



REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 1 DECEMBER 2020

SUBJECT: ECONOMIC RECOVERY PLAN – LOCAL DEVELOPMENT PLAN DELIVERY PROGRAMME

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

- 1.1 To ask for Committee approval for an element of the Economic Recovery Plan relating to the Local Development Plan (LDP) Delivery Programme.
- 1.2 This report is submitted to Committee in terms of Section III (A) (2) of the Council's Scheme of Administration relating to long term financial plans.

2. RECOMMENDATION

- 2.1 **It is recommended that the Council agree the budget pressure for the Local Development Plan Delivery Programme of £70k per annum beginning financial year 2021/22.**

3. BACKGROUND

- 3.1 The Economic Recovery Plan was considered by the Economic Growth, Housing and Environmental Sustainability Committee (EGHES) on the 6 October 2020 (para 9 of minute refers).
- 3.2 The EGHES approved the high level action plan and recommended to Moray Council the financial requirements to be considered for final agreement in separate detailed reports to follow for revenue expenditure noting that business cases will be required for all capital expenditure proposed for review by the Asset Management Working Group.
- 3.3 On the 28 October 2020 the full Council approved in principle (para 14 of minute refers) the financial requirements, to be considered for final agreement in separate detailed reports. This report provides further detail on the following item included in the report;

- LDP Delivery Programme including promotion of vacant and derelict sites, retail impact assessments, master planning for town centres and promotion of town centre living and adaptation for climate change and local place plans (£70k reported to Planning and Regulatory Services as a budget pressure 15 September 2020 – Para 14 of the minute refers).

4. PROPOSALS

LDP Delivery Programme

- 4.1 A report to the Planning and Regulatory Services Committee on 15 September 2020 (para 14 of minute refers) approved the Delivery Programme Action Plan for the new Moray LDP 2020. The report also recommended that Committee notes the additional funding required to implement the Plan, which creates a budget pressure of £70,000 from 2021/2022 onwards.
- 4.2 The Delivery Plan reflects the move through the Planning Act (Scotland) 2019 for the planning system to have a much greater role in delivery and for planners to be enablers of change. The Delivery Programme Action Plan sets out the actions, timescales and partnerships required to implement the policies and proposals contained within the LDP. An infrastructure first approach is being taken to planning, co-ordination and delivery of strategic infrastructure, masterplan/growth areas and employment uses to support sustainable growth.
- 4.3 The Strategic Planning and Development section currently has a budget of only £27,000 with a third of this ring fenced for wind energy related landscape assessments, this budget also has to cover consultancy fees, consultations and printing, site valuations and investigations, District Valuer advice for developer obligations, tree surveys and maintenance costs for legacy projects including signage, benches and the Wards Wildlife Site, leaving no budget available for delivery of the LDP.
- 4.4 There are a number of actions within the Delivery programme which require additional budget to be delivered. The new planning legislation places further duties on planning authorities for evidence gathering, infrastructure planning, consultation, regional spatial strategies and climate change. An Evidence Report has to be prepared which will be scrutinised by a Reporter and stakeholders and this will be subject to a “Gatecheck” procedure. The Evidence Report will require to be backed up with commissioned work on issues including landscape capacity, retail baseline, urban capacity, site viability, sports and recreation strategies and these all need to be resourced.
- 4.5 Some of the identified projects support the Moray Growth Deal, many support the economic recovery plan, while others support good community engagement and awareness raising of environmental issues.
- 4.6 Most of the work is a growth pressure resulting from new legislation and policy requirements in the new LDP and would have resulted in a budget pressure for consideration in the 2020/21 budget process. However early implementation will allow those that have a direct impact on economic recovery to start early. These include town centre masterplanning and

development briefs for employment land and vacant and derelict sites and a new retail impact assessment baseline for town centres.

- 4.7 The LDP Delivery Plan will deliver many actions in support of the Economic Recovery Plan, the Council's Climate Change Strategy and in supporting policy positions. Examples include;
- The Regional Spatial Strategy (RSS) is a new legislative requirement and proposes a range of actions under the headings of People, Work and Place. Proposals include a new Natural Heritage Park along the Moray Coast to take a strategic planned approach to safeguarding Moray's incredible and diverse coastal zone, while planning infrastructure for tourism, strategic new employment land sites at Mosstodloch, Forres and Burnside of Birnie, safeguarding and expanding Moray's woodland resources, in upland areas expanding native woodland, improving management of deep peat, promoting solar energy and a range of strategic infrastructure proposals.
 - The Evidence Report and Gatecheck processes are also new legislative requirements and require a clear and robust evidence base to be in place at the outset of preparing the new LDP. This will be scrutinised by key stakeholders and a Reporter. Regulations are currently being developed and the Council is represented on a national working group developing proposals on how this will work in practice. Evidence is likely to cover a wide range of topics including play sufficiency, open space, health, population demographics, infrastructure modelling and elements of this will require specialist input, such as updating the retail model for Moray, which is completely out of date, based upon 1998 household surveys.
 - Masterplanning and development briefs- most of the work for these will be done in house and/ or working collaboratively with developers and landowners, however, specialist advice is required for transportation and landscape to deliver better outcomes in terms of integrating new development into the landscape and planting for biodiversity. The Masterplan areas include large new employment and housing land designations which are required to ensure there is an effective and immediately available supply to support economic growth.
 - Climate Change policy - the new LDP include a requirement for all developments to be designed to ensure that all new buildings avoid a specified and rising proportion of the projected greenhouse gas emissions from their use through the installation and operation of low and zero carbon generating technologies. A practical way of operating this requirement needs to be commissioned from a specialist as officers are currently unable to operate this requirement.
 - Programme to support delivery of stalled and vacant and derelict land- although the Moray Growth Deal Housing Mix Delivery project will address some of the derelict sites and assist in bringing them forward for development, additional funding is required to investigate constraints and design solutions for other sites.
 - Investigate options for longer term development beyond LDP2020. This will require specialist input including landscape and transportation studies.

