Appendix 2

East Ayrshire Council response on the Financial Memorandum to the Planning (Scotland) Bill

General summary

The financial memorandum that accompanies the planning bill sets out broad indications of possible impacts on costs and resources to planning authorities. It is considered that this is based on very general assumptions and does not adequately consider the full implications of the proposals contained within the planning bill.

Concerns over the assumptions and conclusions made in the memorandum

The preparation of Local Development Plans

There seems to be a broad assumption made that the basic cost of producing an LDP will remain the same, but that the implementation of the planning bill will see this cost spread over 10 years rather than 5 years, resulting in a significant year-on-year saving to planning authorities. This is considered to be an overly simplistic assumption. Whilst the 10 year programme will hopefully allow for some savings to be made, this does not take into account the significant additional workload involved in the plan making process i.e. the increased emphasis on preparing a robust evidence base and the increased importance of a credible and implementable delivery programme will have significant resource implications for development planning teams. Contrary to what is set out in the memorandum, it is considered that such implications could in fact require an overall increase in resources, in turn leading to increased costs.

Section 16A(9) of the bill allows for the Scottish Government to seek costs from planning authorities for the new requirement for an upfront ‘gatecheck’ at the start of the process to examine the evidence base. There is no indication of the likely scale of this cost. It is anticipated in the memorandum that the examination cost should not differ significantly from the current system and that the early gatecheck process should lead to less onerous final examinations. This assumption is considered optimistic. The gatecheck process does not necessarily mean that the resultant plan will receive any less objections or representations from local stakeholders and interested parties, who main remain unsatisfied with the plan. The Council is not confident that the Examination process will therefore be minimised and therefor the addition of the gatecheck process is likely to mean the total Examination costs for authorities is increased.

The memorandum identifies significant savings to planning authorities in relation to the removal of statutory supplementary guidance. The Council accepts that there may be some savings in respect of required advertising and consultation with Scottish Government. However, the Council does not accept that the need for producing supplementary guidance will just disappear. There will still be policy matters that are best addressed through supplementary guidance, albeit there will no longer be a route for making such guidance statutory. Non-statutory supplementary guidance may still involve significant officer time and good practice will likely dictate that the preparation of such guidance should involve an element of public consultation/engagement in order to achieve wider
buy-in and support. It is therefore not accepted that the savings will be as substantial as is suggested.

The increased emphasis on ‘delivery’ and in particular on preparing implementable delivery programmes will have a significant resource implication for local authorities. Far greater and more in-depth engagement with the development sector and utilities providers will be required in order for realistic programming and phasing to be put forward by the local authority. Greater understanding of development economics and infrastructure requirements will also be required of local planning authorities. Whilst the memorandum recognises this requirement, this does not seem to have been expressed as a cost.

The Planning bill allows for updates to the LDP to be made between full reviews. It is not intended that updates will be frequent, presumably this is therefore the reason that no cost implication seems to have been applied to this. The Council considers that, on the contrary, reviews may routinely be required. For example, to reflect the changes in the housing land supply or to drive major new redevelopment or regeneration priorities that may come to the fore during the 10 year period. The financial memorandum has not reflected this.

Local Place Plans

The memorandum indicates that the inclusion of local place plans within LDPs will not have a cost implication for planning authorities. However, the Council is of the view that the introduction of this LPPs will have a resource implication for the Council in terms of supporting local communities and giving them the knowledge and tools to prepare plans where there is the ambition to do so. The memorandum indicates that this is not a task specific to LPPs and is part of wider work on community development and empowerment. This is accepted to an extent and from an East Ayrshire perspective there is a ‘vibrant communities’ team that is already in place and carrying out this kind of work. However, for community action plans to evolve into more spatial based LPPs that can become part of the development plan, there will surely be a need for the input of planning staff and expertise. Again, the Council expects this to have a resource implication for development planning teams that has not been fully articulated.

The indication in the memorandum of approximately 5 or 6 LPPS coming forward per 3 year period for a medium sized authority is considered to be substantially underestimated. In the East Ayrshire LDP, adopted in April 2017, there is a commitment to prepare, in partnership with local communities place making maps for all settlements (over and above the five included within the LDP itself). The Action Programme sets out that 30 such plans should be developed between 2017 and 2020. Whilst the place making maps are not an exact fit for the LPPs, parallels can be drawn. It is also worth noting that East Ayrshire Council has appointed a full time regeneration officer, whose main remit is to work with communities to prepare placemaking maps. The size of the task is proving extremely challenging for one dedicated officer, which suggests that the size of the undertaking relative to LPPs will be substantial.

The removal of Strategic Development Plans

Planning authorities that do not currently have an SDP will not benefit from any cost savings as a result of the removal of SDPs. On the contrary, the enhanced role given to NPF/SPP and the need for a regional input, may in fact increase the role of non-SDP authorities in relation to national and regional planning. There will likely be an increased resource implication here that has not been articulated.

The infrastructure Levy

It is difficult to comment on the practicalities of the infrastructure levy as so little detail has been provided. In areas such as East Ayrshire where developer demand, in parts of the authority at least,
is relatively suppressed it is unclear how the infrastructure levy would be implemented and whether it significant funds would be raised through it.

**Statutory reporting requirement on performance**

The Financial memorandum assumes there will be no additional costs to the planning authorities of introducing a statutory reporting requirement on performance and the possibility of being subject to assessment. The completion of the Planning Performance Framework currently presents a considerable piece of work for the Planning Service, involving various members of staff across the different teams that make up the service. To amend this now established process or make it even more onerous to planning authorities will undoubtedly have a resource and cost implication for authorities.

**Statutory requirement for elected members to be trained in planning**

The financial memorandum assumers there will be no additional costs for introducing a statutory requirement that elected members will have to be trained in planning. It is unclear as to the extent of the training that will be required. If this is significantly in excess of the training that elected members in East Ayrshire currently undertake then there will of course be a resource implication and associated cost.