

What you need to know about the Planning (Scotland) Bill as passed

Background

The Planning (Scotland) Bill was introduced to Parliament on 4 December 2017 and completed Stage 3 on 20 June 2019 by 78 votes to 26. The Bill is central to a package of measures intended to strengthen the planning system's contribution to inclusive growth and empowering communities.

The Bill was heavily amended during Stage 2 and during three days of debate for Stage 3. The content of the bill as passed and significant amendments are set out in the sections below.

What's in the Bill?

The Bill amends the Town and Country Planning (Scotland) Act 1997. There are <u>35 sections in total, arranged into 6 parts</u>:

Part 1: Development planning. The Bill proposes the re-organisation of the system of development plans, in particular, removing strategic development plans and introducing local place plans prepared by community bodies.

Part 2: Simplified development zones. This part of the Bill introduces provisions providing a replacement for simplified planning zones (SPZs), which grant planning permission for specified types of development within the zone. The new provisions build on the SPZ mechanism through the introduction of a more flexible Scottish Development Zone (SDZ) mechanism which encompassed an extended range of statutory consents, such as allowing for regeneration within a conservation area.

Part 3: Development management. The Bill makes various amendments to provisions relating to planning applications, planning permission and planning obligations.

Part 4: Other matters. This part broadens the scope of regulation-making powers on planning fees, makes amendments in relation to fines and recovery of expenses for enforcement activity, imposes a requirement for members of planning

authorities to undergo training before taking part in planning functions, and introduces new measures for the monitoring and assessment of planning authorities' performance.

Part 5: Infrastructure levy. The Bill gives Scottish Ministers a power to introduce a new levy in respect of development to fund infrastructure. The details of how the new levy would operate and how this would fit alongside or replace existing Section 75 contributions is not yet clear and would be set out in regulations and guidance.

Part 6: Final provisions. This part makes provision about regulations made under the Bill and about the Bill's commencement.

Amendments

The Bill has been heavily amended on its way through Parliament, with more than 230 amendments made at committee stage. Over 150 further amendments were agreed at Stage 3. Some of the key amendments to the Bill which have now been passed are as follows:

Short term lets

- A proposed amendment requiring anyone looking to convert their home into a shortterm let to seek planning permission was rejected at Stage 3.
- Instead, the proposal was amended to create a new provision to designate 'short-term let control areas' which will allow local authorities to regulate against short-term lets if there is deemed to be a saturation in a particular area.
- The amendment has been welcomed by some who say that it creates a more flexible system which balances the interests of residents and tourism and removes a further regulatory burden on local authorities, but others have said that the amendment is 'worse than the status quo' as the rules outside of these zones would remain unclear.

 The Scottish Government is currently consulting on the regulation of short-term lets in Scotland:
https://consult.gov.scot/housing-services-policy

https://consult.gov.scot/housing-services-policy-unit/short-term-lets/

Strategic Development Plans

- Strategic Development Plans have been abolished in line with the Government's ambitions to reduce the burden on Scotland's strategic planning authorities and there is now a duty on local authorities to work together to produce 'regional spatial strategies.'
- These strategies are intended to provide long-term direction to large scale development, with a focus on both local and national planning needs, outcomes and priorities.

More powers for communities

- The Bill gives people a new right to be able to prepare local place plans covering what they would like to happen in their communities, including more say over issues such as housing, open space and community facilities, and business and employment opportunities.
- Local authorities will be legally required to take these plans into account when preparing their development plans and a review of their effectiveness will be undertaken after 7 years.

Infrastructure Levy

- The final Bill also makes provisions for the introduction of an infrastructure levy but there is a lack of detail around how this would work in practice.
- The income from the levy would be used by the local authorities to fund, or contribute towards funding, infrastructure projects but the Bill also includes a clause which removes this power if no regulations are made within seven years of the Bill passing into law.

Land Value Capture

 A proposed amendment to create a 'land value capture' system for use inside new local planning zones was removed from the final Bill due to concerns around how this would work in practice.



- Land Value Capture aims to ensure that local authorities can use the increase in value of land which comes through planning permission for the benefit of the community.
- However, this is an area that the government may consider looking at again in the future.

Other amendments

- Other amendments to the Bill worth noting include the agreement by MSPs to establish a Chief Planning Officer in each local authority, and the establishment of a new National Planning Improvement Coordinator.
- Provisions have also been agreed for all Councillors who sit on planning committees to undertake specialist planning training.
- However, provisions to let communities appeal against planning decisions, known as a 'third party right of appeal', were rejected at Stage 3 in favour of more robust and constructive early engagement with communities at the start of the planning process.

Timescales and next steps

The Bill is expected to receive Royal Assent and pass into law by mid-July.

The next steps will see the introduction of secondary legislation which is due to be produced later in 2019.

The National Planning Framework, Scotland's longterm plan for future development, will also now be required to be approved by the Scottish Parliament. Timescales for this are not yet known.

Implications for the sector

Throughout the Bill's journey through Parliament, concerns have been raised about the possible financial and resource implications, particularly given the significant drop in the number of planning staff in local authorities in recent years.

Analysis from the Royal Town Planning Institute (RTPI) published in December 2018 raised concerns that the Bill would add a number of new duties and responsibilities onto planners, particularly around new reporting procedures, without the resources

required to undertake them.

The Bill's accompanying Financial Memorandum also indicated that the amendments proposed at Stage 2 could lead to significant levels of additional spending by local authorities, with estimates suggesting increased costs of up to £75m for planning authorities over the next 10 years.

The CIH Scotland Position

In response to consultations and discussion on the reform of the planning system, CIH Scotland has welcomed the intention to streamline and simplify the planning process. However, as analysis from RTPI has shown, there is a risk that some provisions within the Bill may increase workloads for planning authorities without providing adequate additional resources.

We accept that Section 75 may not always work perfectly, that it is not applied consistently and in some cases Section 75 negotiations can lead to lengthy delays in development. However, it is not clear how a new Infrastructure Levy would work in practice and it will be vitally important to ensure that financial contributions for affordable housing and other local amenities is maintained. Serious consideration should also be given to Land Value Capture and Land Value Tax to ensure that best use is made of the value created by the planning system to benefit communities, not just developers.

Contact us

T: 0131 225 4544

E: scotland.contact@cih.org W: www.cih.org/scotland

T: @CIHScotland

