

30 April 2020



SPF RESPONSE TO CALL FOR IDEAS ON PLANNING FOR SCOTLAND IN 2050 - NATIONAL PLANNING FRAMEWORK 4

Introduction

The Scottish Property Federation (SPF) is the voice for the real estate industry in Scotland. We include among our members: property investors, including major institutional pension and life funds; developers; landlords of commercial and residential property; and professional property consultants and advisers.

The SPF welcomes the opportunity to engage and participate in the NPF4 project. The range of interests within our membership will help us to engage broadly and we would be pleased to discuss our views and comments at the Scottish Government's convenience. We are also happy for our comments to be shared with other public bodies.

Key Interest

- **The SPF's main interest in NPF4 is to see a framework focused on delivering and building sustainable and inclusive growth, to unlock development and deliver the much-needed infrastructure for our growing population and business needs. Our members would like to see NPF deliver a framework for investment by the private sector, the public sector and ventures. With a collaborative approach, we can start to solve this critical challenge placed on our communities by the Covid-19 pandemic. We welcome and would be pleased to support expert perspectives from our members to contribute to the incorporation of Scottish Planning Policy with the NPF.**

Key Issues

- While we see all the Priorities and Outcomes in the National Performance Framework as important, we would default to the economic priorities, because without a successful economy Scotland will find it is increasingly difficult to deliver the wider vision for inclusivity and well-being.
- The COVID-19 crisis has meant that the country is facing more challenges, arguably, than at any point in our existence. In order to best address this, we need to direct our resources and efforts into the areas where we can deliver the greatest impact.
- The means of delivery of the NPF's proposals must remain a key focus of the development of the framework. This should include engagement with industry players seeking to innovate and deliver modern methods of construction to support new developments.
- It is important that the NPF considers the future development of markets and business sectors. This will aid the identification of options for national and significant regional developments.
- The relationship between regional level aspects of NPF will be important as it is unlikely that the proposed Regional Spatial Strategies will have fully evolved to support NPF4.

- It will be important for the NPF to consider, in relation to wider government priorities on sustainability, the implications of changing demographics within society and the implications for later life healthcare and the facilities that communities will require across all age ranges.
- It will also be important to note that new development will make up only a very small proportion of Scotland's built area. In planning for the future, pre-existing conditions should not be used as a barrier to new development. Policy should be developed more holistically, to ensure the resolution of existing challenges. To give some examples, whilst the Scottish property industry is resolved to build in a more sustainable way going forward, policies should also be developed to ensure that planning takes account of the need to improve the energy efficiency of the existing built fabric as well. In the same vein, we should not use planning policy as a reason to refuse all new development in areas with poor air quality, but rather develop policies to resolve the source of the problem in parallel with assessing the need for new development.

Call for Ideas

The SPF has the following comments to make on the specific questions raised in the Call for Ideas:

1. What development will we need to address climate change?

SPF Comments

1.1. Scotland can only meet its climate change targets if it continues to have a successful, inclusive and sustainable property industry that can provide a built environment that meets the needs of people and businesses. Our members - and the property industry as a whole - are making significant contributions to increasing the sustainability of the built environment and reaching the Scottish Government's target of net-zero by 2045.

1.2. Going forward, it will be important that we have a built environment that meets the needs of people and business in a sustainable way. However, another important consideration is viability and ensuring that we have the skills and supply chain to meet any planning demands. To that effect, flexibility will be vital in ensuring that developments are compatible with the government's targets, and the planning system needs to be able to adapt its approach depending on the unique circumstances of each development.

1.3. District heating and ground source heat pumps are expected to play a larger part in the way that homes and businesses are heated. However, it is important not to underestimate the challenges that this will bring. Unlike more traditional forms of heating, these require greater infrastructure and space to operate and this will have an impact on the way that new developments and communities are planned. While an important part of the future energy mix, our members have previously expressed concern about being required to provide district heating systems (as a planning requirement), which in some sites can be problematic to achieve because it would require infrastructure to be built under railways or roads that the developer has no control over. This can lead to costly delays and affects the viability of much needed homes and commercial space. It is important that there is flexibility in the planning system and acknowledgment that 'one-size-fits-all' is not appropriate.

1.4. Meanwhile, air source heat pumps may also be increasingly used to replace boilers in homes that are currently powered by fossil fuels. While these require less space than other forms of low and

zero-carbon heating, there could be implications for listed buildings or those within conservation areas.