- Compensatory planting- the Council has around £25k secured to deliver compensatory planting. Expert advice is required to plan and deliver the planting to maximise social and environmental benefits.
- Programme of carbon conscious Towns/ Town Centre Masterplanning- this is an action within the RSS and while led by planning and transportation officers, will require specialist input for carbon conscious technology and in assessment of transportation matters. Budget is also required for legal title search, contamination and landscape studies.
- Management plans and development briefs for green space to promote biodiversity and active lifestyles, recognising the prevention role quality greenspaces play in health and well-being, which has been further highlighted as a result of Covid-19 “lockdowns”. Opportunities will be identified in the new Open Space Strategy which is currently being programmed to inform the next LDP.

5. **SUMMARY OF IMPLICATIONS**

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The proposals will contribute to achieving the corporate plan priority to promote economic development and growth and the LOIP priority of a growing and sustainable economy.

(b) Policy and Legal

The Planning Act (Scotland) 2019 introduces a requirement for planning authorities to publish a Delivery Programme, which is intended to set out how the local development plan will be implemented.

The Council has statutory duties to meet in terms of climate change and biodiversity and the proposals support the Council to meet these requirements.

(c) Financial implications

The financial implications of these actions are;

- Local Development Plan Delivery Programme- current revenue budget of £27k will fall short in reflecting required spending annually by £70k producing expected annual spend in the region of £97k, this is a budget pressure. This was approved in principle by Council for a period of 4 years as part of the economic recovery and subject to this report.

*Corporate Management Team Additional Expenditure Warning
When the council approved the budget for 2019/20 on 27 February 2019 (para 4 of the Minute refers), the three year indicative budget before the council showed savings required in 2020/21 of £12.2 million and £6.7 in 2021/22. Although the final figures will vary, it is clear that the council will have to reduce its costs significantly across all services in future years. All financial decisions must be made in this context and*

only essential additional expenditure should be agreed. In making this determination the committee should consider:

- *Is there a statutory requirement to incur the expenditure?*
Yes, the Delivery Programme is a statutory requirement under the new planning legislation and forms part of the Economic Recovery Strategy for Moray.
- *Are there any alternative actions available to avoid or reduce the cost?*
No.
- *Are there alternative ways in which the service could be provided?*
No.
- *What are the risks and consequences of not allocating the funding?*
The Local Development Plan actions will not be delivered and the Evidence Report will not pass through the Gatecheck process.
- *Does the expenditure contribute to long term financial stability?*
Delivery of the Local Development Plan contributes to longer term financial stability.

If in light of these factors the spend is considered essential, Committees should consider how it could be accommodated within the service budget, including what other activity would have to cease or diminish with what impact and risk. Only following these considerations should request be made to the Council for additional budget allocation.

If the additional spend recommended in this report is approved, this will increase the savings targets by £70,000.

While in isolation these figures may not be significant, the cumulative impact of all new pressures will require to be taken into account for future years. If the committee recommends additional budget to be allocated this recommendation will be considered in the next quarterly budget monitoring report in the context of the current overall financial position of the council and in particular in the overall context of spend beyond affordable limits that impinges on the Council's reserves policy position.

(d) Risk Implications

The main risk is that the Local Development Plan and other actions required by legislation are not delivered, with the resultant impacts upon the economy and environment of Moray.

(e) Staffing Implications

There are no direct staffing implications arising from this report.

(f) Property

None.

(g) Equalities/Socio Economic Impact

None.

(h) Consultations

Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, Paul Connor (Principal Accountant), the Equal Opportunities Officer and Lissa Rowan (Committee Services Officer) have been consulted and their comments reflected in the report.

5. CONCLUSION

5.1 This report provides further detail on the LDP Delivery Programme and recommends that the Council agree the budget pressure amounting to £70k per annum until 2024/25.

Author of Report: Gary Templeton - Strategic Planning and Development Manager

Background Papers:
Ref: