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Dear Convener,

Revised Draft National Planning Framework 4

I am delighted to lay a revised draft of National Planning Framework 4 (NPF4) in the Scottish Parliament today. As required by the Town and Country Planning (Scotland) Act 1997, it is accompanied by an Explanatory Report which provides a summary of the representations made on the draft National Planning Framework 4 and the changes made in response to these views. A draft Delivery Programme has also been published online today.

The Explanatory Report sets out in detail how we have moved from the draft to revised draft version, and includes our position on many issues that were raised by the Scottish Parliament during the 120 day scrutiny period. Mindful of the Local Government, Housing and Planning Committee's role in leading this scrutiny, I would like to provide some further explanation of how the issues you helpfully raised in your report earlier this year have helped us to shape this revised draft.

I note the comments on **process and scrutiny**. As you know, planning legislation sets out the procedural steps that are required to be followed in preparing our National Planning Framework. I would like to reassure you that the draft which was laid for scrutiny last November had been informed by two rounds of public engagement. In addition, we were able to take into account the views of the Committee, together with further representations made in response to the additional round of consultation on the draft itself.

I am pleased that the Committee welcomed the **overarching priorities and principles** of draft NPF4. You asked for further consideration to be given to emphasising the need to address inequalities, health and wellbeing and the needs of rural and island areas. We received similar comments from respondents to the public consultation and have made some improvements to the revised draft NPF4 as a result, as explained throughout the Explanatory

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Report. However, I would draw your attention to the addition of several statements throughout the draft that explain the contribution of the document as a whole to the statutory outcomes as set out in the Town and Country Planning (Scotland) Act 1997. The document has also been extensively restructured to ensure the relationships and synergies between its priorities and principles are easier to understand. The revised themes now provide a clearer narrative on the contribution of NPF4 as a whole to a sustainable development agenda.

Your report highlights the importance of **consistency across the document as a whole**. I agree that digital tools have significant potential to assist the reader to navigate the document. The Scottish Government's digital planning transformation programme is currently focusing on bringing forward improved arrangements for planning applications, and technical work is ongoing alongside this to develop a strategy for data owners to work with in the future. In the meantime, we have taken the relatively simple step of strengthening cross referencing throughout the document as a whole, supported by hyperlinks to assist the user.

Your report also calls for **greater clarity and definition** on terms included within the draft NPF4. In preparing the revised draft NPF4 the terminology used throughout the strategy and policies has been given detailed consideration. The policy intention and outcomes for each policy have been set out to assist with interpretation, and the policy wording has been revised to be more consistent and definitive. The glossary has also been substantially updated.

I note that the Committee did not choose to focus its scrutiny on **national developments**. However, I can assure you that many respondents to the wider public consultation commented on the proposals in their responses. As requested, we have considered the recommendations of your predecessor committee, and have revised the document to provide clearer links between the national developments and the wider spatial strategy including the regional scale spatial priorities.

The Committee asked for more **clarity on priorities** for decision makers. As you note, this is a matter for decisions makers in each case. However, the revised draft NPF4 is now clearer on the intended application of the planning policies it sets out. In addition, Policy 1 now sets out that global climate emergency and nature crisis are overarching priorities and will require decision makers to give significant weight to these issues as part of the planning balance in any decision. I also note your comments on **Policy 2** and agree that a significant change in approach will be needed. Having considered this fully, we have come to the conclusion that no single policy can achieve this on its own – a wide range of policies and proposals are required to work together to deliver real and significant change at pace. Recognising this, the revised draft now also explains more about the collective contribution of a wide range of policies to tackling climate change mitigation and adaptation. Key areas include, but are not limited to, planning for transport, energy, zero waste and sustainable land use.

Your report also comments on **human rights and equality as well as community engagement**. The planning system is relevant to everyone, and plays an important role in ensuring that diverse needs and aspirations are understood and factored into plans and decisions. Having reflected on these comments as well as mixed stakeholder views on the draft, Policy 3 has been removed and replaced with a clearer statement on the contribution of NPF4 to the statutory outcomes of improving equality and eliminating discrimination, and the provision of housing to meet the needs of older people and disabled people. Clearer reference is also now made to existing legal requirements relating to human rights and equality. This will reduce any confusion or duplication in this area. Various policies have also

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been updated to make specific reference to the needs of children, women, older people and disabled people throughout the document, as set out in more detail in the Explanatory Report.

I agree with the Committee that it is critical that communities are supported to engage with planning. I am very mindful that we must ensure that the time people spend on engaging is treated with respect. Our ongoing planning reforms reflect this – we have introduced a new right for people to produce local place plans and we will bring forward new guidance on effective community engagement to support local development planning next year.

I note that the Committee recognises the value of **20 minute neighbourhoods** as a good planning concept. There was extensive comment on this during the parliamentary scrutiny and also from stakeholders and members of the public. The policy on this has been substantially revised to focus on the broader terms of local living which allows for greater flexibility, particularly for rural communities. We consider 20 minute neighbourhoods to be one, but not the only, approach to achieving improved local liveability. At its most basic, this policy simply aims to ensure that planning considers the wider context of each application and seeks to improve existing places and / or create new places where daily needs can be met locally where possible. It also supports delivery of our local living and compact urban growth spatial principles. Work is ongoing to explore the application of this concept, and we have been developing draft guidance to support a better understanding of what this will mean in practice.

Closely linked with this, the **Infrastructure First** approach aims to bring communities closer to the facilities they need. I agree with the Committee's view that this will require a plan-led approach. The revised draft, together with forthcoming guidance on local development plans, is clearer on this, setting out the importance of the Infrastructure First approach as a process to achieve more informed planning decisions. It is important to note that the policy is designed to align with the infrastructure investment hierarchy, as set out in the Infrastructure Investment Plan and this requires planning authorities and developers to make best use of existing infrastructure before development requiring new investment is supported.

