



Eugene Windsor
Clerk, Local Government and Regeneration Committee
Room T3.60
Scottish Parliament
Edinburgh
EH99 1SP

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19 October 2011

Dear Mr Windsor

CALL FOR EVIDENCE ON THE SCOTTISH GOVERNMENT'S SPENDING REVIEW 2011 AND DRAFT BUDGET FOR 2012/13

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 2,200 members in Scotland and a worldwide membership of nearly 23,000. 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
- improve the understanding of planning and the planning system to policy makers, politicians, practitioners and the general public.

Our evidence on the Scottish Government's Spending Review 2011 and Draft Budget for 2012/13 comprises 3 points set out below.

1. Planning is a public service which facilitates a wide range of outcomes. It cannot and should not be funded purely through planning application fees. Local authorities should prioritise resources towards the operation of the planning system

A properly resourced planning system working within the right framework is key to achieving ambitions for sustainable development, economic growth and successful places across Scotland. This was recognised by the Government's Council of Economic Advisers who said "*a central purpose of the planning system is to facilitate good quality outcomes...the ultimate test of an effective planning system is the maintenance and creation of places where people want to be.*"¹ The planning system is also a key lever to support approaches to sustainable development and for protecting Scotland's environment.

However, the cross-cutting nature of planning, and the range of outcomes it can help achieve, mean that it is often difficult to ensure that the different users of the system appreciate its value and role. Given this, there is need for the range of services within local government to acknowledge and support planning's role and for leadership in local authorities to prioritise resources towards it.

Significant progress on performance has been made to the planning service since the introduction of the 2006 Planning Act:

- the Audit Scotland "Modernising the Planning System" report's survey work shows that 83% of agents; 79% of developers; 73% of householders and 71% of businesses who have used the planning application process were satisfied with it.²
- in 2005 28% of local development plans had been adopted in the previous 5 years. In 2011 this had risen to 55%³
- Take up of e-planning is 3 times higher than forecast and it is estimated that applicants will, on average, save £206 for every application submitted online⁴

However, there is a danger of this progress could stall if investment in the planning service is reduced. The number of FTE planning staff in local planning authorities has fallen by over 10% between 2006 and 2010 (from around 1700 to 1575)⁵. It is likely that staff levels have decreased further since 2010. This has reduced the numbers of staff operating the planning system. It has also led to a loss of expertise given that many of those leaving their posts are more experienced planners taking early retirement packages.

¹ Annual Report 2008, Council of Economic Advisers, 2008

² Modernising the Planning System, Audit Scotland, 2011

³ Scottish Government in the Scottish Planner, August 2011

⁴ Ibid

⁵ Scottish Government Planning Workforce Survey 2010

RTPI Scotland is also concerned that the recent debate surrounding the Audit Scotland report “Modernising the Planning System” implied that there was a gap in funding the planning service given a drop in income from planning fees at a time when local authorities sought to recoup the operating costs of the planning service from such fees. It should be made clear that the customers of the planning service are not just those submitting planning applications, but wider society, given planning’s role in safeguarding the public interest. This means that, ideally, the planning service should be funded directly from the public purse in the way any other public service is resourced. We appreciate that a more pragmatic approach is to do this through a combination of planning fees *and* funding through the local government settlement.

We need an easily understandable fee structure, especially as planning fees in Scotland are low compared to other parts of the UK. A maximum fee for a planning application to build new homes or create more floorspace in Scotland is £15,950 compared to £250,000 in England, Wales and Northern Ireland.

There is also a need to bear in mind the extra effort and time which the new approach to planning has introduced in this time. For example the new planning regime has introduced requirements for Pre-Application Consultation, discussions between planning authorities and applicants are encouraged and there is an ongoing need to consult with other key consultees and agencies. Local authorities have also had to take on the burden of Local Review Bodies (which were previously undertaken by the Directorate of Planning and Environmental Appeals in Scottish Government) and neighbour notification of planning applications (previously done by planning applicants and/or their agents) without being funded to do so. Both are very costly and time-consuming and add to an already busy planning service working with diminishing resources.

A properly resourced planning system should lead to faster and better decisions, which in turn should lead to faster sustainable economic growth through better places and prosperity.

2. Good planning can prevent the need for further spend at a later date.

Policy and investment decisions should recognise that good planning is ‘early intervention’ which can save costs in the long term by anticipating future issues. This fits the Government’s proposals for public service reform, and specifically its response to the Christie Commission, to support local authorities in improving outcomes for people living in Scotland and helping to drive demand out of the system. This makes it even more of an imperative that we get things right at this early stage.

The 2006 Planning Act aims to push many planning functions ‘upstream’ and, in doing this, attempts to create a more collaborative and less adversarial approach. Investing in this approach can go a long way to help design out

potential conflicts and issues, which could be raised at a later date. This relies on recognition of the need to think in the longer term when allocating resources.

3. Cuts to the Scottish Government planning budget threaten the effectiveness of its work in this area.

Scottish Government's Economic Recovery Plan outlined the value attached to planning and the planning system. Despite this, the planning budget in Scottish Government is proposed to fall from £4.1m in 2011/12 to £3.2m in 2014/15, in real terms. This is a reduction of 22%. The scale of this will put further pressure on already tight budgets.

For example, the Planning Development Programme, which was put in place to support public sector planning interests adapt to the new planning regime introduced by the 2006 Planning Act has already had its budget reduced £2.6 million between 2006/7 to 2010/11 to £150k for 2011/12 – 2012/13. This equates to reduction of an average of £520k per annum to an average of £75k per annum. It is envisaged that programmes such as this, which aim to make the planning service more effective and efficient, would be under serious threat in the future. This is worrying, especially at a time when performance improvement is seen as a key driver in driving down costs.

I trust that the Committee will find this helpful. If you would like to discuss any aspect of it, or require clarification on any points raised, please contact me on 0131 229 9628 or 07850 926881.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Craig McLaren', with a stylized flourish at the end.

Craig McLaren
National Director, RTPi Scotland