

LOCAL GOVERNMENT HOUSING AND PLANNING COMMITTEE'S CALL FOR VIEWS ON NATIONAL PLANNING FRAMEWORK 4 - SPF COMMENTS

Introduction

1. 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.
2. The SPF welcomes the opportunity to engage and participate in the Committee's consideration of NPF4. The range of interests within our membership will help us to engage broadly and we would be pleased to discuss our views and comments with Committee members at their convenience. We are also happy for our comments to be shared with other public bodies and would be happy to discuss our views with members of other Parliamentary Committees that are considering NPF4 collaboratively with this Committee.

Key Interest

3. 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 NPF4 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.
4. The SPF has the following comments to make on the specific questions raised in the Call for Views:

Question 1 - What does your ideal home look like and what surrounds it?

5. Policies for housing must be considered holistically, otherwise there is a tendency towards a range of policies that do not necessarily align with each other and indeed may 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.
6. A fundamental tenet of good placemaking is mixed-use developments that meet the needs of all age ranges and are flexible and adaptable. Good infrastructure (particularly transport) is vital for placemaking along with access to a mixture of property uses including retail outlets; employment; housing; and leisure. This is central to creating resilient communities, and if applied pragmatically, will support the aspiration to strengthen our existing towns and cities and achieve 20-minute neighbourhoods.

7. Our members build Scotland's workplaces, homes, shops, schools and other facilities and the infrastructure that serves them. The SPF is committed to ensuring that the positive impact that the real estate sector delivers for local communities and our cities continues. It is people who generate the need for infrastructure, and 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.

Question 2 - How can we design our environments to address climate change?

8. 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 making significant contributions to increasing the sustainability of the built environment and reaching the Scottish Government's target of net-zero by 2045.
9. Our future towns and cities will need to adapt to greener modes of transport, as well as greener energy and heat sources. The maintenance and enhancement of green spaces and active travel opportunities are also high priorities for communities and local authorities. The real estate sector can work with authorities to plan for these amenities to create sustainable development. It will be important to maximise the potential of blue and green infrastructure around new developments and to maintain and improve such infrastructure.
10. Electrical power 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 a reliable electricity and, in order to achieve this, 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.
11. 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.
12. It is vital that NPF4 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.

Question 3 - How do you use space to stay healthy and well?

13. Our members agree that the Place Principle is key to providing a successful response in the Planning System to the country's recovery from COVID-19 and is at the heart of creating a more sustainable and fair Scotland. Our members also agree that a collaborative place-based approach to future development is important. 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.

14. 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 stated above 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.
15. 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.
16. 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
17. Whilst we 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 and the negative impact this would have on potential investment.

Question 4 - How can planning encourage people to live in rural areas?

18. The prioritisation of digital connectivity so that people can work effectively from home would allow remote working in rural areas and create more demand for businesses and services in these areas. This would encourage the use of local services and facilities within these settlements rather than on a commute to or from work. There has been a significant increase in people seeking out rural properties through COVID and that will presumably continue generally but requires efficient home working.
19. Our members support the minimum flexibility allowances for urban (25%) and rural areas (30%). However, if rural areas are to be repopulated, they are of the view that these minimum figures need to be increased and suggest an increase of 5% each. The challenges of assessing 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. 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.

Question 5 - How can land and spaces best promote equality?

20. The real estate sector is a key catalyst for jobs, investment and creating places to support the economic recovery in Scotland. The Fraser of Allander Institute found that for every £100m of new demand for commercial property, the sector creates an additional £73m for the wider Scottish economy. In addition, commercial property activity helps to support around 49,000 direct full-time equivalent jobs in Scotland and a further 43,000 jobs as a result of spill-over effects.
21. Beyond its economic contribution, our sector is vital to the health of our towns and cities. Property investment is often the catalyst for urban regeneration and renewal. It also generates social capital and creates happier, healthier, and more sustainable places.
22. 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.
23. 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 an effective and reliable pre-application process can enable development and investment in our economy.
24. Our members have concerns about the presumption towards brownfield sites over greenfield sites. A particular issue relates to land assembly and the use of compulsory purchase orders, as part of regeneration projects and more explicitly the provision of housing in cities. Our members are concerned that this could have a negative impact on viable businesses that would have nowhere to relocate to, and result in lots of houses in towns and city centres but a lack of employment land, with little provision for businesses.

Question 6 – How can we use land and spaces to meet biodiversity targets?

25. As stated above the SPF has long supported the Place Principle. The delivery of high-quality community facilities in response to a community's needs is key to placemaking. 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.

Question 7 – What are SPF's priorities for the environment and will NPF4 will deliver this?

26. We have addressed the specific questions raised in the Call for Views, which focuses on general and very high-level principles. Our members are of the view that NPF4 contains some well aligned policy narratives but is light on actual delivery detail.
27. Positive policy is required to set out the role that Planning Authorities and Statutory Consultees must have in supporting a low carbon economy, particularly in the wake of the COVID emergency. In its current form there is a risk that NPF4 could limit development rather than enable it. There remains a risk of tension between policy principles that gain support at national level but may be challenging to implement due to local circumstances, empowering community planning and local policy responses.
28. Our members would like to see more direction and focus on infrastructure delivery, which continues to be the major obstacle to investment and inclusive economic growth. As stated above it is vital that NPF4 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.
29. Investment in existing infrastructure will clearly be an important element of renewing and delivering sustainable places. This includes making best use of blue and green infrastructure, working with natural infrastructure or creating/adapting man made blue and green infrastructure as required, for example to adapt to flooding concerns. The SPF has consistently supported an infrastructure led approach to development planning. However, we remain concerned at the lack of a central co-ordinating authority that could guide the delivery of new infrastructure across different (and conflicting) regulators, communities, and local authority areas. This could be addressed by the proposed new Infrastructure Company.
30. We agree that it is right to place the identification of needs as the priority although this is frequently contentious, especially in the residential sector. We support the reuse and renewal of existing infrastructure and buildings where feasible. Indeed, many of our members have successfully regenerated older buildings and places into modern use and beneficial occupation. We are concerned however that the Infrastructure Investment Plan hierarchy, if applied inflexibly, might lead to an unwillingness for authorities to be seen to support new development. Regeneration of older buildings is often complex and uncertain, although it can bring major community benefits.
31. There needs to be a holistic assessment of infrastructure investment and how it will influence the successful attainment of building sustainable places, transform to net-zero carbon emissions and support an inclusive economy. The indicators need to be varied - housing needs and demand, including longer term healthcare provision; data needs and demand; changes in air travel and tourism, educational and utility requirements. Average distances travelled for shops, work and active travel would also be a metric that will inform this and future infrastructure investment plans. The success or otherwise of recurring investment in places and infrastructure should also be an indicator. These indicators should be employed to assess the implementation of NPF4.
32. Our members are also of the view that a new perspective should be considered for estimating the overall impact of new infrastructure investment. For example, a new local school or hospital may 'cost' in terms of emissions caused by new construction activities (and financial

investment). But this new local infrastructure will also save emissions in the long term through avoiding people being forced to travel long distances by car to send children to school or for hospital visits. As well as quality of life, there is the possibility of significant greenhouse gas savings through these forms of localism, but there may need to be an initial investment in new social infrastructure in order to make localism a reality.

33. In the short-term our members have strong concerns that there is a gap in local plans between now and when the SPP comes into force. Given the effect of the COVID pandemic, some flexibility will be required around change of use and assistance in reaching decisions based on priorities.

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