## **Planning Committee**

#### 10.00am Thursday 6 August 2015

### Extraction of Unconventional Gas, Fracking and Coal Gasification - referral from the Corporate Policy and Strategy Committee

	Item number	9.1	
Wards All	Report number		
	Wards	All	

#### **Executive summary**

The Corporate Policy and Strategy Committee on 9 June 2015 considered a report on various forms of mineral extraction in the wider context of regional and local planning including provisions on sustainability and climate change targets. The report has been referred to the Planning Committee to consider the designation of the City of Edinburgh Council area in the forthcoming Strategic Development Plan 2 in this regard and to consider making representations to SESPIan Joint Committee.

#### Links

<b>Coalition pledges</b>	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report



# Extraction of Unconventional Gas, Fracking and Coal Gasification

#### **Terms of referral**

- 1.1 In response to a motion by Councillor Booth, the Council had agreed to receive a report reviewing the emerging Edinburgh Local Development Plan in relation to health concerns over unconventional gas, fracking and coal gasifaction and in relation to sustainability policies and climate change targets.
- 1.2 On 9 June 2015, the Corporate Policy and Strategy Committee considered a report providing details on the wider context of these forms of mineral extraction together with a summary of the regional and local planning context including appropriate provisions on sustainability and climate change targets.
- 1.3 The Corporate Policy and Strategy Committee agreed:
  - To note that the policies of the emerging Edinburgh Local Development Plan provided no support for the extraction of unconventional gas or oil in the Council's area, and that the emerging Strategic Development Plan 2 presented an opportunity to review the policy context for unconventional gas and oil extraction.
  - 2) To refer the report to the Planning Committee to consider whether the entire Edinburgh Council area should be an area that was not supported for unconventional gas and oil development (including shale gas, coalbed methane and underground coal gasification) in the forthcoming Strategic Development Plan 2, and to consider making representations to the SESPlan Joint Committee in this regard.

#### **For Decision/Action**

2.1 The Planning Committee is asked to consider the recommendations of the Corporate Policy and Strategy Committee.

#### **Background reading / external references**

City of Edinburgh Council 5 February 2015

Corporate Policy and Strategy Committee 9 June 2015

#### **Carol Campbell**

#### Head of Legal, Risk and Compliance

Contact: Louise Williamson, Assistant Committee Clerk

E-mail: <u>louise.p.williamson@edinburgh.gov.uk</u> | Tel: 0131 529 4264

Links

Coalition pledges	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report

### **Corporate Policy and Strategy Committee**

#### 10:00am, Tuesday, 9 June 2015

## Extraction of Unconventional Gas, Fracking and Coal Gasification – Response to Motion

Item number		
Report number		
Executive/routine		
Wards		

#### **Executive summary**

The purpose of this report is to respond to a motion approved by the Council at its meeting on 5 February 2015. The motion included a request for a report reviewing the emerging Edinburgh Local Development Plan in relation to health concerns over unconventional gas, fracking and coal gasification and in relation to sustainability policies and climate change targets. The motion also requested that this report set out options for the Council to implement an immediate ban on these forms of mineral extraction.

This report outlines some of the wider context to these forms of mineral extraction. It summarises the regional and local planning policy context. This includes appropriate provisions on sustainability and climate change targets.

The emerging Local Development Plan includes policies which protect environment and health, and provide no reference to or support for any unconventional gas or oil extraction in the Council area. There is no need for change to the Local Development Plan. There is an opportunity in the emerging new Strategic Development Plan to review the policy context for these forms of mineral extraction.

#### Links

Coalition pledges P50 Council outcomes CO18 Single Outcome Agreement SO1



## Extraction of Unconventional Gas, Fracking and Coal Gasification – Response to Motion

#### Recommendations

1.1 It is recommended that the Committee notes that the policies of the emerging Edinburgh Local Development Plan provide no support for the extraction of unconventional gas or oil in the Council's area, and that the emerging Strategic Development Plan 2 presents an opportunity to review the policy context for unconventional gas and oil extraction.

#### Background

2.1 This report has been prepared in response to a motion by Councillor Booth approved by the full Council at its meeting of 5 February 2015. Part 4) of the motion states that the Council:

Calls for a report within three cycles to review the minerals policies in the Local Development Plan in light of new health concerns over unconventional gas, fracking and coal gasification, and to ensure that the LDP is consistent with the Council's sustainability policies and climate change targets.

2.2 Part 5) states that the Council:

Agrees that this report should also set out options for the council to implement an immediate ban on unconventional gas, fracking and coal gasification.

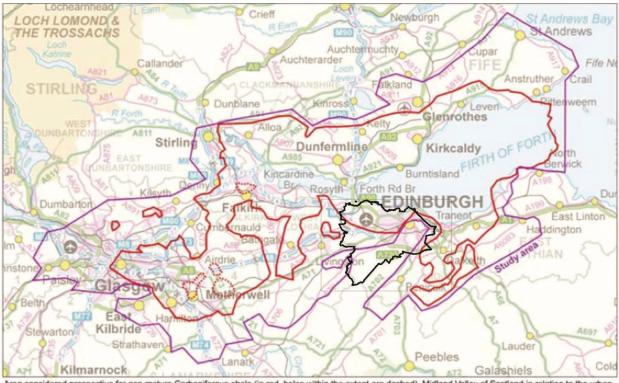
2.3 The other parts of the motion are the subject of a separate report.

