

Agenda Item	12
Report No	ECI/21/2021

HIGHLAND COUNCIL

Committee:	Economy and Infrastructure
Date:	5 May 2021
Report Title:	National Planning Framework 4 Position Statement Response and Refined Highland Indicative Regional Spatial Strategy
Report By:	Executive Chief Officer Infrastructure and Environment

1. Purpose/Executive Summary

- 1.1 This report seeks approval by homologation of two documents: firstly the Council's response to Scottish Government's National Planning Framework 4 (NPF4) Position Statement and secondly a refined version of the Indicative Regional Spatial Strategy (IRSS) for Highland. They follow the Council's earlier submissions for NPF4 and their approval by Committee will shape the Council's contributions to the ongoing development of NPF4 ahead of the Draft being published.
- 1.2 Following 'Call for Ideas' stage, Scottish Government published an NPF4 Position Statement in late November 2020, inviting submission of feedback by 19 February 2021. It was not a national policy statement but rather an indication in general terms of potential policy changes. The Council submitted an 'officer response' that was informed by our earlier, agreed Council submissions and by other workstreams of the Council.
- 1.3 In 2020 the Council prepared and submitted to Scottish Government an IRSS for Highland, to inform NPF4 of the regional proposition for the future of the area on the national stage. In drawing up the Highland IRSS, a wide range of partner organisations had been engaged and consulted. In January some general feedback on all IRSSs was provided by Scottish Government and regions invited to each refine their IRSS if they wished to and to resubmit by the end of April 2021, which at the time of writing this report the Council is in the process of doing, with Member and Stakeholder engagement.
- 1.4 Scottish Government's timeline includes publication of Draft NPF4 for public consultation and laying in Scottish Parliament in autumn 2021. In Spring/Summer 2022 it anticipates Scottish Parliament passing the finalised NPF4, as well as the new Regional Spatial Strategy duties (and new-style Local Development Plan duties) coming into force.

2.

Recommendations

2.1 Members are asked to:-

- i. **Approve** by homologation the response that was submitted to Scottish Government's NPF4 Position Statement at **Appendix 1**;
- ii. **Approve** by homologation the refined version of the Indicative Regional Spatial Strategy that was submitted to Scottish Government at **Appendix 2**; and
- iii. **Note** the anticipated next steps and timeline for engagement in NPF4 and for future Regional Spatial Strategy duties.

3. Implications

- 3.1 **Resource** - The production of Regional Spatial Strategies will be a new statutory responsibility, but ahead of that the work on the IRSS and other inputs to NPF4 are effectively balanced by largely placing 'on hold' the review of the Highland-wide Local Development Plan.
- 3.2 **Legal** - It is not anticipated that there will be any legal implications for the Council. Members are reminded however of the importance of NPF4 – particularly given that once it has been finalised and passed by Scottish Parliament, for the first time the NPF will become part of the 'Development Plan' in law.
- 3.3 **Community (Equality, Poverty and Rural)** - Our submissions to NPF4, including the Highland IRSS, promote amongst other things: fair and equal access to services, community resilience, high quality housing and place planning, for rural and urban areas. Draft NPF4 (including region-focussed content) will be consulted on by Scottish Government. All consultation documents are made available on the internet with alerts placed on social media to raise awareness and reach out to all communities.
- 3.4 **Climate Change/Carbon Clever** - It is vital that NPF4 ensures that the planning system plays its full role in addressing climate change issues – and this is fundamental to our submissions on NPF4 including the Highland IRSS.
- 3.5 **Risk** - The delivery of the IRSS requires continued collaboration and coordination of local and national agencies to realise the ambition outlined in it.
- 3.6 **Gaelic** - The Highland IRSS acknowledges the diversity and culture of Highland and seeks celebration of that. For the document itself, Gaelic version of headings and sub-headings will be included.

