# **Planning Committee**

# 10.00am, Thursday, 8 December 2016

# Edinburgh Local Development Plan – Ministerial Feedback

Item number 6.1

Report number

**Executive/routine** Executive

Wards All

## **Executive Summary**

The Council has adopted the Edinburgh Local Development Plan (LDP). It will now use the Plan to deliver its aims and strategy. This process will include a period of dissemination and evaluation with all stakeholders. As part of that, stakeholder feedback will be sought on the LDP project as a whole.

Early feedback has been provided by the Minister responsible for planning. The Minister's letter raises a number of concerns about the LDP project. A response has been prepared, and is attached for the Committee to note.

#### Links

 Coalition Pledges
 P4, P8, P15, P17, P18

Council Priorities CP2, CP4, CP5, CP8, CP9, CP10, CP11, CP12

Single Outcome Agreement SO1, SO2, SO3, SO4



# Report

# Edinburgh Local Development Plan – Ministerial Feedback

#### 1. Recommendations

- 1.1 It is recommended that the Committee:
  - 1.1.1 Notes the Scottish Government's comments on the Edinburgh Local Development Plan project (Appendix 2).
  - 1.1.2 Notes the appended response (Appendix 1) to the points raised.

## 2. Background

- 2.1 The Council has adopted a local development plan for Edinburgh. The Edinburgh Local Development Plan (LDP) is the first plan of its kind to be adopted for the city. It is the first single development plan to cover the whole planning authority area since the 1965 Development Plan. It superseded two local plans, both older than five years.
- 2.2 The Edinburgh Local Development Plan sets out:
  - Five aims;
  - A spatial strategy; and
  - Policies and proposals.
- 2.3 It is accompanied by a statutory Action Programme, and will be joined by 12 pieces of supplementary guidance.
- 2.4 The Plan's adoption means the Council can now focus on the task of delivering the spatial strategy and the Plan's aims:
  - AIM 1: Support the growth of the city economy.
  - AIM 2: Help increase the number and improve the quality of new homes being built.
  - AIM 3: Help ensure that the citizens of Edinburgh can get around easily by sustainable transport modes to access jobs and services.
  - AIM 4: Look after and improve our environment for future generations in a changing climate.
  - AIM5: Help create strong, sustainable and healthier communities, enabling all residents to enjoy a high quality of life.

- 2.5 Important to the successful delivery of the Plan are:
  - Dissemination of the Plan and its contents.
  - Evaluation of the Plan project as a whole.
- 2.6 As part of the latter, it is intended to gather feedback from interested parties on the LDP project, to inform the next LDP project. This intention is set out in the current <a href="Development Plan Scheme">Development Plan Scheme</a> (May 2016, p8).
- 2.7 An early piece of feedback has been provided in a letter from the Minister for Local Government and Housing to the Council's Chief Executive (Appendix 2).
- 2.8 As the letter is from an important stakeholder and raises concerns about the LDP, a specific response has been prepared (Appendix 1).

# 3. Main report

- 3.1 The Ministerial letter confirmed that the Council could proceed with the adoption of the LDP as modified following examination. The Minister had the opportunity to intervene and instruct that modifications be made to the Plan, but chose not to do so. The Plan was therefore adopted with all of the modifications recommended in the examination report (see report to Planning Committee, <u>5 September 2016</u>).
- 3.2 The Minister did, however, choose to make a series of comments providing feedback on the timing and content of the Plan, and related matters.
- 3.3 Several of the comments are critical, and some include assertions which are not supported by the full facts of the project.
- 3.4 Appendix 1 sets out the key points raised, in summary form, and provides a response to each.
- 3.5 These cover the following broad themes:
  - Housing Land and Housing Delivery (Points 1-5)
  - Infrastructure (Points 6-9)
  - Process (Points 10 14)
  - The value of development plans (Point 15)
- 3.6 The responses in Appendix 1 focus on the Edinburgh LDP, rather than the Strategic Development Plan or the national context. However, as the Council gathers stakeholder feedback more widely, and as the evaluation of the LDP project is carried out, it is intended to have regard to the impacts of the changing strategic and national level planning context on this particular LDP project.

- 3.7 It is worth noting that although the Edinburgh Local Development Plan has only been formally adopted in November 2016, the Council published its first Proposed Plan in March 2013. In October 2013, when the engagement responses to that version of the Plan were made public, the Council started using the emerging LDP as a material consideration. It was used to determine applications, both for refusal and approval. This was done as a plan-led, coordinated response to development pressures and infrastructure needs, one which was informed by stakeholder responses and the issues they raised.
- 3.8 This approach has already delivered positive outcomes on the ground, from thriving town centres to new residential neighbourhoods in former industrial areas. These outcomes are directly helping to deliver the five aims of the Plan and the objectives highlighted in the Ministerial letter, i.e. good places, sustainable growth and reduction of inequalities.
- 3.9 Stakeholder perceptions of the Edinburgh Local Development Plan and its process are important, and must be sought and listened to, but outcomes on the ground places are also a test of a development plan's success.