#### Main report

#### Context to unconventional gas and oil extraction

- 3.1 The term unconventional gas refers to the different types of natural gas held in reservoirs but that are not traditionally exploited for gas. This includes coalbed methane and shale gas. Different techniques can be applied to extract these resources, including hydraulic fracturing (fracking). Scottish Planning Policy uses the term 'unconventional gas and oil extraction' to cover a wide range of development types, including those identified in the motion.
- 3.2 Figure 1 is an extract from a report by the British Geological Survey for the UK Department of Energy and Climate Change, which highlights the study areas for

shale gas extraction in the Central Belt area. It indicates that parts of the Council's area (black line) have geological potential for shale gas extraction (red line).



Area considered prospective for gas-mature Carboniferous shale (in red, holes within the extent are dashed), Midland Valley of Scotland in relation to the urban areas of central Scotland. Contains Ordnance Survey data ©Crown copyright 2014.

Figure 1 Shale Gas Extraction Potential in Central Belt (Source: British Geological Survey 2014)

3.3 Figure 2 shows recent areas of interest in shale gas extraction where there are licenses in place to allow extraction (yellow shaded area). These are centred on the Falkirk area and do not extend to the Council area (black line).

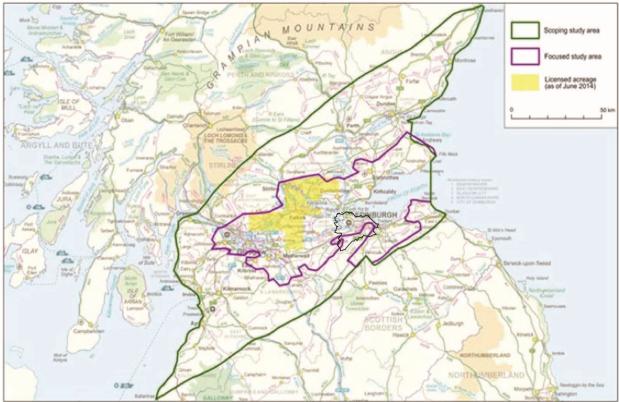


Figure 2 Unconventional Gas Extraction Licenses in Central Belt (Source: British Geological Survey, 2014)

3.4 There are currently no Petroleum Exploration and Development Licenses within the Council area. However there is potential for this to change in further rounds of licensing. The results of the most recent round of bids have yet to be announced by the Department of Energy and Climate Change. It is not known if they include any areas which overlap with the Council's area.

#### National Planning Policy

- 3.5 National Planning Framework 3 and Scottish Planning Policy state that Scotland should be transitioning to a low carbon economy and developing and implementing renewable energy technologies.
- 3.6 <u>National Planning Framework 3</u> states that Scotland is estimated to account for nearly 60% of total EU oil and gas reserves. It states that oil and gas reserves form Scotland's largest industrial sector. Paragraph 4.26 states that reserves of coal bed methane in the Central Belt could contribute to secure energy supplies in the medium term but will require careful planning to avoid negative environmental and community impacts from extraction activities.
- 3.7 <u>Scottish Planning Policy</u> paragraphs 245 246 set out policy on assessing and mitigating environmental, health or amenity impacts from unconventional oil and gas extraction.
- 3.8 In January 2015, the Scottish Government implemented a national moratorium on unconventional oil and gas developments. This includes new notification requirements so that the Scottish Ministers are notified of any new planning application within seven days of its validation.

- 3.9 In addition, planning authorities are also restricted from granting planning permission without first notifying the application to Scottish Ministers. This requirement applies to both new planning applications and any that are currently being considered.
- 3.10 In summary, the national planning policy context provides qualified support for unconventional gas and oil extraction. Accordingly, it constrains but does not rule out the introduction of a presumption against these developments in a development plan, where justified.

#### Strategic Development Plan

- 3.11 The <u>Strategic Development Plan for South East Scotland</u> is prepared by SESplan, a partnership of the relevant local authorities, including the Council. It requires local development plans to safeguard commercially viable mineral resources from sterilisation, subject to technical, environmental and social considerations (Policy 4). It also states that local development plans should identify areas of search, or specific sites if appropriate, for aggregate minerals and coal, set out criteria for assessing individual sites and support and encourage the use of secondary and recycled aggregates.
- 3.12 The Strategic Development Plan in paragraph 104 states that the SESplan area contains reserves of onshore gas including coal bed methane and that local development plans should support extraction subject to local planning considerations.

