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Dear Sir or Madam

RESPONSE TO DRAFT ADVICE ON NET ECONOMIC BENEFIT AND PLANNING

We write in response to the above consultation opportunity to offer commentary on the draft guidance.

As a multi-disciplinary property practice operating across the country for a range of private and public landed interests and with extensive experience in different sectors of the Scottish planning system, we welcome this opportunity to comment on the advice note regarding the definition of 'net economic benefit'. We understand this has been prepared to assist in the interpretation of this key element of the current SPP.

We welcomed the inclusion of 'net economic benefit' as one of the main principles used to guide decision making within national policy, upon the release of the revised SPP in 2014. Given the Government's priority to deliver sustainable economic growth, we strongly agree that the benefits associated with new development must be given adequate weight in the determination of planning proposals. Too often it is the case that economic considerations are not afforded the importance they deserve and the hidden costs of no development are either ignored or misunderstood. In light of this, it is clear that a correct interpretation of 'net economic benefit' has considerable importance for making the right decision on new development proposals.

We will deal with each section of the advice note we consider to be relevant in turn below.

Introduction - response

We firstly welcome the acknowledgement within the advice note that the instances where considerations of economic benefit will be required are fairly limited. We agree with this stance as we consider that this would add an unnecessary further burden for planning applications, with associated resource implications for planning authorities and additional costs for our clients, when this would offer little extra benefit for decision-making. We therefore suggest that further emphasis be placed on this element of the advice note so that it is sufficiently clear to all parties.

Roles in assessment - response

In terms of the roles in assessment, based on the limited times this will be required, it is acknowledged that the responsibility for the preparation of this information should rest primarily with the developer. Nevertheless, public bodies often possess significant levels of internal economic data that is useful for factoring into these assessments. As a result, we suggest that the advice note should contain reference to the sharing of this information by planning authorities, where possible, to ensure that developers can obtain sufficient access where necessary as this will in turn support the preparation of more robust and sufficiently comprehensive cases for consideration.

Key issues in adjusting from gross to net economic impact – response

The relevance of the two key factors (displacement and deadweight) in calculating positive economic impact are understood and the clarifications provided under paragraph 13 are most helpful.

Our main comment on this section relates to the potential for the mis-use of the consideration of a 'deadweight effect' if their relevance is not adequately explained. This concern particularly relates to sites that have been allocated for a number of years in development plans but have resulted in no application activity. This may be a result of viability considerations or other matters. In such an event, it is essential that a comprehensive consideration is carried out to ensure potential 'deadweight' sites are viable and have a realistic prospect of delivery in future otherwise, the economic benefit promised by alternative sites (that have developer interest) might fail to be realised and undermine the Government's aspirations for the economy. We therefore consider some further text in respect to this point would be useful.

Examples – response

Finally, we acknowledge the range of examples provided at the back of the advice note and appreciate the interpretations provided within. Nevertheless, we do have some concerns regarding these and their conformity with the wider advice.

Firstly, it appears that the selection of cases chosen do not correlate with the comments earlier in the advice note, particularly where they relate to retail development within either a city or town centre (examples 2 and 3). Given SPP's support for the 'town centre first principle' and the acknowledgment that retail uses (amongst others) are supported in principle in such areas, we are unclear why an assessment of the net economic benefit would be necessary. Requiring an assessment of displacement for these developments runs contrary to this policy presumption and we are concerned that their inclusion sets the wrong tone and could be interpreted as suggesting that such an assessment would be required to support this form of development. An example of a non-town/city centre located retail development might therefore be more appropriate.

The point above is also relevant in terms of Example 5: Tourist Accommodation particularly given the proposal's location within a larger city redevelopment. This form of use is typically acceptable in principle within these areas and therefore based on the advice note, we would consider such a supporting case to be unnecessary.

Lastly, the text under example 5 proceeds to examine the issue of displacement of jobs etc. from other hotels in an area and we have concerns that this could be misinterpreted as suggesting competition is a material planning consideration. In order to avoid this, we therefore suggest some further text is included to note the difference and explain that competition between commercial uses (like hotels), particularly where both are located within centres, is not a material planning matter.

We hope the above comments are considered helpful and look forward to receiving confirmation of the receipt of this consultation response in due course. If you require further information on any of the points set out above or wish to discuss further please contact Steven Robb in the first instance on 01314696014.

Yours faithfully

For and on behalf of GVA Grimley Limited