

Response ID ANON-MBC2-PQFW-2

Submitted to **National Planning Framework: Position Statement**

Submitted on **2021-02-19 16:02:01**

Questions

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

Please give us your views:

1.1. 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.

1.2. SPF is firmly of the view that 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 undertaking extensive research and investing significantly in increasing the sustainability of the built environment and contributing to reaching the Scottish Government's target of net-zero by 2045.

1.3. The use of electricity is, however, essential to our national ambitions to achieve net-zero carbon, especially with respect to the electrification of heat. It is, therefore, vital that every development can source electricity to meet the needs of the occupiers and that sufficient electricity is also available to allow retrofit of existing properties as appropriate. In order for this to happen, NPF4 needs to incorporate a policy environment that is supportive of planning positively for the development of new generating capacity, both on a large scale and also locally generated renewables such as small scale solar and wind. The development of generating capacity to support the zero carbon ambitions extends well beyond the planning requirements of a single development and should be a priority at local and national level. NPF4 must make the essential links with energy strategies and infrastructure investment planning to ensure that the route to zero carbon is co-ordinated and ultimately successful.

1.4. Capacity of the grid should be a priority at both local and central government levels to support the electrification of the Scottish economy, and to ensure that the network can support the increased load from electric vehicles, zero-carbon heat, and locally generated renewable energy.

1.5. SPF considers the proposed strengthening of policy to reuse the existing building stock to be unbalanced and presents a one-sided view. To use Scotland's resources overall in the most sustainable way, every site should be assessed on its merits. It may be worthwhile re-using existing buildings, or better use may be made of scarce development land by intensifying the use and where this is the case, this ambition could be opposed because of a blanket re-use policy. The aim should be to develop sustainably, and in some cases, this will involve the re-use of buildings and in others, this will not present the most sustainable alternative. A concrete framed building designed and built to last 50-60 years may be reaching the end of its useful life and its re-use may not serve anyone's interests. The re-use of existing buildings, as a blanket preference, does not appear to our members to be the second most key opportunity for Scotland's economic health.

1.6. If further assessments in planning are considered mandatory, they should be implemented with a clear understanding of what the aim is, what the appropriate measures will be, and who has the expertise to assess their validity. Consideration should also be given to the additional costs to the industry and the public sector.

1.7. The SPF is concerned that the remit of planning in the NPF, which is largely spatial, should not be the place for the specification of materials. Building regulations are the more appropriate place for the setting of standards to drive down emissions from buildings. It is unclear how a planning officer would be able to make decisions on the appropriateness of the fabric of a building.

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

Please give us your views:

2.1. 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. 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.

2.2. 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.

2.3. Planning has begun to focus on the concept of 20-minute neighbourhoods, arising from largely urban models in other countries. There is a significant attraction in planning terms to ensuring that people are connected to the facilities and services that they require and that they can reach these using active travel methods. When we refer to 20-minute neighbourhoods, we then need to be clear, we mean by the concept, where it is appropriate to apply it, and once applied how it will influence development management decisions for individual development sites. Without this definition, there could be uncertainty within the real estate industry about what is required to achieve an effective 20-minute neighbourhood, and what a planning authority would expect to see included.

2.4. The pandemic has accelerated market trends reducing the need overall for retail properties including shopping centres and department stores. Before COVID-19 there was already clear market distress in these asset classes. Throughout the lockdowns this stress has crystallised, and many of these premises are now struggling to continue in their former capacities. In addition, previously favourable alternative uses for leisure purposes such as hotels or restaurants are now likely to be more difficult to attract market interest in the short term. In many cases, the alternative use may be residential, and this will engender wider considerations of place and infrastructure provision in these locations. NPF4 should encourage and support planning for change and promote mixed uses in town centres.

2.5. NPF4 must also focus on the role of Scotland's city centres and workplaces as key drivers of the economy. Scotland's cities are not really given any

prominence in the position statement and their important role should be recognised in the published draft.

2.6. 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, the need for later life healthcare, and the facilities that communities will require across all age ranges. There has been a trend towards the centralisation of healthcare facilities, at the expense of well distributed primary and secondary healthcare facilities in communities, and the delivery of state-supported later life facilities within the NHS. In the aftermath of the COVID-19 crisis, some of our members have suggested that a new national strategy, to be recognised in NPF4, could address these issues as key elements of the Place Principles.

2.7. Policies for new housing must be considered holistically, as our members are presented with a range of policies that have a tendency to conflict such as increased densities; increased biodiversity; increased open space; 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); the addition of the ULEV charging network; and a spread of aspirations which can work against one another.