### 4. Measures of success

4.1 The growth of the city ensures sustainable places with good infrastructure.

## 5. Financial impact

5.1 There are no direct financial impacts arising from this report.

# 6. Risk, policy, compliance and governance impact

- 6.1 Preparing an LDP is a statutory process in which the risk of failure to comply with relevant legislation needs to be managed.
- 6.2 There is a statutory requirement for the Council to adopt a local development plan. Councils are required to prepare such plans as soon as practicable after the coming into force of the relevant legislation. Councils are also required to keep their statutory plans under review at intervals of no more than five years.
- 6.3 Following adoption, there is a six week period in which aggrieved parties have the opportunity to make a legal challenge to the LDP on the grounds that the Council has erred in law and some or all of the LDP should be quashed.

### 7. Equalities impact

7.1 An updated assessment of the equalities impact of the Plan is available in the report to Planning Committee of 5 September 2016 and the original equalities assessment report is available on the Plan's webpage.

# 8. Sustainability impact

8.1 An updated assessment of the sustainability impact of the Plan is available in the report to Planning Committee of 5 September 2016.

## 9. Consultation and engagement

- 9.1 Information on the statutory consultation activities carried out during the LDP project is available in the report to Planning Committee of 5 September 2016.
- 9.2 The May 2016 Development Plan Scheme stated that it is intended to gather feedback on the LDP project as a whole from interested parties, to inform the next LDP project.

## 10. Background reading/external references

- 10.1 Edinburgh Local Development Plan Adoption, <u>report to full Council</u>, 24 November 2016
- 10.2 <u>LDP as Modified</u>, published and notified on 16 September 2016
- 10.3 Edinburgh Local Development Plan Post-Examination Modifications, Report to Planning Committee, 5 September 2016
- 10.4 Circular 6/2013 Development Planning
- 10.5 Development Plan Scheme, May 2016

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#### 11. Links

**Coalition Pledges** P4 Draw up a long-term strategic plan to tackle both overcrowding and under use in schools P8 Make sure the city's people are well-housed, including encouraging developers to built residential communities, starting with brownfield sites P15 Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors P17 Continue efforts to develop the city's gap sites and encourage regeneration P18 Complete the tram project in accordance with current plans **Council Priorities** CP2 Improved health and wellbeing: reduced inequalities CP4 Safe and empowered communities CP5 Business growth and investment CP8 A vibrant, sustainable local economy CP9 An attractive city CP10 - A range of quality housing options CP11 An accessible compact city CP12 - A built environment to match our ambition Single Outcome SO1 Edinburgh's economy delivers increased investment, jobs Agreement and opportunities for all SO2 Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health SO3 Edinburgh's children and young people enjoy their childhood and fulfil their potential SO4 Edinburgh's communities are safer and have improved physical and social fabric **Appendices** Appendix 1: Notes on points raised in Ministerial letter Appendix 2: Letter from Minister (9 November 2016)

#### Appendix 1

#### Notes on points raised in Ministerial letter (9 November 2016)

The Minister for Local Government and Housing wrote to Andrew Kerr, Chief Executive of the Council, on 9 November 2016. The letter confirmed that the Minister had decided not to intervene in the Edinburgh Local Development Plan (LDP) process, and that the Council could adopt the plan as modified following examination.

However, the letter expressed the Minister's concern about certain matters. The points raised are set out below, together with notes on them.

1 Too few houses will be completed in the period 2009 - 2019<sup>1</sup>

This is because housing delivery rates have been too low during the early part of the period.

2 The Edinburgh LDP does not provide enough land for housing

The Edinburgh LDP provides effective land for over 25,000 houses, and total land for 33,000<sup>2</sup>. The current land requirement is for 23,000. There is more than enough effective land. The delivery of housing on this land, however, has been slower than required.

It is reasonable to expect the Edinburgh LDP to have made up for the lack in housing construction in the period 2009 – 2019.

The low rates of actual house building compared to that required, particularly by the private sector, in the first part of that period means that a big backlog in construction has built up. Even if all the green belt land under consideration in the examination was allocated, that back log could not, and cannot, be overcome by March 2019. The examination confirmed that.

4 We need to take steps that are necessary to meet need and demand for housing

In Edinburgh, this means implementing the Edinburgh LDP – all 33,000 houses of it.

