Edinburgh and South East Scotland City Region Deal Elected Member Oversight Committee

10 am, Friday 19 February 2021

National Planning Framework 4: Position Statement

Item number 3.5

Executive Summary

The Planning (Scotland) Act 2019 is now being implemented. One of the key requirements set out in the Act is the preparation of National Planning Framework 4 (NPF4). NPF4 will require parliamentary approval and will form part of the statutory development plan informing day to day planning decisions. The fourth National Planning Framework will show what Scotland, as a place, could and should look like in 2050.

It is anticipated that NPF4 will provide fuller regional coverage than the current NPF3 and align with the outcomes in the National Performance Framework; respond to the shift to inclusive growth; improve health and well-being for the people of Scotland, improve equalities and eliminate discrimination; provide a spatial planning response to the global climate emergency; provide a renewed focus on rural development including rural repopulation; and give a stronger steer on housing delivery and diversification including the setting of targets on land for housing. NPF4 will also for the first time incorporate Scottish Planning Policy (SPP) and will take on an enhanced status as part of the statutory development plan. The current National Planning Framework (NPF3) and Scottish Planning Policy is to remain in place until NPF4 is adopted by Ministers.

NPF4 will be informed by a number of processes including earlier consultation responses by stakeholders and the submission of interim Regional Spatial Strategies. An interim Regional Spatial Strategy has already been prepared by the Strategic Planning Authority for Edinburgh and the South East of Scotland (SESplan).

The Scottish Government has published a Position Statement setting out its broad thinking around NPF4 following these earlier submissions. Comments on the position statement are invited.

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Report

National Planning Framework 4: Position Statement

1. **Recommendations**

- 1.1 To note the publication by the Scottish Government of a Position Statement relating to the preparation of national Planning Framework 4
- 1.2 To note that comments on the Position Statement are invited.
- 1.3 To agree the proposed response, attached as Appendix 1 to this report, as the Edinburgh and South East Scotland City Region Deal's submission to the Scottish Government.

2. Background

- 2.1 One of the key requirements set out in the Planning (Scotland) Act 2019 is the preparation of the fourth National Planning Framework National Planning Framework 4 (NPF4). NPF4 will, when adopted, form part of the statutory development plan and will replace strategic development plans in the four city regions in Scotland.
- 2.2 Amongst other things, NPF4 will set housing requirements for city regions. It will also frame future infrastructure investment to support growth and set a planning framework for achieving net carbon zero Scotland. To ensure that partners in the south east of Scotland are able to fulfil their joint regional sustainable and inclusive growth ambitions, at the same time as protecting its most important natural environment and cultural assets, the forthcoming National Planning Framework must be an enabler which is aligned with the region's ambitions. Consequently, it is appropriate that the City Region Deal partnership comments on the Position Statement.

3. Main report

- 3.1 The NPF4 Position Statement sets out the Scottish Government's current thinking on NPF4 following consideration of evidence received from stakeholders through the NPF4 Call for Ideas.
- 3.2 The Scottish Government advises that the Position Statement aims to inform further discussions as work progresses towards a consultation draft NPF4 in Autumn 2021. Comments are invited by 19 February 2021. Further consultation on NPF4 is to follow in Autumn 2021.
- 3.3 The Scottish Government expects that NPF4 will focus on achieving four key outcomes - net zero emissions, resilient communities, a wellbeing economy and better greener places. To achieve this the Position Statement lists 12 key opportunities to achieve net-zero emissions by 2045:

- 1. support for development that reduces the need to travel in line with the concept of 20-minute neighbourhoods and guiding change in a way that also helps to transform existing places.
- 2. introducing a stronger preference for reusing existing buildings before new development proceeds.
- 3. shifting future development away from greenfield land and actively enabling the redevelopment of vacant and derelict land.
- 4. strengthening support for development in town centres and restricting out-oftown retail and leisure to help a transition away from car-dependent developments towards those that enable walking, cycling, wheeling and public transport accessibility.
- 5. stimulating new models of low carbon living in rural areas as well as towns and cities, by facilitating further investment in digital infrastructure, building in more space for people to work remotely and creating community hubs.
- 6. expecting low and zero carbon design and energy efficiency, for example by actively encouraging much wider use of sustainable and recycled materials in new developments.
- 7. strengthening policies to secure low carbon heating solutions.
- 8. supporting renewable energy developments, including the re-powering and extension of existing wind farms, new and replacement grid infrastructure, carbon capture and storage and hydrogen networks.
- 9. harnessing the potential for rural development to act as a lever to facilitate woodland creation and expansion.
- 10. expanding green infrastructure, biodiversity and natural spaces to make our places greener, healthier and more resilient to the impacts of climate change.
- 11. restricting peat extraction and development on peatland, and facilitating restoration through permitted development rights.
- 12. removing the need for planning permission for active travel and electric vehicle charging points to ensure that we can roll-out new infrastructure widely and quickly.
- 3.4 In the Position Statement the Scottish Government sets out how it proposes to address the 4 key themes and potential policy changes. A summary of the proposed approach is set out below:

A Plan for Net-Zero Emissions

- prioritising the types and locations of development that will help meet emission reduction targets.
- building on the Climate Change Plan and taking forward advice provided by the UK Climate Change Committee.
- future places will be planned in a way that reduces the need to travel and builds in natural solutions.
- buildings will be more energy efficient and designed to be sustainable.
- actively facilitate decarbonised heating and electricity generation and distribution.