1.5. Transport will also become increasingly electrified and there will be a need for many more electric charging points for cars. The National Planning Framework must take into consideration the impact on the electricity grid that such infrastructure has, as well as the impact on the energy efficiency of new developments. Our members have noted that adding car charging points can have the unintended consequence of reducing the energy performance scoring of non-domestic buildings.

1.6. The Scottish Government is seeking to de-carbonise the grid by 2030. Not only is there a need to re-enforce the grid to support this, but a need to balance the disparity in cost between a unit of gas and a unit of (green) electricity. The technology exists now to replace gas boilers with very efficient electric boilers (no heat wasted to exhaust) on a small domestic scale and a retrofit option when gas boilers are no longer sold. However, without a shift in energy price this is a difficult proposition.

1.7. As stated above, the move towards using electricity to heat homes and businesses - and power our transport - will put considerable strain on the existing electricity grid and, therefore, increasing grid capacity will be vital. This will require further generating capacity, which should be taken into account in land use planning, as well as the necessary infrastructure such as cables and substations. The grid operators and energy providers will have a key role in providing this infrastructure, however, the experience of our members is that this process is currently inefficient and not 'joined-up'. There are also extra challenges faced by developers and property owners who have local renewable generation, with District Network Operators often refusing to connect systems over a certain size – often because of the increased load on the grid.

1.8. It is vital the National Planning Framework takes account of these challenges and ensures that the electricity infrastructure is provided to enable development and allow the provision of low and zero-carbon energy.

2. How can planning best support our quality of life, health and wellbeing in the future?

SPF Comments

2.1. The SPF's main interest is to see buildings with flexible, viable and cost-effective designs that can be adapted to suit changing aspirations and fluid markets in the current economic environment. Placemaking is also vital around a good infrastructure (particularly transport) with access to a mixture of property uses including retail outlets, employment, leisure and residential uses. Our members are of the view that this is important for both commercial and residential development with similar aspirations applying to both. The key will be to associate transport and development correctly. Mixed development of residential and commercial centres can also help by minimising private transport use.

2.2. Our members welcome a longer-term strategy, which would go beyond the life of a single parliament and enable ongoing longer-term initiatives to be implemented. The SPF is keen to ensure that the balance between the actual market environment and perceptions of what is required in the marketplace is clear.

2.3. Viability analysis and a consistent basis for calculating housing need followed by allocation of sufficient land supply is key to effective housing delivery, and economic value is important for location of new houses. The planning system must support the need of housing tenures, types, sizes and

densities. Policies for housing must be considered holistically, otherwise there is a tendency towards a range of policies that conflict – increased densities, increased biodiversity, the need for sustainable generating capacity, more affordability, ultra-low carbon building, reduced car use (which means people need somewhere to leave their cars whilst they use public transport), and a spread of aspirations which can work against one another.

2.4. The level of production within the house-building sector needs to be increased in order to meet Scotland's needs. For this to happen, NPF4 must plan for a higher level of housing delivery and the number of homes delivered must be monitored and used as a measure of policy success, as opposed to using allocated land as the measure. Achieving the aim of delivering sufficient homes across a range of types, sizes and tenures will require links to be made between development planning and the availability of funding for essential infrastructure as well as effective land use planning to make sufficient land.

2.5. Land prices will be reduced as a result of increased land supply and housing land needs to be identified where people want to live, to ensure that homes can be delivered. An increase in the cost of land effectively puts the brakes on the provision of affordable homes and infrastructure becomes difficult to deliver. It is also important to note that housebuilding can be stalled or delayed when land is allocated, but the infrastructure demands in order to release it cannot be supported by the land value. There are major items like roads and schools which need to be funded more widely and cannot be directly funded from land value. The planning system needs to acknowledge this as part of an overall picture of encouraging the right development in the right places. It is also of critical importance that NPF4 sets targets for housing delivery and not just the allocation of land.

2.6. The provisions in the Planning (Scotland) Act should place greater onus on Local Authorities to carry out more detailed assessment of the full range of housing tenure that can collectively meet housing need and demand, and to co-ordinate such housing tenure assessment with its wider obligations to provide council housing, schools, libraries, roads, offices and other facilities. Having made this point, we would not encourage the allocation of land specifically for only one type of tenure.

2.7. An organisation in Scotland, similar in structure to the Homes and Communities Agency, would have greater potential for achieving more efficiency and financial impact for the delivery of varying housing needs and essential enabling infrastructure. Whilst outwith the remit of the Planning System to deliver and fund such an enabling body, it is important that the Government co-ordinates its approach to planning with the ability for the essential infrastructure to be delivered. This would also allow planning authorities to work together to reflect functional housing market areas that cross local authority boundaries.