4. Responding to the Scottish Government's NPF4 Position Statement

- 4.1 The Scottish Government gave initial consideration to all the information submitted by various parties in 2020 through the 'Call for Ideas' stage and published in late November 2020 the [NPF4 Position Statement](#). This document did not set out policy; instead it outlined the Scottish Government's current thinking about policies, particularly flagging potential policy changes being considered. As explained in a bulletin item for Members in February 2021, Scottish Government considered that its NPF4 Position Statement signalled a key shift towards a net zero agenda and it set out its thinking over 4 key themes (outcome areas) – net zero emissions, resilient communities, wellbeing economy and better greener places. Feedback on the Position Statement was invited, but with a clear message that comments made at the Call for Ideas stage did not need to be repeated, as Scottish Government's consideration of those was ongoing.
- 4.2 Officers gave consideration to the ideas set out in the Position Statement, including how well they aligned with the Council's earlier submissions. From there, officers prepared and submitted to Scottish Government [the Council's response to the Position Statement \(Appendix 1 to this report\)](#), which Committee is asked to approve. (Please note: the appendices to this report are being made available via hyperlinks to the Council's website, rather than within the Committee report itself.)
- 4.3 As will be seen in **Appendix 1**, the Council's response provided feedback on a wide variety of policy ideas, with the following (as highlighted at the recent Members Workshop on 7 April 2021) providing a few headlines only:-
- Officers fully embraced the guiding principles and ideas set out in the Position Statement;
 - We however, contended that all policies within NPF4 will need to take a holistic and robust policy stance with clear wording, requirements and be directive;
 - As Highland has the largest peatland resource within Scotland, we highlighted the key role it will have in the climate and ecological emergency;
 - The proposals for resilient communities and the '20 minute Neighbourhood' ideas, were noted as ideas we were already working on delivering – FW2040 and Skye & Raasay Investment Plan being two examples;
 - Tourism development through a sustainable approach, including protection and enhanced facilities for our remote fragile communities, was promoted as paramount;
 - The decarbonisation of the transport system was highlighted, especially around ensuring our public transport network (buses and trains) is not at the end of line in terms of investment across the whole of Scotland;
 - The protection, enhancement and development of our coastal assets was strongly encouraged; and
 - We also took the opportunity to suggest the need for NPF4 to include policy on the potential need to repurpose some areas of land in response to climate change.

5. Refinement of the Highland Indicative Regional Spatial Strategy

- 5.1 We have embraced Scottish Government's invitation for regions to refine and resubmit their IRSSs. Through refining the Highland IRSS that we submitted last Autumn, we have sought to strengthen its links with other plans and strategies and its role in addressing the need for a green recovery. Officers therefore worked up ideas for refinements to make, and presented these at a Members Workshop held on 7 April 2021. Those ideas were also shared online with Members and also with a range of stakeholders organisations who we engaged in our earlier NPF4/IRSS work. At the time of writing this report, the period we have provided for feedback from Members and Stakeholders (to 16 April) has yet to expire. We have also been giving some thought to potential for alignment between neighbouring IRSSs, on a range of issues – such as rural and coastal land use priorities, transport and digital connectivity, plus shared challenges and opportunities such as rural housing and sustainable tourism. There is chance to consider this further, both as part of the current IRSS refinement exercise and thereafter through contributing further to NPF4's development and subsequently when the Council comes to turning the IRSS into a statutory RSS.
- 5.2 Work therefore continues on firming up intentions for refinements to the Highland IRSS (including further refinements to our previously submitted candidate National Development suggestions – cNDs), which we will then be making before finalising and submitting the refined version. By the date of this Committee meeting, it is expected that [the refined version of the Highland IRSS \(Appendix 2 to this report\)](#), which the Committee is asked to approve, will have been submitted by officers to Scottish Government by the end of April deadline and made available via the weblink given above. The main refinements included will be identified in presentation at the Committee meeting.
- 5.3 As highlighted at the recent Members Workshop on 7 April 2021, our initial ideas for refinement include, but are not limited to:-
- Widening the scope of our cND for National Grid Improvements, to cover Energy Generation, Transmission, Distribution and Consumption, therefore seeking a more inclusive approach to the whole energy sector and helping in the delivery of the transformation required for decarbonisation, energy efficiency and security of supply;
 - Reflecting how Hydrogen has emerged as vital to achieve decarbonisation of multiple sectors and that in March 2021 the Council made commitment to prepare a hydrogen strategy – linking to the above, there is need for national and regional priority for infrastructure to transform and as our Hydrogen Strategy for Highland comes forward, it can inform the future 'statutory RSS' with more detail on what is needed;
 - Promoting Opportunity Cromarty Firth as a candidate National Development in its own right– it aligning well with the IRSS and having substantial contribution potential towards meeting regional and national priorities and outcomes;
 - Making refinements across a number of cNDs on matters concerning Transport, to provide particular focus on decarbonisation across all modes, alignment with national strategies and balance reducing the overall need to travel with improving 'lifeline' connections;
 - Refining a number of our cNDs, particularly cND05 Local Resilient Networks, to ensure that the potential for rural resilience is not left behind – and to fit with the 'special case' for Highland, already advanced in our IRSS, for investing differently to achieve equitable access to services for all of Scotland's communities; and