5 The Council has been taking positive action to deliver more housing.

But delivery rates are still too low. The current 5-year delivery programme is just under 12,000 houses, but the output target is 13,600\*. The Council needs all parties, including Scottish Government, Homes for Scotland and other house builders, to do more to boost this rate. The Council has sent the Minister its new <a href="Housing Land Audit and Delivery Programme">Housing Land Audit and Delivery Programme</a>. This shows why delivery rates are the main challenge, not effective land. It also shows what the Council is doing to boost delivery, including using the Edinburgh Homes model to build 16,000 new affordable homes with our partners. The Council is also working closely with Homes for Scotland to pursue the acceleration of house building activity.

6 There is not enough infrastructure for the housing land provided in the Edinburgh LDP

Earlier versions of the Edinburgh LDP directed housing growth to make best use of existing infrastructure, including education and transport, and minimise the need for new infrastructure. But some new infrastructure actions were still needed. Now, due to appeal

<sup>&</sup>lt;sup>1</sup> A shortfall in delivery of 7,119 houses is expected for the period 2009-2019. Source: LDP as Modified.

<sup>&</sup>lt;sup>2</sup> Source: Housing Land Audit and Delivery Programme 2016. The 33,000 figure is: effective housing land supply (25,748) + constrained (7,406) = 33,154. The HLADP's map shows where all this land is.

decisions and other pressure to address delivery failure by releasing more greenfield land, the Edinburgh LDP as adopted has a larger amount of greenfield allocations, and will require even more significant enhancements in infrastructure. The Council's LDP Action Programme sets these out. The Scottish Government and other national organisations will have a role in helping deliver these actions.

#### 7 The plan examination changed the Edinburgh LDP to specify new infrastructure

This included the requirement to prepare supplementary guidance on infrastructure delivery. The examination required this to be ready for adoption within one year of the Edinburgh LDP adoption.

# 8 Certain parties are concerned that the Council will delay applications until that supplementary guidance is published.

The Council has timed carefully the handling of some applications so that they will not be determined prematurely and to thereby address community concerns about infrastructure. However, the Council has only delayed these applications for the period between plan adoption and the publication of the Action Programme and consultation draft supplementary guidance. This is 10 working days (24 November to 8 December).

#### 9 The Minister expects the Council to carry the risk of delivering infrastructure

The Council maintains this commitment, because it is a coordinated, joined-up agent of delivery for sustainable, plan-led growth and placemaking.

Doing so presents considerable risk to the finances of the Council, because national planning policy does not ensure full capture of the land value uplift of development to pay for the infrastructure actions which are needed to address cumulative impacts. The Council expects the Scottish Government to provide support across all of its directorates and agencies to deliver the development required.

# 10 For the International Business Gateway (IBG), the Council supported a six-fold increase in the housing capacity from the figure set in the Proposed Plan

There has been no established figure for the total housing capacity of the IBG in the LDP. The Proposed Plan only gave an estimate for the number of housing completions up to 2024 i.e. only a portion of the site. That was not a capacity estimate for the site as a whole and should not be used to compare with the total capacity of the emerging masterplan as identified at the time of the examination.

# 11 The conclusions of the examination reporter regarding the housing capacity of the IBG should be emphasised as the updated masterplan is prepared

The adopted LDP requires the IBG to be master planned and developed in a phased manner. It requires such master plans to support the West Edinburgh Strategic Design Framework. The LDP supports the inclusion of housing to support placemaking and sustainability objectives as part of business-led proposals. The housing component is subject to consideration through the master plan process. There is a pending planning application and master plan for the first phase of the IBG and it is being considered using the provisions of the adopted LDP, which refer to the National Planning Framework.

Leadership is important, planning involves taking difficult decisions and the system should provide a fair and transparent service to members of the public

Agreed.

13 Councils should not state support for changes at a late stage in the plan process.

Ideally, no changes from the Proposed Plan stage would be made and plans could be adopted in a similar time to how they are written – a few months. However, the Council chose to publish a Second Proposed Plan to allocate more land as the strategic development plan's scope changed, which allowed all parties to make representations in a transparent way. The Council then chose to say that it saw merit in some of those representations in its response to the reporter. Doing so is not ruled out by Scottish Government <u>Circular 6/2013</u>, paragraph 87.

14 There should be an early review of the Edinburgh LDP, to be done in a timely and transparent manner

The Council has stated in its <u>Development Plan Scheme</u> (May 2016) that it intends to gather feedback from interested parties on this first LDP project. This is intended to help develop and improve ways of communicating and engaging with communities, individuals and key stakeholder groups. The timetable and preparation process for the next LDP project will be informed by the consideration of all feedback, by the timetable and content of SDP 2, and by the examination recommendation that there should be an early review.