2.8. Our members welcome the introduction of national targets for housing in NPF4, although would reiterate the point that these must be targets for homes to be delivered, not simply the amount of land allocated for housing. It will be very important that the preparation of the RSSs and the other methods of collecting land for housing must include the development industry. The industry must be engaged and allowed to influence the allocation of housing delivery targets to the local authorities, as these targets are clearly of significant importance in terms of delivering more housing across all tenures. While the detailed provisions in the Planning (Scotland) Act relating to older and disabled people are laudable, further detailed provisions relating to all tenures are also needed.

2.9. Our members are firmly of the view that NPF4 should contain housing land figures for all geographic and local authority areas. The challenges of housing needs are generally more understood in the major population centres but can be more complex in remote/rural areas, where loss of population and issues with second homes, can have significant impact on housing supply and demand.

2.10. A single housing land figure over a period of 10 years will not be sufficient in NPF4. The target numbers must be set into the context of a broader extent of growth over a longer period. Following the removal of SDPAs, a more dynamic and interactive process between NPF4, the Local Authorities and the development industry is more appropriate to recognise and plan effectively for a range of demands for housing types.

2.11. There is a risk that the figures recognised at NPF4 level will be too crude to effectively meet actual housing needs in a wide range of localities and tenure needs. There are wide ranges of density requirements that apply to market and affordable housing; urban, suburban and rural housing; social and private rent; etc.

2.12. It would be desirable to have some recognition of the economic drivers that generate the need for housing. One approach may be to categorise areas where housing demand is influenced positively or negatively by wider economic factors. There is a national perspective in understanding these regional differences.

2.13. Housing Needs and Demand Assessments should be reviewed and not used as the sole source of the generation of need for homes, as they have traditionally underestimated and also fail to take account of hidden households and aspiration. Methodology must be generated to develop an adequate, deliverable land supply, which can respond to the marketplace. Housing land supply must take into account the annual production capacity of sites to avoid large releases meeting political requirements, but not actually delivering annual output. As we have previously noted, the NPF4, as recommended by the Independent Panel, must define appropriate regional targets for housing delivery and these must be underpinned by an appropriate method to identify the requirement.

2.14. There is an absence of economic or financial factors that can be major drivers in housing need and demand, which is also linked to tenure. Housing delivery, of all tenures is dependent on a range of public/private funding models. This could be partly recognised in the suggested process at local authority level through the HMPs. Development of the process, building on LA's Strategic Housing Investment Plans could allow wider transparency in the extent and locality of public support to housing at national level.

2.15. Our members are firmly of the view that the NPF4 housing delivery targets should be met in LDPs as a minimum. This assumes that a dynamic and interactive process can be created between the NPF and LDPs as well as the development industry that delivers the homes, recognising "real time" updates.

2.16. The Independent Report noted that HNDA figures already become out of date over the period of a five-year plan, and that more "real time modelling" of housing need is required. Improved methodology is required using live data sources to prevent avoidable debate on interpretations of outdated figures. Such sources could include large scale sampling of target populations on social media platforms or public access to anonymised data held by media organisations.

2.17. The nature of existing sites are the most challenging opportunities and often cannot be successfully addressed just by the private sector. To overcome site constraints and to achieve a high-quality mixed-use result, public sector involvement, partnership, and funding is often essential.

2.18. Our members are of the view that there needs to be a balance between supporting the sustainable growth of rural communities along with the provision of suitable local amenities to make them self-sustaining. Spreading people too far into the countryside via spread of disconnected dormitory residential developments, risks an overreliance on cars for access to work, amenities and shopping.

2.19. A focus on high-quality mixed-use city centre regeneration, focussing on existing communities, can provide a sustainable environment for those who wish to eat, work, and sleep close to good amenities, infrastructure, etc.

3. What does planning need to do to enable development and investment in our economy so that it benefits everyone?

SPF Comments

3.1. The COVID-19 crisis has meant that we have members facing more challenges, arguably, than at any point in our existence. In order to best address this, we need to direct our resources and efforts into the areas where we can deliver the greatest impact.

3.2. While we see all the Priorities and Outcomes in the National Performance Framework as important, we would suggest that NPF4 must pay significant attention to driving the delivery of the economic priorities, because without a successful economy Scotland will find it is increasingly difficult to deliver the wider vision for inclusivity and well-being.

3.3. Our members believe there will be an increasing emphasis upon destination and place-making as investors and people look for quality places to invest in, live, work and play. An efficient planning system including with an effective and reliable pre-application process can enable development and investment in our economy.

3.4. Attracting outside investment is going to be key to sustaining the property sector going forward. We advocate the closer alignment of private capital and government to deliver infrastructure, although, this will require a culture change in planning authorities in order to succeed. The emergence of City Region Deals is welcomed by the SPF and may pave the way for a much needed greater scale of investment, but it will have to be targeted carefully throughout the regions to ensure that it is invested in areas where people want to live and work, and developers want to do business.

3.5. More broadly, the SPF has supported calls for a form of Infrastructure Agency to co-ordinate and deliver key infrastructure that will enable development to come forward. The Scottish Futures Trust, with its blend of private and public sector know-how may be in a strong position to support this initiative. The lack of a national infrastructure co-ordination agency is a real missed opportunity, especially given the experience of some of our members, for example in schools funding. This causes unnecessary and long-term delays to projects that would bring major economic benefit to Scotland as a whole. Our members are of the view that a National Infrastructure Agency is important to ensure that there is an accountable, fair and transparent structure in place for the full co-ordination of diverse

funding sources. This would cover funding across key agencies, utility providers, local authorities as well as other public bodies and arrangements for the funding where appropriate between public and private sectors. NPF4 should identify private sector led growth areas and coordinate this with public infrastructure plans.

3.6. We believe the identification of Masterplan Consent Areas (MCAs) in NPF4 could support the alignment of development processes and increase delivery of both housing and commercial developments. MCAs could be particularly useful for large and complex mixed-use development sites that are established sometimes over decades. Over a timescale of this order, there could be many requirements for changes in technical standards or indeed of markets, and so long as the principle of development is established and approved, then MCAs can help to de-risk a complicated development process.

4. What policies are needed to improve, protect and strengthen the special character of our places?

SPF Comments

4.1. Community engagement is a key part of major development and should be meaningful, timely and efficient. Our members put significant time and effort into consultation on proposed developments and will continue to look for the most effective ways to engage communities. Of equal importance, however, is the need for communities to be engaged at the Development Plan stage, where issues of principle are determined. The system as currently operated does not engage communities when sites are allocated and this leads to debates about the principle of an allocated site and, all too often, Members voting on behalf of communities and against the provisions of their own Development Plan. Local Place Plans may have some impact in this regard, in genuinely engaging communities in the difficult decisions about where development should take place. But overall, more needs to be done to gather community opinion at development plan stage. We are aware that frustrations are raised by community bodies or those representing community bodies from time to time. Equally from the developer perspective, there can be contradictory and unconstructive input from community groups leading to a sense of delay and uncertainty.

4.2. Our members are firmly of the view that no matter how well designed and constructed a town centre is, the major factor in how it performs will be how it is used and whether it is seen as a desirable destination where people want to spend time.

4.3. In order to refurbish and reuse existing buildings effectively, some degree of relaxation is required in heritage buildings. Many of our towns and cities contain large quantities of Victorian building stock and to refurbish these to provide modern, low carbon business premises and healthy homes, flexibility on heritage restrictions is required. NPF4 should encourage the effective re-use of buildings with this in mind.

4.4. In order to improve local biodiversity and reduce environmental impact, work at a national level is required on public and utility infrastructure. Many domestic and urban areas could have significantly improved air quality and green space if electric and low carbon transport is planned and implemented properly. This requires a local authority or government masterplan level of implementation for the successful achievement of this aspiration.

5. What infrastructure do we need to build to realise our long-term aspirations?

SPF Comments

5.1. There are many challenges to building the infrastructure needed to achieve long-term aspirations, in particular the demands on the commuter rail networks and road congestion. This last challenge is seen prominently at peak commuter times in Edinburgh and Glasgow but it is also a severe challenge at times in more rural locations, where there is often little choice in road transport and the need for HGVs to move goods through communities between agricultural or commercial locations. This can be highly disruptive for small towns on A roads, for example along the A77 Ayrshire coast or around the Longman Industrial Estate roundabout near Inverness.

5.2. A re-activated and modern infrastructure is fundamental to a modern Scotland and large-scale national planning such as NPF4 is welcomed to achieve this. Forming attractive new homes and workplaces with low carbon energy, access to fibre and electric vehicle infrastructure needs to be led by utility authorities as part of an enabling process to help developers and investors provide these attractive new buildings. Such infrastructure is also important in reducing the adverse impacts of poor air quality by removing reliance on fossil fuels and combustion engine vehicles. An improved network can also help public transport develop, leading to a reduction in road network scales, reduced external noise and improved air quality.