#### Local Development Plan

- 3.13 The Council is preparing a local development plan, its first. The process began in 2011 and the Plan is due to be adopted in its final form in 2016. The Corporate Policy and Strategy Committee received a report on the emerging Local Development Plan's strategic aims on 4 December 2012. The current version is the Second Proposed Plan (June 2014). The Local Development Plan must, by law, conform to the relevant Strategic Development Plan.
- 3.14 One of the five aims of the Second Proposed Local Development Plan is to 'look after and improve our environment for future generations in a changing climate'. It sets out the relevant national and city sustainability and climate change targets in its Strategy section.
- 3.15 The Local Development Plan recognises and supports the extraction of hard rock within the three safeguarded quarries. These are identified in Policy RS 5: Minerals and on the Plan's Proposals Map. Paragraph 285 makes reference to known conventional coal deposits in the west and south east of the Council's area. It does not safeguard these but states that any proposals for their extraction will be assessed for their environmental impact using other policies in this Plan. There is no reference to or support for any unconventional gas or oil extraction in the Local Development Plan.

3.16 Policy Env 22: Pollution and Air, Water and Soil Quality sets out policy to prevent development which would have significant adverse effects for health, the environment and amenity.

Options to Ban Unconventional Gas, Fracking and Coal Gasification

- 3.17 The Second Proposed Local Development Plan provides no support for unconventional gas extraction and sets out climate change and sustainability targets and general policy which could be used to refuse such proposals where justified on climate change, health and environmental pollution grounds.
- 3.18 There is therefore not a need to change the content of Local Development Plan in this regard.
- 3.19 Procedurally, the Edinburgh Local Development Plan has been published in 'proposed plan' form twice and at this stage change can only come about through the submission of statutory representations. During the statutory representations process in 2014 there were no representations received seeking changes to provisions relating to unconventional gas and oil extraction. There is therefore no procedural opportunity for the Local Development Plan to be changed. Neither is there scope to introduce supplementary guidance on unconventional gas and oil extraction, because such guidance must be based on a specific statement in the Local Development Plan itself.
- 3.20 The Strategic Development Plan provides a measure of support for coal bed methane extraction. Its replacement, Strategic Development Plan 2, is currently entering its consultation stage. Its Main Issues Report, which sets out options, is due to be published in Summer 2015 for consultation. This will lead to its proposed plan stage, currently due to be late 2015/early 2016. The opportunity exists to review its position on unconventional gas extraction at strategic level, in the Council's area at least.

#### **Conclusion**

- 3.21 Parts of the Council's area have been identified as having geological potential for unconventional gas and oil extraction. The current locational focus for this is elsewhere in the Central Belt, where there are licenses in place.
- 3.22 The introduction of the national moratorium by the Scottish Government in January requires notification of all current and future planning applications for onshore unconventional gas and oil development to be submitted before a decision can be made.
- 3.23 The emerging Local Development Plan provides no support for unconventional gas extraction within the Council area. The Local Development Plan is consistent with national and city targets on sustainability and climate change. There is not a need to change it in this regard, and procedurally the opportunity does not exist. There is an opportunity to review its provision relating to unconventional gas and oil development in the forthcoming Strategic Development Plan 2.

#### **Measures of success**

4.1 The Council achieves its sustainability and climate change targets. Environmental quality and human health is protected.

#### **Financial impact**

5.1 There is no direct financial impact arising from this report.

#### Risk, policy, compliance and governance impact

6.1 There are no perceived risks associated with this report. The report has no impact on any policies of the Council.

#### **Equalities impact**

7.1 This report has been assessed and has no impact in terms of equalities or human rights.

#### Sustainability impact

- 8.1 The impacts of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below.
  - The proposals in this report will reduce carbon emissions because the policies within the emerging LDP strongly support carbon emissions reduction targets and investment in green infrastructure.
  - The proposals in this report will increase the city's resilience to climate change impacts because the emerging LDP policy supports the transition to a low carbon economy and does not support fossil fuel extraction in Edinburgh.
  - The proposals in this report will help achieve a sustainable Edinburgh because it is clear that the policy in the emerging LDP favours renewable energy, particularly small scale, community renewable energy projects.

#### **Consultation and engagement**

9.1 This report is a summary of the policies and provisions within the emerging Edinburgh Local Development Plan regarding unconventional gas and oil extraction. There has been no specific consultation or engagement undertaken to inform this report. However, the development plan and national planning documents referred to here have each had their own engagement processes.

#### **Background reading/external references**

National Planning Framework 3, June 2014

Scottish Planning Policy, June 2013

Second Proposed Edinburgh Local Development Plan, June 2014

LDP – Aims and Delivery, Report to Corporate Policy and Strategy Committee (<u>4</u> <u>December 2012</u>)

Strategic Development Plan for South East Scotland, June 2013

<u>The Carboniferous shales of the Midland Valley of Scotland: geology and resource</u> <u>estimation</u>, report by British Geological Survey for UK Department of Energy and Climate Change, 2014

The Town and Country Planning (Notification of Applications)(Unconventional Oil and Gas)(Scotland) Direction 2015, January 2015

#### John Bury

Acting Director of Services for Communities

Contact: Ben Wilson, Team Manager

E-mail: ben.wilson@edinburgh.gov.uk Tel: 0131 469 3411

#### Links

Coalition pledges	P50
Council outcomes	SO18
Single Outcome Agreement	SO4
Appendices	None