2.8. NPF4 proposes an 'infrastructure first' approach to planning which would be welcomed, however, the explanation provided seems to suggest that in fact, what is intended is that development is to be allowed only where infrastructure is already available, which is not the same as an infrastructure first approach to spatial planning. This would see planned new development areas, resourced with transport connections, school capacity, healthcare, structural open spaces and other public good facilities in tandem with new development, rather than an overall policy aim to 'assist with development viability and minimise the need for the construction of new infrastructure'. Our members have suggested that planning to meet infrastructure needs is the way planning for development should proceed. The various concepts set out in the position statement such as 20-minute neighbourhoods and living locally should not be confused with planning to meet the need for housing, employment and the appropriate infrastructure required to facilitate new development. The tendency for the planning system to perpetuate the idea that the need for infrastructure arises as a consequence of development, rather than to meet the overall needs of society should be avoided in NPF4. Individual developments can rarely fund major infrastructure such as schools from land value uplift and the need for them should be recognised as arising from the patterns and needs of the population as a whole. People generate the need for infrastructure, development does not.

2.9. 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 homes. The provision of sufficient land to support a viable development process that will match demand for homes and business premises is critical. 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.

2.10. 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 uplift. The planning system needs to acknowledge this as part of an overall picture of encouraging the right development in the right places.

2.11. Our members are confused by the intention to identify the 'land required' for housing in each local authority area, considering this to be beyond the remit of NPF4. It was the clear intention that the NPF should be the place where the housing numbers required to meet need and demand are identified, by local authority area. The amount of land required to fulfill this need and demand will then be determined by a range of other local development plan policies, such as housing types and densities, and these will vary spatially as appropriate. The NPF has no role in the identification of the amount of land required for housing.

2.12. The planning system should not seek to micromanage housing land release but should retain some measure of appropriate housing land supply that allows for effective forward planning and monitoring. Our members have questioned the evidential basis for the proposed removal of the need for a 5-year effective supply, as this does not mitigate against a longer-term approach overall. Development plans are required to look ahead to year 20 currently and there is no reason for this to change.

2.13. Our members have strong concerns about the negative impact and far-reaching unintended consequences on the whole of the planning system by the modification of the presumption in favour of development that contributes to sustainable development (the Presumption). They are firmly of the view that the SPP should be worded to ensure that development plans contribute to sustainable development, and that the Presumption is core to the policy within all development plans. This goes beyond housing and impacts on commercial and infrastructure developments.

2.14. A presumption in favour of sustainable development is one of the most effective ways to stimulate sustainable economic growth. This does not mean building anywhere at any price – but it does send a strong signal to investment decision-makers about the intentions of the planning system to facilitate economic development.

2.15. Removing the Presumption also seems to undermine the proposed green recovery from COVID-19 and the commitments made in the response to the Advisory Group on Economic Recovery.

2.16. Removing the Presumption and the five-year period also means there is no remedy where development plans are under performing and/or out of date. There would be no policy basis for Scottish Ministers to require Councils to address under delivery or an out-of-date local plan. This also seems to run contrary to the proposed NPF4 policy change in relation to the need for a longer-term housing perspective which states that 'future plans can promote immediate deliverability and viability'.

2.17. Our members are also firmly of the view that the removal of the Presumption is a backwards step in policy, which is not focused on delivery of sustainable places or meeting housing targets. The presumption should be a significant material consideration in all development management decisions, not just situations where the plan is out-of-date or does not contain policy relevant to the proposal.

2.18. As with any policy, it is important that SPP also offers a flexible approach to planning depending on each site and area. This is particularly important given the potential gap of 18 months until the new SPP comes into effect. It is also important to recognise that there could be competing policies and it will be important for planning authorities to be clear and consistent on their priorities.

2.19. 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.

2.20. Whilst our members support the introduction of an overarching principal policy that puts the needs of people and their health and wellbeing at the heart of the planning system, we have concerns as to how potential health impacts from new development are to be assessed as part of the planning process. The proposed policy change states that an evidence-based approach will be embedded. Our members have questioned what types of health impact assessments will be required for new developments, over and above studies such as air quality assessments and noise impact assessments. Clarity will be needed on any policy that requires submission of evidence for either certain types of new developments, that may for example affect air quality, or those within defined local authority Air Quality Management Areas. The costs to the development industry involved in preparing the evidence to support planning application submissions are already high. Our members are therefore concerned about potential further additional supporting technical studies being made mandatory, particularly where the actions arising from them may not be within the remit of the development proposed.

