutory duties resulting from this change is not viewed as an opportunity to reduce development planning staff capacity. These planners will be needed by the planning service to realise the Government's ambition of higher levels of development delivery.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

The financial memorandum is explicit that notional savings incurred through this primary legislation can be expected to be absorbed by requirements to be introduced through subsequent regulations. The Scottish Government is also clear that this Bill represents just one small part of a wider programme of reform, and it is therefore important that the financial assessment of it is treated as such. Changes still to come to be brought about through secondary legislation and policy and guidance are very likely to have cost implications, but without knowing the detail of these changes it is not possible to quantify costs. For this reason there should be no assumption until the implementation of all aspects of the reforms is complete that savings can be made based on changes to be introduced through the enactment of this Bill.

I trust that you will find these comments helpful. If you would like to discuss any aspect, or require clarification of any points raised, please contact me on 0131 229 9628 or by email to kate.houghton@rtpi.org.uk.

Yours sincerely,

A handwritten signature in brown ink, appearing to read 'Craig McLaren', written over a light blue horizontal line.

Craig McLaren
Director