

# Resourcing the Planning Service: Key Trends and Findings 2022

### RTPI Scotland research briefing

#### Context

This research has been published to inform discussion on the future resourcing of the planning system in Scotland aims to provide context for the newly elected government, MSPs and wider built environment stakeholders responding to the Covid-19 pandemic. Planning has a vital role to play in moving towards a sustainable, resilient and inclusive recovery through accelerating progress to a zero-carbon economy, increasing resilience to risk, and through creating fair, healthy and prosperous communities<sup>1</sup>.

The planning system facilitates economic growth and innovation by bringing together people, activities, and resources<sup>2</sup>. Limited resources and ambition for planning to deliver quality outcomes can create a vicious cycle of low-quality development and reduced confidence in the planning system and local authorities.

### **Key findings**

The key findings are:

- The planning service is the one of the most severely affected of all local government services in terms of budgets with a reduction of 38% since 2010;
- A quarter of planning department staff have been cut since 2009;
- Planning application fees do not cover the costs of processing planning applications;
- The new Planning Act has introduced 49 unfunded duties to local authorities which could cost between £12.1m and £59.1m over 10 years to implement;
- It is estimated that over the next 10 to 15 years the planning sector will have demand for an additional 680 - 730 entrants into the sector; and
- The planning workforce has both demographic and succession challenges in the short, medium and long term.

Given this, if we want to ensure that the planning system meets its fullest potential to support the post COVID recovery there is a need to:

- re-invest in planning services, and in the immediate term introduce emergency grants to support post-COVID green, economic recovery
- ensure planning fees are ringfenced used to support planning purposes
- provide the resources to undertake the new duties from the Planning (Scotland)
  Act 2019

<sup>&</sup>lt;sup>1</sup> RTPI (2020) Plan The World We Need. June. Available here: <a href="http://bit.ly/20vMyaf">http://bit.ly/20vMyaf</a>

<sup>&</sup>lt;sup>2</sup> RTPI (2020) Invest and Prosper – A Business Case for Investing in Planning. October. Availab here: https://bit.ly/2SBksMC



- increase planning fees to ensure they meet their costs, or introduce a subsidy for planning authorities to overcome this shortfall
- invest in initiatives such as planning apprenticeships to improve the supply of planners in the face of increased demand for their services

### **Budgets**

Planning services have been severely impacted due to budget cuts.



### In 2021 local authorities only spent 0.49% of their total net revenue budgets on planning services

There have been major reductions in planning authorities' budgets. Figures from Scottish Governments Local Government Finance Statistics 2020-21 show that only 0.49% of total net revenue budgets in local authorities were spent on development management and development planning.

Planning authorities' budgets have diminished in real terms by 38% since 2009



### Gross expenditure to planning authorities has diminished in real terms by 38% since 2010

The trend has been downwards. Scottish Local Government Financial Statistics 2009/10 and 2020/21 shown gross expenditure to planning authorities' decreasing in real terms by 38% since 2010.

The planning service has seen some of the largest reductions in expenditure of all local government service areas. The National Benchmarking Overview Report 2019-20 published by the Improvement Service showing a 26% reduction in planning spending since 2010/11, including a further 6% in 2019/20<sup>3</sup>.

#### **Staff**

A quarter of planning department staff have been cut since 2009



### There have been 25% staffing cuts in planning departments since 2010

Budget cuts are impacting on staffing numbers. A comparison between the Planning Workforce Survey 2010 and the Planning Performance Frameworks for 2020/21 highlight that there has been a 25% loss of staff in planning departments since 2010.

<sup>&</sup>lt;sup>3</sup> Improvement Service (2021) National Benchmarking Overview Report 2019-20. Available here <a href="https://bit.ly/2S5temc">https://bit.ly/2S5temc</a>; Planning Performance Framework 2020/21.



#### **Income**

Planning application fees only cover 66% of their processing costs



## Planning application fees only cover 66% of their processing costs

Research published by Heads of Planning Scotland and CIPFA in 2017 and 2018 showed that planning application fees of only met 66% of development management costs.

Further research undertaken by Heads of Planning Scotland in 2018 looked at the impact on the planning fees for major scale applications being increased in June 2017. It showed that despite £4.2 million additional fee income was generated across Scotland the fee increase will not cover the disparity between income and expenditure nor provide full cost recovery.

#### Workload

The Planning (Scotland) Act will substantially increase the number of duties on planning authorities without providing new resources.



There are 91 new and unfunded duties in the Planning (Scotland) Act, which could cost between £12.1m and £59.1m over 10 years

Analysis by RTPI Scotland shows that the implementation of the Planning (Scotland) Act 2019 will place up to 91 new duties and responsibilities on planners without resources required to undertake them: 66 new and unfunded duties will be put on planning departments with a further 25 responsibilities placed on Scottish Government<sup>4</sup>. This could cost between £12.1m and £59.1m over a ten-year period. This also means that despite demand for planners to support approaches to improving public health and community planning, a lack of resources is restricting their ability to do this.

### Workforce

Planning has demographic and succession challenges with a limited pipeline



Only around 8% of staff in planning authorities are under 30. An estimated demand of around 700 planners over the next 15 years is required

Data gathered from planning authorities' Planning Performance Frameworks 2020/21 indicate that that only around 8% of staff in planning authorities are under 30 whilst over 39% of are over 50 years old.

Research commissioned by Skills Development Scotland for Partners in Planning outlined this future demand and highlighted that most planners needing replacement will

<sup>&</sup>lt;sup>4</sup> RTPI Scotland (2019) Financial Implications of Implementing the Planning (Scotland) Act 2019 August. Available here: https://bit.ly/3uRbtFT



be senior and more experienced planners, potentially creating a knowledge gap within the profession as this expertise and experience is lost. Over the next 10 to 15 years the planning sector will have demand for an additional 680 - 730 entrants into the sector (comprised of 550 - 600 replacement demand and 130 expansion demand)<sup>5</sup>.

This research was highlighted in the *Future Planners Project Report* 2022, which provides a detailed analysis of the varied issues within promotion, recruitment and retention, and a range of recommendations going forward, recognising the need to make sure that we have enough planners to process planning applications and publishing development plans to support post-COVID recovery<sup>6</sup>. This research also shows that in April 2022, graduate planning positions had a vacancy rate of 19.1%, with development management roles having a vacancy rate of 9.9% for the largest number of roles<sup>7</sup>. The report provides 13 clear action points to pursue for investment towards initiatives that promote planning as a career; invest in skills development and culture change programmes; improve career structures in the public sector to strengthen interchangeability, progression and retention; and widen access to the profession through establishing apprenticeships<sup>8</sup>.

### **Digital Planning**

Investing in digital planning will make planning services more financially sustainable



Implementation of new digital planning initiatives could result in £20.4m in savings on costs of implementing the Planning Act

Scottish Government's recently launched digital planning strategy and transformation programme provides a clear opportunity to make planning services more financially sustainable. RTPI Scotland research has shown that investment in digital planning could transform the planning service over the next ten years by:

- £20.4m in savings on costs of implementing the Planning Act
- An average expected forecast daily time saving of 28%
- £200m generated in economic benefits to planning applicants
- £50.0m in economic benefits to the construction sector
- potential of generating £5.5m through service charging

<sup>&</sup>lt;sup>5</sup> Skills Development Scotland (2020), Skills in Planning Research. p. i-v. Link: https://www.partnersinplanning.scot/\_\_data/assets/pdf\_file/0016/23623/Skills-in-Planning-Research-Final-February-2021.pdf

<sup>&</sup>lt;sup>6</sup> Improvement Service; HOPS; RTPI Scotland (2022), Future Planners Project Report. Link: https://hopscotland.files.wordpress.com/2022/07/future-planners-project-report-uploaded-15th-july-2022.pdf

<sup>&</sup>lt;sup>7</sup> lbid, p.13

<sup>8</sup> Ibid



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