You also note the importance of investment in infrastructure and ask for comments on the role of an **infrastructure levy** to support this. Previous <u>research</u> on the infrastructure levy suggested that an additional levy would generate relatively limited additional sums. I am conscious that the levy would be a technically demanding and resource intensive piece of work to take forward; it also has the potential to impact land and development markets.

Your report asks that the policy on green energy is clear about what is expected to deliver **renewable energy** in an equitable and timeous manner. You also asked that we reflect on the views of Scottish Renewables and the need for careful consideration of each application, including in relation to biodiversity impacts. This policy has been substantially revised to provide greater clarity in the revised draft NPF4. Natural Places policy on wild land has also been revised in tandem to expressly support development that assists in meeting renewable energy targets, subject to an impact assessment and appropriate mitigation, management measures and monitoring. Together with the new Policy 1, I am confident these changes significantly strengthen our approach and provide a clear policy which can be consistently applied in practice.

With regard to **town centres and vacant and derelict land**, you asked me to reflect on initiatives such as Celebrate Kilmarnock. I would firstly note that this policy has been

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updated and improved so that it can be more easily applied in practice. With regard to specific initiatives, I am aware of many projects which have achieved significant improvements to Scotland's many diverse town centres. This has been enabled by significant investment in Town Centres through the Regeneration Capital Grant Fund, the £50 million Town Centre Capital fund and most recently the £325 million Place Based Investment Programme was established building on that success and is supported by the £50 million Vacant and Derelict Land and Empowering Communities Programmes. We are working to evaluate the impact of these programmes and share lessons and learning. We also support Scotland's Towns Partnership which works with councils and other towns stakeholders and support community and business groups to work collaboratively to develop their local towns, including 'Celebrate Kilmarnock'. This work and lessons learned from it, can form a pipeline for groups to become a <u>Business Improvement District</u>. We also support SURF which is running a number of '<u>Alliance for Action'</u> projects helping communities connect to deliver change on the ground and learning lessons from that.

The Committee has asked for sight of a **delivery plan**, for more clarity on alignment with existing funds, and the reasons why there is no need for NPF4 to be accompanied by a **capital investment programme**. Whilst this is not a requirement of the legislation, a draft Delivery Programme has been published which sets out our proposed approach to supporting the delivery of NPF4. This is a first iteration, intended to be an evolving document, updated over time as delivery progresses. I would draw the Committee's attention to the potential of this programme to support much stronger alignment between planning, infrastructure and place based investment. Strong engagement with external stakeholders to inform cross-portfolio working particularly in these three key areas, will mean that NPF4 can be supported by, and will in the future shape, current and future investment programmes. In addition, the delivery programme sets out an ambitious programme of work for the coming years which reflects a much stronger commitment to understanding and helping to facilitate delivery than has been the case in previous versions of the national planning framework.

You rightly note the importance of **monitoring and evaluation.** I would be happy for an annual report to be provided to the committee on progress towards delivery. Planning performance reporting will also play an important part in understanding the role of local government in delivering on the ambitions of NPF4. Fuller detail on this is set out in the delivery programme and we will engage with stakeholders on the delivery programme over the coming weeks, to ensure it reflects the collaborative approach we wish to see.

Your report raises questions about the feasibility of the **public-led planning system and resourcing of planning departments**. My view is that planning authorities have a critical role to play in bringing together partners and policies and delivering them in a place-based way, but I also recognise that they are not solely responsible for delivery. Many developments will be progressed by the private sector, and wider services within local authorities and key agencies also have a role to play in supporting the delivery of good quality development.

Our programme of planning reform is aiming to refocus the planning system on co-ordinating that delivery, including by moving development planning from a 5 year to 10 year cycle and by strengthening links with wider strategies and programmes through a more agile approach to strategic planning. The Scottish Government continues to engage with the High Level Group on Planning Performance to explore how full cost recovery for development management can best be achieved, and I am encouraged by indications that additional

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income from the most recent increase in planning fees is being invested in strengthening the planning service. Training and skills will also be important and I am committed to continuing to work on this in partnership with stakeholders, including by supporting implementation of <u>Future Planners</u> research that the Scottish Government commissioned earlier this year. The Delivery Programme provides further information on these and other tools to support delivery.

The Committee asked for **assurance that NPF4 is aligned with other strategies.** We have adapted the approach to articulating these connections in the revised version of the framework to ensure that we can "future proof" NPF4 to avoid creating issues should these wider policies be updated over time. The delivery programme also plays a crucial role in making these connections clearer.

I note the Committee's careful consideration of **housing numbers** and the evidence from a range of stakeholders. Housing Need and Demand Assessment (HNDA) guidance and the excel-based tool are refreshed in line with the release of updated information, such as the new Household Projections by National Records of Scotland. HNDA is therefore able to reflect more up to date evidence as it emerges and is now in use in other parts of the United Kingdom and Ireland. In preparing the housing land requirements set out in NPF4, the Scottish Government has taken an evidence based approach. HNDA is used as a first step and local evidence is incorporated where it is robust. Local development planning will take this forward and further evidence can be considered as appropriate. I agree that alternative models of housing will have an important role to play in the future. In particular for rural areas, a new separate rural housing policy sets out how a more flexible approach can be taken, particularly where new homes will support the sustainability of fragile and remote communities.

Finally, I would also reiterate my offer to appear before you during this period of consideration and, as previously intimated, I am content that the Committee takes the additional time it needs to consider this version.

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