A Plan for Resilient Communities

- focus on people and the quality of areas where we live.
- introduce, for the first time, an infrastructure-first approach to neighbourhood planning, including natural networks and sustainable travel, to ensure fair access to the services needed to help make communities a great place to live.
- apply concepts such as 20 minute neighbourhoods across cities, towns, and rural areas so that the places where we live and work are more resilient and sustainable.
- NPF4 will align with the Scottish Government vision for housing in 2040 and set out a long term view of the homes required to meet our future needs, focussing on the location, quality and type of homes needed for people of all ages, reflecting long term population and household trends.
- underpin this with policies which support the Scottish Government's six public health priorities, promote inclusion and equality, and help places adapt to the long term impacts of climate change.

A Plan for a Wellbeing Economy

- create healthier, fairer and more prosperous places and ensure future development contributes to a green, sustainable, and inclusive economic recovery.
- support development in the parts of Scotland where quality jobs and investment are most needed. Policies will refocus on community wealth building and sustainability.
- identify and support development that works with our assets, key sites and opportunities for strategic investment.
- support development that helps to maintain and strengthen strategic transport and digital connectivity.
- take a flexible and enabling approach to future business and employment uses.

A Plan for Better, Greener Places

- support development that reflects the character and identity of our distinctive places and neighbourhoods, safeguards and restores our natural assets, and tackles geographic disadvantages including areas needing regeneration and promoting the re-use of vacant and derelict land and buildings.
- build on the review of the Town Centres Action Plan, the Land Use Strategy and the Place Principle to ensure that our approach to development focuses more on place.
- include stronger and updated policies on design and place-making.
- policies on city and town centres and on the re-use of historic buildings will be broadened to better reflect a wider range of potential uses in anticipation of continuing change.
- future-proof Scotland's natural and historic assets and coasts and work to restore the health and resilience of Scotland's ecosystems, so that our natural capital can further support our economy and our wellbeing.
- significantly enhance policies on vacant and derelict land to encourage innovation and redevelopment and promote a brownfield-first approach to development.
- policies on rural development will positively encourage development that helps to repopulate and sustain rural areas and stimulate rural economic growth and sustainability.
- 3.5 The consultation sets out a series of seven questions as prompts. The proposed response to these are set out in Appendix One. The proposed response is broadly

supportive of the 'direction of travel' set out in the Position Statement. In particular the commitment to an Infrastructure First approach is to be welcomed although, at this stage, there is little detail about how this will work in practice.

3.6 The proposed response deliberately focuses on strategic matters and those which are most likely to impact on the city region's aspiration. That is not to suggest that the less strategic aspects of NPF4 will not be important within the region. However, each local authority and other partners may wish to respond to the Position Statement and it is appropriate that more local matters are picked up in that way.

4. Financial impact

4.1 The consultation itself does not create any Financial Impacts. However, there will be significant capital and revenue costs associated with tdelivering sustainable economic growth in the region and these will have to be managed on an on-going basis.

5. Alignment with Sustainable, Inclusive Growth Ambitions

5.1 NPF4 will have a significant role in enabling sustainable and inclusive economic growth in the city region and, as such, it is imperative that there is alignment between National Planning Framework 4 and the forthcoming Regional Growth Framework.

6. Background reading/external references

6.1 National Planning Framework 4: Position Statement accessible at: https://www.gov.scot/publications/scotlands-fourth-national-planning-frameworkposition-statement/

7. Appendices

7.1 Appendix 1: Proposed response to the NPF4 Position Statement.

Edinburgh and the South East of Scotland City Region Deal response to the Scottish Government's National Planning Framework 4 Position Statement.

The Position Statement, poses seven questions. The Edinburgh and South East Scotland City Region Deal's (ESESCRD) response to each question is set out below. The responses focus on strategic issues and should be read in conjunction with individual response submitted by City Region authorities and partners.