5.3. As stated above, our members believe there will be an increasing emphasis upon destination and placemaking as investors and people look for quality places to invest in, live, work and play. Before COVID-19 there were certain consumer demands that were driving infrastructure requirements. If sustained this will require greater provision of charging points for electrical vehicles but may also see changed demand for parking provision. Already there is a move for newer office developments in city centres to include less car parking for employees and more space for cycle parking instead. Safe cycle networks must be planned in, to facilitate greater cycle use. Public transport is also likely to come under growing demand for its services and this must be planned for appropriately, as part of Scotland's long-term spatial plan for the future

5.4. Housing will also be a key issue for infrastructure as people seek higher quality places to live with access to public transport, amenities and local services. New housing development also brings allocations for affordable housing which contributes to inclusive economic growth. The move towards mixed-use development does also engender more economic opportunities across a wider variety of business or leisure services. Key infrastructure will include high speed broadband, schools, public transport, power and water. Green networks and open spaces will become more important for developments with significant residential elements.

5.5. Our members have suggested a hierarchical approach to enabling infrastructure delivery. NPF4 is a good opportunity to identify key infrastructure of national importance. However, there is a need to consider key strategic issues necessary to enabling economic growth and a low carbon economy, that cross the borders of local planning authorities (often but not exclusively transport related).

5.6. Our members have strong concerns that it is unclear how Regional Spatial Strategies will feed into NPF4, despite featuring heavily in the debate during the passage of the 2019 Planning Act. Our

members are firmly of the view that they are still very vague in nature and have expressed concern that participation by local authorities is voluntary.

5.7. We have long supported the concept of an infrastructure led approach to development planning. This does not mean that planning authorities should not support appropriate windfall sites as they become available. But key strategic infrastructure must be planned for and this will frequently need to be planned on a cross-boundary basis.

5.8. City centres are growing as populations gravitate towards urban living. This will bring increasing pressures in urban centres as families grow and people need schools and public transport and seek to improve their built environment. Before the recent COVID-19 lockdown, the growing pressure from the tourism industry was already having a noticeable effect on areas in the Highlands and Edinburgh region. The success of the V&A Museum in Dundee where numbers have been almost double the expectations since it opened demonstrates that good planning and amenities provision is crucial to make a success of these major investments.

5.9. Markets and connections are the veins of the economy. Enabling their effective operation through the built environment, broadband and transport infrastructure will be essential.

5.10. Infrastructure can certainly be a catalyst for development and investment – and conversely the lack of key infrastructure can equally make infrastructure an obstacle to economic development. Development of places - particularly new settlements - requires a range of key infrastructure to be addressed including utilities and water, health, transport and education. The investment required to deliver this infrastructure is estimated to be some £7bn by the end of this Parliament.

5.11. The current infrastructure stock is struggling in areas of high demand. Even where new infrastructure is provided there are significant pressure points as demand simply outstrips infrastructure capacity, particularly with schools. Indeed, some of our member companies advise us that they are being restricted from selling houses by planning authorities due to a need to limit the potential growth of school demand in certain areas of Scotland. The system of developer contributions is unable to fund such major items of infrastructure, the demand for which is part of the overall need, not directly driven by the development itself.

5.12. Likewise, the drive for core employment locations has led to significant transport challenges, including East Lothian to Edinburgh train services, and the M8 between Edinburgh and Glasgow.

5.13. Our members see education and public transport, particularly rail, will reach challenging levels of demand and stress on many services that are already stretched to capacity.

5.14. The SPF would like to see better co-ordination of infrastructure planning to avoid shortfalls in capacity in high demand areas for homes and employment locations. It will also be important to avoid situations where infrastructure is provided without near-term demand for its services.

5.15. Looking forward, we believe the key policy will be to embed transport implications in future land use plan making. This should support the delivery of the wider objectives identified above for the purposes of future placemaking. A number of major development proposals are already embedding greener transport policies and proposals within their plans. For example, an electric bus loop to integrate communities, services, public transport and business locations. There is little doubt however

that innovation and investment will be needed to address existing communities and transport networks, in the light of the National Transport Strategy and the challenges it will be prioritising, such as climate change.

5.16. The City of Edinburgh Council is seeking to introduce a 'hop-on' and 'hop-off' small, electric bus service for its core city centre. This is part of a plan to reduce the use of cars within the centre. Our members have discussed this idea in other locations across Scotland, including Aberdeen, and we believe the idea has potential for wider use across Scotland.

5.17. It also important that transport agencies and authorities takes steps to deal with location of high demand. Although there is now a plan for Glasgow Airport to improve its connections to its wider metro area and major public transport networks, the current situation is not sustainable and requires early investment to meet the challenges identified by the National Transport Strategy.