3 Do you agree with our current thinking on planning for a wellbeing economy?

Please give us your views:

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. 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. Their operating costs can also be significant and can exacerbate risks of fuel poverty, potentially creating one problem, whilst solving another. 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. There are also challenges around the heat source and the availability of back up capacity for both failures and planned maintenance. It is important that there is flexibility in the planning system and acknowledgment that 'one-size-fits-all' is not appropriate.

3.6. Transport will also become increasingly electrified and there will be a need for many more electric charging points for cars and freight. The pandemic has accelerated the demand for strong distribution and logistics facilities, as deliveries of goods becomes more the rule than the exception of modern consumer habits. The provision of sufficient places for storage and distribution of goods across a greater number of locations will need to be catered for in future place-making proposals.

3.7. 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.

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

Please give us your views:

4.1. Our members support promotion of a plan-led, effective, and supported planning system.

4.2. The SPF has long supported the Place Principle 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. 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 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.

4.3. 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-residential 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.

4.4. In order to refurbish and reuse existing buildings effectively, some degree of relaxation is required in the use and adaptation of 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. While NPF4 should encourage the effective re-use of buildings with this in mind, the policy should also recognise that in some instances, the loss of heritage assets may be acceptable in order to deliver wider economic and community benefits. This is in accordance

with the Historic Environment Scotland Policy Statement and the HES guidance on Managing Change in the Historic Environment.

4.5. We have had a brownfield first approach to development for a very long time, it is not new and there is a risk that overall needs are not met if we continue to allocate development sites in locations where there was no or a limited market, simply because the land is previously used. There should be an overarching need to consider the remediation and landscaping of some brownfield sites where there is no market for their development. There may be occasions where the most sustainable locations for new development may be on the edges of existing settlements where there are already facilities.

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

Please give us your views:

5.1. NPF4 should identify growth areas and coordinate this with infrastructure plans.

5.2. 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.

5.3. 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. 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).

5.4. 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. If the infrastructure first policy were to be successful there would need to be collaboration and trust between local authorities and developers, and a sharing of burdens and risk. It is important that development should not be viewed by communities as being imposed on them and that an infrastructure first led approach to development planning could be crucial to avoiding such perceptions.

5.5. 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. 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.

5.6. 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. 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.

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

Please give us your views:

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

Please give us your views:

7.1. 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 other ventures. With a collaborative approach, we can start to solve the critical challenge placed on our communities by the Covid-19 pandemic.

7.2. The SPF has addressed the specific questions raised in the Position Statement, which focuses on general and very high-level principles. These comments may change and adapt as the proposals develop further and the policies become clearer. For example, global climate change is a material consideration, but our members are of the view that this needs to be more specific and concrete.

7.3. Our members are concerned that there does not seem to be any priorities set around the requirements and that the Position Statement in general lacks ambition and direction. A particular concern is the lack of vision for Scotland's cities. They are also of the view that many of the proposals in the Statement are aspirational and laudable but have not been expressed as a spatial concept. For example, it is not clear how the proposal for decarbonising transport will affect Local Development Plans and how this would be applied in policy terms.

7.4. As previously stated, the SPF has strong concerns about the negative impact and far-reaching unintended consequences on the whole of the planning system by the modification of the presumption in favour of development that contributes to sustainable development (the Presumption).

7.5. The Presumption has become a central part of the decision-making framework, especially where development plans are absent or silent and unable to form the core determinant in any particular application. Its introduction has had a positive impact and it has been used in decision-making by planning authorities, Reporters and Ministers.

7.6. Our members are of the view that the modification of the Presumption and its focus on sustainable development may create a wider void between policy and decision-making and an increased likelihood of appeals and judicial reviews.

7.7. Our members also have strong concerns that there is a gap in local plans between now and when the SPP comes into force in 18 months. Given the affects of the COVID pandemic some flexibility will be required around change of use and assistance in reaching decisions based on priorities.

7.8. Positive policy is required to set out the role that Planning Authorities and Statutory Consultees must have in supporting economic activity, particularly in the wake of the COVID emergency.

About you

What is your name?

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Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:

Scottish Property Federation

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

Publish response with name

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Yes

I confirm that I have read the privacy policy and consent to the data I provide being used as set out in the policy.

I consent

Evaluation

Please help us improve our consultations by answering the questions below. (Responses to the evaluation will not be published.)

Matrix 1 - How satisfied were you with this consultation?:

Very dissatisfied

Please enter comments here.:

The Scottish Property Federation (SPF) is a 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 design, format and functionality of the consultation makes it very challenging to gather comments from our members and offer an industry view. An editable template would make it easier to consult and offer a collective response from our membership.

Matrix 1 - How would you rate your satisfaction with using this platform (Citizen Space) to respond to this consultation?:

Very dissatisfied

Please enter comments here.:

Please see the comments above.