1. Do you agree with our current thinking on planning for net-zero emissions?

Yes, but the scale of the issue and transformation required in the timescale expected will be the most significant challenge that needs to be addressed in modern times. Bold policy and strategy that enables and empowers change and an ability to require it will be essential. The approach must also go beyond planning, such that regulatory, financial and innovation approaches connect to deliver in the public interest. There must also be a clear, enforceable and high level of expectation placed on developers to deliver on these ambitions, and a clear basis to refuse planning permission (and other consents) if they do not. The forthcoming Regional Growth Framework being prepared by the Edinburgh and South East Scotland City Region Deal (ESESCRD) partners will have a strong focus on inclusive sustainable growth. Moving towards net zero emissions will be a key focus.

Ultimately, it will be for individual authorities and partners to achieve net zero for their respective areas or activities, and to encourage and require it of other as appropriate and provided for by Scottish Government legislation, policy and guidance; regional partners can set out their ambition in that context. The Regional Growth Framework and other regional plans and strategies emerging will have a key role in joining up the ambitions of partners in that context. Ensuring alignment of plans and policy and incentives will therefore be essential, and the lead must come from the Scottish Government with clear linkages and direction articulated for lower tier plans and partners in delivery.

Ensuring the right developments in the right places will be central to the spatial aspects of the Regional Growth Framework and Regional Spatial Strategy. But this will have to be supported by investment in infrastructure, as well as financial innovation and regulatory change acting together. The commitment to an 'infrastructure first' approach is welcomed, but it is not entirely clear whether this means support for actual delivery up-front, or only an expectation that future demands and needs and interventions only are articulated in plan-making and planning decisions without financial innovation available to enable its delivery. There must therefore be clear and meaningful engagement with city region deals and partner authorities to ensure that the Infrastructure First approach delivers the right infrastructure at the right time in the right place. It is not clear at the moment how all this will be achieved and must be clarified in NPF4.

The Infrastructure First approach must also recognise the revenue consequences of infrastructure delivery. It is not be sufficient to provide only for the capital costs of infrastructure to enable development growth. The Infrastructure First approach should also embrace support for a green economic recovery and support the delivery of infrastructure necessary to achieve net carbon zero including retrofitting where that is necessary and to help address habitat and ecological degradation.

2. Do you agree with our current thinking on planning for resilient communities?

Planning for resilient communities and ensuring policy or strategy integration across Government, requires a Place Leadership approach which should be endorsed by NPF4. We note that the Place Principle recognises that a 'people' and 'place' approach is the underpinning reform, which can be central to achieving economic recovery and the alignment of spatial and community planning. It is predicated on whole system change and, as such, requires large scale intervention, it is considered that this should form alongside regional spatial strategies, now being formulated – e.g. creation of infrastructure and financial innovation forums with membership from Government, regional partners and service and infrastructure providers.

The current pandemic has brought into sharp focus the need for more localised access to facilities and amenities as a means to promote physical and mental health as well as making more efficient use of infrastructure and resources and the promotion of digital technology.

Specific promotion of development within rural areas does, however, need to be carefully considered. The Edinburgh City Region is characterised by Edinburgh and a number of larger towns, surrounded by more rural communities, some of which are relatively remote from access to these towns and cities. This can place extra pressure and demand on our rural areas for development and infrastructure. Within this there must also be a clear acknowledgment that there remain pressurised rural areas where the sub-urbanisation of the countryside is and will remain a key risk, that will also run counter to sustainability and climate change objectives. Balanced national policy will be essential in this regard.

Rural development, specifically to address population decline, must also be supported by infrastructure, including physical and digital connectivity, to ensure that existing and future residents in these areas are not disadvantaged through further pressure on services and to minimise use of unsustainable modes of transport, particular considering the needs of labour force mobility and equality. The ESESCRD is focused on improving opportunities for residents of rural areas to benefit from the success of the city region and the NPF should be an enabler in achieving this aim.

3. Do you agree with our thinking on planning for a well being economy?

Healthy, sustainable places and the opportunity to create conditions required to support economic growth, whilst at the same time contributing to the climate change agenda and protection of the environment, are key matters. The overall approach to planning for well-being would seem to support this and is therefore supported. However, identification of key opportunities within the national spatial strategy to transform the economy and its impacts on the environment will be key to ensuring that associated targets can be met.

For example, some areas of omission are noted. There is no specific mention within the position statement as to how the spatial and sectoral needs of advanced manufacturing or innovation activity is to be supported. This was a specific commitment in the Scottish Government Manufacturing Recovery Plan published in December 2020. The NPF should promote This identifies investment led economic growth, digital diversification and a place promotion approach to support existing businesses and to continue attracting inward investment.

Importantly, we also note the need for further guidance on how National Developments should calculate their greenhouse gas emissions impacts, as set out in the Act. More widely, it will also be important to set out how in plan-making and decision-taking, the impact on climate can and should be made a material consideration, with a clear and rational basis for assessing these impacts against other relevant approaches and material considerations.