Scottish Planning Policy

General Comments

- The SPF welcomes the inclusion of Scottish Planning Policy in NPF4, and the enhanced status as part of the statutory development plan for the first time. Our members are also of the view that this would be a good opportunity to view the guidance holistically and consolidate some of the guidance notes, which often overlap. This would provide more clarity and avoid any conflicting policies.
- While our members understand that existing Scottish Planning Policy remains in place until NPF4 is adopted, the SPF has the following comments on the background information notes on the policy topics that will need to be addressed when preparing draft NPF4, including how national planning policy may need to change for the future.

People

Community Facilities

- The SPF has long supported the Place Making agenda and welcomed the introduction in the 2019 Act of the concept of Local Place Plans in the Scottish Planning system. The delivery of high-quality community facilities in response to a community's needs is key to placemaking. Our members have some experience of being required to make s.75 contributions towards community facilities which a LA has subsequently not taken forward under its obligations in the same agreement.

Culture and the Arts

- Similarly, our members have experience of making Public Art contributions under s.75 Agreements which are not taken forward for a period of years, if at all, into wider public arts schemes. In the case of both community facilities and public art our members would welcome in NPF4 a recognition that where financial contributions are not taken forward they can be reimbursed on the basis of a scheme for alternative community facilities and/or art contributions by the developer.

Digital

- The SPF welcomes the improvements in digital planning that have been made in Scotland in recent years and the commitment in the 2019 Act to development of the strategic business case for digital transformation. By its nature, digital transformation is heavily reliant on fast changing technologies. The financial impact of the provision of digital infrastructure across all regions should be recognised in NPF4 as a national strategy with the ability and flexibility to adapt as technology evolves over the duration of NPF4 and future national planning frameworks.

Green Infrastructure

- The property industry has emphasised the importance of placemaking for some time now, and green and blue spaces are important elements of how this is done.
- As with any policy, it is important that SPP offers a flexible approach depending on each site and area. We agree that provision or maintenance of green or blue spaces should be encouraged and facilitated within appropriate developments. There should not, however, be a 'blanket' approach to requirements, as these will differ, depending on the location of developments. For example, the requirements for high density city centre flats will not be the same as for family housing in suburban areas.
- It is also important to recognise that there could be competing policies. One example is a possible conflict between the provision of affordable homes and the provision of green space, as green space provision will reduce the number of properties that can be built on a site. In turn, this will affect the development appraisal and could impact on the viability of a project.

Housing – Affordable

- Our members are firmly of the view that a practical affordable housing policy is required, in particular, how to resource affordable homes and who qualifies. A clear definition of what is meant by 'affordable' is also required. There is a considerable undersupply of rental housing especially for key workers who are essential for sustainable economic growth, and it is vital that we build more homes to address this. There is a disconnect between salaries and house prices, but affordable housing should not be used to address rising costs due to lack of supply.
- In the past some LDPs have minimised identified housing requirement by separating out 'affordable' and 'private' housing requirements. Then using lack of funding for affordable housing to justify not allocating sufficient housing land to meet the total requirement. This approach is sometimes adopted in areas that are highly attractive to house-buyers and councils that have historically suppressed housing release, and consequently have greater affordability issues.

Housing – General

- Our members are clear that there must be an understanding of the economic drivers that generate the need for housing. There is an absence of economic or financial factors that can be major drivers in housing need and demand, which is also linked to tenure. Housing delivery, of all tenures is dependent on a range of public/private funding models.
- As stated above, an organisation in Scotland similar in structure to the Homes and Communities Agency, would have greater potential for achieving more efficiency and financial impact for the

delivery of varying housing needs. This would allow planning authorities to work together to reflect functional housing market areas that cross local authority boundaries.

- The challenges of housing needs are generally more understood in the major population centres but can be more complex in remote/rural areas, where loss of population and issues with second homes, can have significant impact on housing supply and demand.

Housing – Specialist

- The re-establishment of a national housing agency would provide greater efficiency and co-ordination, together with improved methods for assessing housing needs and demands, on the provision of specific forms of specialist housing, which will continue to be a growing area of demand on public and private sector services. The SPF anticipates that demand for specialist housing tenures, in the wake of the COVID-19 crisis, will increase significantly.

Work

Business / Employment

- Following phased lifting of the COVID-19 lockdown arrangements, we can anticipate a significant long-term change in work patterns, with respect to commuting, changes in our business sectors and the design and location of future workplaces. Again, the Place Principles are key to providing a successful response in the Planning System to the country's recovery from COVID-19. At this important juncture it is essential that NPF4 provides a framework of the key principles of good practice in the context of spatial planning on workplaces and locations.
- Two key approaches to planning for business and employment will be adaptability and flexibility. It will be important for planning authorities to adapt plans for employment use as markets develop. There has been a tendency to hold on to allocations for office or retail use even in locations that have shown little appetite for such property uses for a significant period of time. A pragmatic approach to re-purposing developments for alternative uses may be the only viable option to unlock and deliver economic activity in some locations

Energy – Electricity

- The use of electricity is becoming increasingly important to our ambitions to achieve net-zero carbon and we expect this trend to continue. It is, therefore, vital that every new residential and non-domestic property has access to electricity and, importantly, that the generating capacity is identified and planned for and that the grid can handle the increased load that the electrification of heat will entail. Capacity of the grid extends well beyond the planning requirements of a single development and should be a priority at both regional and national levels.
- There must be greater emphasis on the ability to feed into the grid via locally generated renewables such as solar or wind. Our members have reported a conflict between wanting to be able to create renewable energy in their developments but being unable to because the grid does not have the capacity to receive it. Greater consideration must be given of the opportunities and need for the decentralisation of electricity production.

Energy - Heat

- Viability and pragmatism are key to decision making around whether to build - or connect to existing – district heat networks. Planning guidance should continue to make clear that there is no one size fits all option and that a range of factors should be considered in relation to obligations. District heating is one of a number of options available to reduce carbon emissions from new developments, and while it may be suitable for some sites, in others it will not be feasible. Flexibility is therefore paramount in the planning system.
- It is also important that the guidance sits well with the Scottish Government’s proposals outlined in the 2019 Programme for Government, notably that all new domestic properties consented from 2024 should have low or zero carbon heating. While these proposals are at an early stage of development, the planning guidance must be aligned with any new building standards that may be produced over the next year.

Town Centres

- Our members are acutely aware of the existing pressures on Scotland’s town centres in both larger urban settings and in smaller regional locations. We anticipate that the need for change in the use of a wide range of property types will now accelerate. The SPF would welcome a review of the Town Centre Partnership’s funding strategy by or in association with the Scottish National Investment Bank and a revised Town Centre Action Plan in light of the COVID-19 crisis.

Place

Climate Change

- The SPF supports the government’s target for Scotland to become net-zero carbon by 2045. Planning will play an important part in ensuring that the built environment helps contribute to wider efforts across all sections of society.
- As stated above, the use of electricity is becoming increasingly important to our ambitions to achieve net-zero carbon emissions and we expect this trend to continue. It is, therefore, vital that every new residential and non-domestic property has access to electricity and, importantly, that the grid can handle the increased load that the electrification of heat will entail. Capacity of the grid extends well beyond the requirements of a single development and should be a priority at both regional and national levels.
- Again, there must be greater emphasis on the ability to feed into the grid via locally generated renewables such as solar or wind. Our members have reported a conflict between being able to create renewable energy in their developments but being unable to because the grid does not have the capacity to receive it. Greater consideration must be given of the opportunities and need for the decentralisation of electricity production.
- While we agree that existing resources should be encouraged as far as possible, there are sound economic and design reasons why this may not be achievable in many cases. This is particularly the case for the non-domestic sector where buildings are often bespoke for a particular use. It may also not be viable to renovate existing buildings or infrastructure due to costs, which are often significantly higher than if developers were working on a new building.

Green Belts

- Our members have suggested that there should be a fundamental review of Green Belts around Scotland's key cities including their aims/effectiveness, either on a 30-year basis, to fit in with the rolling 30-year settlement strategies, or linked to growth numbers. The original purpose of Green Belts has become distorted over time and the net effect has been distended travel patterns as a consequence of land use controls that are not delivering the sort of city region environment that is desirable, or indeed sustainable, long-term.
- Green Belt land policy should be used as a tool to shape the growth and development of urban centres and therefore the boundaries should continue to be subject to regular review at appropriate stages consistent with the NPF and SPP.
- The NPF can be used to reimagine Green Belts for the future – they have always been a tool of planning and the shaping of cities and future Green Belts may encompass the growth of cities along public transport corridors, with green wedges to structure the development, rather than an encircling 'collar' which has had many negative spatial planning effects as well as some positive ones.

Historic Environment

- The SPF is firmly of the view that there should be a clear policy on a requirement for owners of heritage assets, such as listed buildings or assets within conservation areas, to adopt responsible stewardship plans and budgets. This should assist both developers and decision makers identify a conservation remedy that is economically viable in cases where there could be regrettable, but unavoidable, "harm" to a neglected heritage asset.
- We recognise and understand the need for preservation and note the assumption to conserve historic buildings. However, difficult decisions will occasionally need to be made regarding the continued existence of some buildings where this is not feasible. Clearly it will be preferable to adapt or manage buildings to alternative uses in order to preserve their existence, but it is important for the Policy to recognise that sometimes historic buildings need to be adapted to fit modern requirements and standards.
- Unfortunately, there is a growing proportion of listed buildings that are simply not fit for modern occupational requirements and this is an issue that needs to be acknowledged and addressed. For example, converted former town houses in the city centres of Glasgow and Edinburgh. Thus, there is a growing legacy of historic assets where challenging economic conditions have tested viability considerations and their regeneration potential. In general, investors will be unable to allow proposals to 'drag on' with allocated funds being unable to achieve their required return – time is money. The time scales involved and feasibility of investing in older properties will become an increasingly critical determining factor in striking a balance between safeguarding historic assets in as close to their original presentation as possible, whilst realising their potential in contributing to sustainable economic growth and protecting our future heritage.
- Our members question whether the current system does enough to promote the better use of dormant listed buildings and encourage the reuse of listed buildings, which by their nature are often town centre and often also located in a prominent site. It is worth bearing in mind that

these listed buildings are not exempt from the climate change retrofit requirements, which creates cost problems for potential investors.

- Sometimes overlapping policies introduced for conserving and preserving the historic environment can make it difficult to address issues of use and adaptation. For example, permitted development rights (PDRs) generally do not apply in conservation areas, of which there are around 600 in Scotland, including much of central Edinburgh. Likewise, protecting broadly identified historic battlefields from inappropriate development is undoubtedly a good thing. However, the designations that have been made so far seek to capture the wider area of the battlefield and are often extensive. No notice or consultation is required for the listing of a battlefield, except after the event and a number of commercial properties in these areas, including modern properties, may face additional planning controls when they next require a property refit.

Infrastructure

- The SPF reiterates its call for a National Infrastructure Agency to be established, reflecting a key recommendation of the Independent Panel for the review of the Scottish Planning System in 2016.

Land Assembly and Compulsory Purchase

- The SPF supports an effective spatial planning system comprising the national planning framework, Scottish Planning Policy and LDPs. We anticipate that zoning will be a more prominent feature in Scotland's future planning practices and that there will be an associated increase in the need for compulsory purchase to be used in the assembly of land. We have concerns that the absence of a clear strategy at the stage on development of an infrastructure levy and Infrastructure Agency will lead to progress with land assembly and compulsory purchase projects being inhibited.

Placemaking

- A fundamental tenet of good placemaking is mixed use developments that are flexible and adaptable. We would like to see buildings with flexible, viable and cost-effective designs that can be adapted to suit changing aspirations and fluid markets in the current economic environment. The planning system must provide the support for this necessary development.
- Placemaking is also vital around a good infrastructure (particularly transport) with access to a mixture of property uses including retail outlets, employment, leisure and residential uses. Our members are of the view that this is important for both commercial and residential development with similar aspirations applying to both.
- Please also see our comments on green infrastructure.

Sustainability

- It will also be important for the NPF to consider, in relation to wider government priorities on sustainability, the implications of changing demographics within society and the implications for later life healthcare and the facilities that communities will require across all age ranges. Some of our members have suggested that in light of the COVID-19 pandemic, consideration should be given to the policy of centralising health care facilities. They have suggested refocusing a level of care on better distributed local community facilities.

- The SPF recognises the importance of sustainability in its three central elements (i) uniform economic growth (ii) protection and preservation of the environment (iii) improvement of social and human rights. Whilst elements (i) and (ii) feature prominently in the existing planning system and in the new Planning Act, our members have experience of a lack of co-ordination in the planning and funding of healthcare, community and later life facilities in regeneration projects and in the development of new places. There has been a trend towards the centralisation of healthcare facilities at the expense of (i) well distributed primary and secondary healthcare facilities in communities and (ii) the delivery of state-supported later life facilities within the NHS. In the aftermath of the COVID-19 crisis the SPF calls for a new national strategy to be recognised in NPF4 to address these issues as key elements of the Place Principles.

Transport

- Our members are of the view that the key policy will be to embed transport implications in future land use plan making. This should support the delivery of the wider objectives identified above for the purposes of future place-making. A number of major development proposals are already embedding greener transport policies and proposals within their plans. There is little doubt however that innovation and investment will be needed to address existing communities and transport networks, in the light of the National Transport Strategy and the challenges it will be prioritising, such as climate change.