In this regard, the Minister's concern that the LDP has been in preparation since 2011 and is only being adopted in 2016 is relevant. The Council chose to begin preparation of the LDP early on, and published the LDP Main Issues Report in late 2011, at the same time as the SDP Proposed Plan. The Council published a Proposed Plan in 2013, and has used it to provide a plan-led response to development pressures since. Some other councils waited until the SDP process had concluded before starting their LDPs, and have yet to adopt them. The Minister's initial comments appear to encourage the latter approach.

15 It is essential that the confidence of communities and investors in the value of the development plan process for Edinburgh be restored. Development plans have a critical role in setting the direction for the future of our places and achieving sustainable growth and reducing inequalities

The Council intends to implement the Edinburgh LDP and deliver its aims, which align with the Minister's objectives. The Council will need the Scottish Government's support to do so successfully.

#### Minister for Local Government and Housing Kevin Stewart MSP



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Town and Country Planning (Scotland) Act 1997 Notice of Intention to Adopt – Edinburgh Local Development Plan (LDP)

I refer to correspondence from your colleague Ben Wilson of 16 September 2016, certifying notice of City of Edinburgh Council's intention to adopt the Edinburgh Local Development Plan.

I write to confirm that Scottish Ministers do not propose to issue a Direction in the case of this plan. The Council may therefore proceed to adopt the plan in accordance with the provisions of the Town and Country Planning (Scotland) Act 1997. Two copies of the Edinburgh Local Development Plan should be sent to Scottish Ministers in due course.

My decision not to intervene in this plan will enable its adoption and provide communities and investors with a greater degree of confidence about the future development of Edinburgh. However, this decision has not been made lightly, and I must stress my dismay at the very significant issues with timing and content that have arisen in this instance.

The city's first LDP has been in preparation since 2011, yet it is only being adopted now. Not only has the plan preparation period been lengthy but at the end of the process the Reporter has found that it contains a shortfall in the housing supply of over 7,000 homes. As I am sure you will agree, these homes are needed. In failing to provide an appropriate supply of land for housing, the opportunity for planning to support the continued growth of Scotland's capital city is being missed. Whilst I appreciate that this is a particularly challenging time for housing delivery, my concern as Minister is compounded by the fact that there is unmet need and demand for housing across Scotland and we need to take the steps that are necessary to resolve this situation. I appreciate that the City of Edinburgh Council has been taking positive action, for example in its support for private rented sector projects, but this imperative must also be an essential driver for the local development plan.





Substantial concerns have been raised throughout the plan's preparation that there is insufficient infrastructure, either available or being planned, to support future development and the much needed housing. The independent examination has resulted in significant changes to the plan to identify the relevant infrastructure required for development areas. Concerns also remain that City of Edinburgh Council will delay decisions on applications until further supplementary guidance is published. However, with a newly adopted LDP, I expect the City of Edinburgh Council to make decisions at the earliest opportunity which provide for or contribute to the infrastructure requirements identified in it. In part, I am reassured by the published statement that 'At the hearing the Council explained it would carry the risk of the required infrastructure provision and this would not delay development' (Examination Report page 146, paragraph 96). I expect to see this assurance carried through to future decision making.

In the instance of the International Business Gateway, I do not believe it is appropriate to support a change in housing numbers to a scale six times that identified as the settled view of the Council, which departs from the National Planning Framework (NPF) and which would effectively become one of the largest housing allocations in the plan. Such significant changes late in the process reduces the transparency on which trust and confidence is built. The International Business Gateway is of significant interest to Ministers given its status as a National Development and it having been considered by the Scottish Parliament. As the updated masterplan is prepared, I would wish to reinforce the conclusions of the Reporter regarding consistency with NPF and housing elements being subordinate to the primary role of business-led development which supports strategic airport enhancement.

Strong and effective leadership at the local level of government is absolutely vital, particularly so for a capital city. Planning involves taking difficult decisions about change to local areas and Councils should be resolute in fulfilling their responsibility, as planning authorities, to uphold the public interest and make those decisions. It is unacceptable that uncertainty is introduced by Council motions and late support for changes which are significantly different to the published Proposed Plan. This effectively passes responsibility to others and falls short of providing a fair and transparent planning service to members of the public who have engaged in the process in good faith.

An early review of this plan is to be progressed, as recommended by the Examination Reporter. I trust this review will be achieved in a timely and transparent manner. It is essential that the confidence of communities and investors in the value of the development plan process for Edinburgh is restored. When done well, I believe development plans have a critical role to play in setting the direction for the future of our places and in contributing to the achievement of overarching objectives of sustainable growth and reducing inequalities.

I hope to see this successfully delivered in the next Edinburgh LDP. In the meantime I would be happy to meet with you to discuss these issues further.

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Copied to:

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