4. Do you agree with our current thinking on planning for better, greener places?

The solution often arrived at to mitigate new development impacts or to achieve green networks within development areas is the provision of new infrastructure, planting, public art or community assets. However, this often creates additional ongoing revenue and planning costs for the authority over the lifetime of the development. Critically it is not possible to recoup such revenue funding from planning obligations which in turn places pressure on authority and partner capital plans. NPF should seek to align spatial planning with assessments into the capacity of places to accommodate new growth and ensure that neighbourhood and place planning are not focussed solely on the provision of new assets which will require funding. The safeguarding and promotion of forestry, environmentally significant locations and green or blue corridors is welcomed however consideration should be given to identifying 'natural capital' as a funding tool and economic lever to meet objectives of nature conservation and growth.

More control over greenbelt, greenfield and other such environmental designations is needed required particularly in circumstances where alternative development sites on derelict and vacant land exist. Irrespective of any land supply arguments, developers should be required to demonstrate that there are no brownfield options for the delivery of windfall development proposal, in a similar way as expected for retailing proposals in terms of town centre locations.

It is welcome that biodiversity is given a strong focus and highlights how the planning process could help contribute to addressing the biodiversity and climate emergencies. The change of focus to positive effects for biodiversity needs to be underpinned by the continued protection of biodiversity through policy & legislation. NPF4 will need to be clear as to what is a biodiversity priority and how it is protected.

Policies which form National Planning Framework 4 and its revision of Scottish Planning Policy must be firm and prescriptive whilst allowing for local circumstances and must be brought into play as significant material considerations in the planning system as soon as possible. There should be much greater use of requirements for change rather than support for change.

5. Do you have further suggestions on how we can deliver our strategy?

It is imperative that NPF4 sets out very clear and transparent land requirements for development in each area and that these requirements a linked to spatial strategies and other growth frameworks. Delivery of housing and other development should be clearly linked to the Infrastructure First approach and it should be clear that development cannot proceed until the necessary infrastructure is fully committed. Developer contributions, and changes to the associated mechanisms (both in terms of S75 and also any charging levy, particularly for crossboundary issues) will have a part to play in this, but it will not be sufficient to deliver the outcomes expected. This is particularly true given the pressures that Partners are experiencing in terms of capital and revenue budgets (including impacts on revenue budgets as a consequence of current commitments related to the delivery of current capital projects associated with existing growth commitments). Additional financial support and support for wider financial innovation will be essential, on an unprecedented scale, if the objective set out are to be delivered. It is clear that not all infrastructure will be deliverable in the early years of the NPF. Therefore, the plan should set out the criteria for supporting infrastructure investment. Areas which can demonstrate a track record of supporting sustainable growth and where there is demonstrable demand for growth should be prioritised in the Infrastructure First approach.

Consideration could be given to how the digital tools available including the recently published e-planning digital strategy could be referenced. This would also provide opportunity for relevant datasets, mapping tools and interactivity modules to be shared or aligned communicating NPF4 principles and tracking progress with development proposals identified. The opportunity could also be realised to explore mutual benefits from the regional Inclusive Growth Diagnostic Tool held and developed by Scottish Centre for Regional Inclusive Growth (SCRIG).

6. Do you have any comments on the Integrated Impact Assessment (IIA) Update Report, published alongside this position statement?

It is noted that the Position Statement refers to the consideration and potential policy requirement for the preparation of Heritage Impact Assessments when considering developments that have a relevance or link to the historic environment. The IIA is however largely silent on this and it is assumed that the assessment of this will therefore occur under SEA. It may however be useful to confirm this and to state how impacts from this policy requirement have been considered.

7. Do you have any other comments on the content of the Position Statement?

City region deal partners are committed to delivering sustainable economic growth and the same time as protecting the regions important natural environment and built heritage The NPF needs to strike the right balance between supporting the right development in the right place while protecting the valuable green spaces and countryside which are ever more important.

The NPF should also have a greater focus on delivery mechanisms including detailing delivery partners, lead agencies and where relevant, timescales against which national development or policy proposals were to be progressed. A key aspect will be linking this to the financial innovation opportunities and tools that will be needed on an unprecedented scale. All partners and agencies who are stakeholders in success must be committed to and focused on delivery.

This Position Statement does not, as yet, adopt that approach however the 'infrastructure first' focus is noted and welcomed. It is considered be that further content could usefully be provided on how delivery and monitoring of development proposals, policies and areas of focus are to occur. Detail on delivery leads and planned resourcing including funding and accompanying strategies (i.e. National Transport Strategy / Strategic Transport Projects Review) could usefully be included.

it will also be important to set out how in plan-making and decision-taking, the impact on climate can and should be made a material consideration, with a clear and rational basis for assessing these impacts against other relevant approaches and material considerations, so as to offer a clear basis for refusal if that is required.