- More explicitly recognising the importance of Highland's coastal and inland water assets, alongside land assets – and the roles they perform.

6. Next steps and timeline for engagement in NPF4 and for future Regional Spatial Strategy duties

6.1 The next steps and timeline for engagement in NPF4 and for future Regional Spatial Strategy duties are as follows:-

- i. In the weeks following the Scottish Government election in spring 2021 we can anticipate some further, focussed engagement by Scottish Government on certain matters as they prepare Draft NPF4 – the Council's position, established through our various submissions for NPF4 (including the Highland IRSS), provides a basis for any further contributions;
- ii. In autumn 2021, Scottish Government expects to lay Draft NPF4 in the Scottish Parliament and to launch public consultation on it – we will consider the Draft and prepare a response, informed by Member and Stakeholder engagement, and bring the response to Committee for approval;
- iii. In spring/summer 2022, Scottish Government expects NPF4 to be finalised and passed by Scottish Parliament, whereupon it will become part of the 'Development Plan' in law; and
- iv. Also in spring/summer 2022, the new Regional Spatial Strategy (RSS) duties and the new-style Local Development Plan (LDP) duties, under the 2019 Act, are expected to come into force – this will act as a trigger to the Council formally commencing work in fulfilment of these duties, as noted earlier this year in the Council's Development Plans Newsletter (Scheme) 2021.

6.2 It should also be noted that the Council has the opportunity to provide a response to Scottish Government in early June on the evidence for future housing needs across Highland. The Planning (Scotland) Act 2019 (the 2019 Act) requires the NPF to include "targets for the use of land in different areas of Scotland for housing" and in February 2021 Scottish Government wrote to Local Authorities, providing initial default estimates to inform identification of a minimum all-tenure housing land requirement for individual authority areas. Scottish Government is asking Local Authorities to check these initial default estimates and consider what, if any, adjustments should be applied taking account of local input and evidence, any policy ambitions to support growth in local housing provision and relevant national drivers. As indicated by officers at the Members Workshop held on 7 April 2021, this work is well underway and the deadline for us to respond to Scottish Government is 4 June 2021. Whilst some reduction in the levels we plan for overall are appropriate compared to past figures, we are confident that a significantly higher figure should be used than the initial default estimates. Such figures will be made clear through the Housing Needs and Demands Assessment work, which was already ongoing, provides the basis for our response and will evidence our locally adjusted estimate of the minimum all-tenure housing land requirement for Highland. The levels of development on which our Highland IRSS and the Council's other submissions for NPF4 are based are in line with the position that we will be putting forward.

Designation: Executive Chief Officer – Infrastructure and Environment

Date: 12 April 2021

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Background Papers:

The Highland Council's submissions to Scottish Government on NPF4 (including our response to the Position Statement and our Refined Highland IRSS, forming Appendices 1 and 2 to this report respectively), are available on our website at: https://www.highland.gov.uk/info/178/local_and_statutory_development_plans/927/national_planning_framework

The Scottish Government's engagement pages for NPF4 (including Call for Ideas, the Position Statement and guidance relating to IRSS) are available on the following website at:

<https://www.transformingplanning.scot/national-planning-framework/>

The Council's Development Plans Newsletter (Scheme) 2021 is available on our website at:

https://www.highland.gov.uk/download/downloads/id/18842/development_plans_newsletter_2021.pdf