

National Planning Framework 4 Consultation Response

Summary and Recommendations

This report presents Leaders with COSLA's response to the Scottish Government consultation on National Planning Framework 4 for discussion and approval. The consultation was launched in November 2021 and seeks views on the Scottish Government's priorities and policies for the planning system up to 2045.

COSLA's Environment and Economy Board have commented on and indicated their support for the draft response, which builds on our response to the NPF4 Position Statement, our engagement with planning reform and evidence provided to the Scottish Parliament's Local Government, Housing and Planning Committee. The deadline for the responses to the consultation is 31 March and, subject to Leaders' approval, our response will be submitted following the conclusion of this meeting.

This paper invites Leaders to agree COSLA's response at Appendix A, subject to any comments made during the meeting.

References

Previous reports:

- Environment and Economy Board February 2021 - National Planning Framework 4 (NPF4) Position Statement Response
- Leaders November 2021 – Draft National Planning Framework 4
- Environment and Economy Board December 2021 – Draft National Planning Framework 4
- Environment and Economy February 2022 – Draft National Planning Framework 4

Calum Lindsay
Policy Manager – Environment and Economy
0131 474 9274
calum@cosla.gov.uk

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Purpose

1. To present COSLA's response to the Scottish Government consultation on the National Planning Framework 4 (NPF4) to Leaders for discussion and approval (see Annex A).

Current COSLA Position

2. COSLA supports the development of a National Planning Framework which is consistent with supporting our existing policy priorities, most importantly the Just Transition to a Net Zero Economy no later than 2045. The draft, fourth National Planning Framework was published on 10 November 2021 and we have been working with key stakeholders to develop our position and response to it, building on our response to the earlier position statement.

What is changing?

3. Since Leaders last considered NPF4, COSLA and our stakeholders have had some time to further analyse the substantial content and detail of NPF4. This has identified a growing sense of confidence that the draft NPF4 is at a high level sufficiently consistent with our existing policy priorities. However scrutiny has revealed a number of areas for improvement. Overall the response seeks to give due consideration to the breadth of the Framework and continue to emphasise the importance of properly resourcing the planning system and that we must make progress toward full cost recovery for planning fees as a way to support the delivery of the NPF4.
4. Focus is given to the most significant concerns identified in the detail of NPF4 – categorised as Alignment, Delivery and Resources. These broadly focus on the lack of a developed delivery plan, concerns over the resource implications on already stretched budgets, the lack of clear alignment to other national strategies contributing towards the overarching aim of just transition to net zero and the need for clearer and more direct wording of policies within the Framework.
5. These high level points, established through the Environment and Economy Board and engagement with key stakeholders such as Heads of Planning Scotland (HOPS) and the Royal Town Planning Institute (RTPI), formed the basis of evidence provided to the Scottish Parliament's Local Government, Housing and Planning Committee and are central to our response to the consultation.
6. Following further engagement with the Environment and Economy Board, who have indicated their support for the current draft, additional comments have been included highlighting concerns over NPF4's applicability to rural communities and economies, and the need to strengthen health and wellbeing outcomes and community engagement.

Proposed COSLA Position

7. The proposed draft COSLA response is outlined in Appendix A for Leaders' consideration and agreement.

Next Steps

8. With Leaders' agreement, the response will be submitted to Scottish Government, subject to any comments. It is clear that significant work remains if NPF4 is to be successful in achieving its aims of a just transition to a net zero economy by no later than 2045 and the creation of a wellbeing economy. Primary to our response is the need for a costed delivery plan, clearer and more direct wording of policies and full cost recovery to resource the planning system. COSLA will actively seek to engage with Scottish Government to address these issues through our well established working relationships and stakeholders ahead of the final draft NPF4 being laid in Parliament. Further reports will be brought to Leaders as necessary.



COSLA Response to the Scottish Government Consultation National Planning Framework 4

Introduction

1. COSLA welcomes the opportunity to respond to the Scottish Government’s Consultation on the draft National Planning Framework 4 (NPF4). As the representative voice of Local Government in Scotland and co-chair of the High-Level Group on Planning Performance, we are committed to delivering a high performing planning system capable of enabling the delivery of a just transition to net zero, improving health and wellbeing and reducing inequalities in our communities and places.
2. COSLA’s response to this consultation is the result of extensive engagement with stakeholders from across the Local Government family, planning service and related sectors and has been agreed and endorsed by both COSLA Leaders and the Environment and Economy Board.
3. Rather than answer questions individually, as presented in the consultation document, we feel it is more appropriate to structure this as a thematic response which can be complemented by the more granular responses from individual local authorities. The COSLA Response will therefore focus on the following key areas:
 - General Points
 - Alignment
 - Deliverability; and
 - Resources
4. It is also important to view this consultation, and our response, in the context of the wider planning reform agenda, beginning with the Independent Review for Planning in Scotland and continued through the Planning (Scotland) Act 2019, its implementation and the consultation on Planning Performance and Fees. Throughout this process COSLA has been consistent in its message that local authorities require appropriate resources and powers to deliver on our shared aims. NPF4 provides us with a prime opportunity to give local authorities the resources, powers and flexibility they require to deliver a high performing, effective and efficient planning system, capable of delivering place making, improving health and wellbeing and enabling a just transition to net zero.

General Points

5. COSLA supports the development of a National Planning Framework which is consistent in supporting our existing policy priorities, including the Just Transition to a Net Zero Economy no later than 2045, place based approaches to policy making, health and wellbeing and reducing inequalities. COSLA has worked with key stakeholders to develop our position and response, building on our response to the earlier position statement, which was broadly supportive of the key outcomes of planning for net zero emissions, resilient communities, wellbeing economy and better, greener places but had concerns the document lacked detail of how these outcomes would be delivered, and through which

mechanisms. Similarly, COSLA's general position is supportive of the ambition and aims of the draft NPF4 and its focus on sustainable, liveable, productive, and distinctive places, but feels there are improvements and enhancements which can be made to the detail to make NPF4 truly radical and ambitious.

6. The Just Transition to a Net Zero Economy is the defining challenge of our times and will require concurrent changes to Scotland's economy and society over the next two decades or more, with some of the most challenging interventions required between now and 2030, if Scotland is to meet the binding target of reducing greenhouse gas emissions by 75%. Our scrutiny of the draft NPF4 has revealed general support for the overall future vision for 2045 and the clear focus the draft NPF4 places on sustainability, climate change, reaching Net Zero, biodiversity and place making, consistent with our existing policy priorities.
7. Similarly, COSLA supports place-based working to encourage better collaboration, resource utilisation and community participation. At the heart of place making is good planning, and planning is uniquely placed to bring together people, services and assets in a strategic way for the benefit of the people who live in our places. It is essential that NPF4 enables planners to deliver this model of working with the policy levers and resources they need. We therefore welcome the emphasis on place making in NPF4.
8. Despite this general support for the aims of the draft NPF4, COSLA and other Local Government stakeholders have identified areas of concern around delivery, resourcing and alignment with other strategies. These areas will be explored in more detail in the course of our response, but at a high level, the lack of a developed delivery plan, concerns over the resource implications of the Framework on already stretched budgets and the lack of clear alignment to other national strategies contributing towards the overarching aim of a just transition to net zero are fundamental areas of concern we wish to raise.
9. A key consideration of the just transition to a net-zero carbon economy will be how we measure economic success in an economy which operates within the planet's resources. COSLA welcomes the inclusion of the wellbeing economy, which values planetary wellbeing as well as equitable distribution of the economic opportunities and outputs (such as employment, wealth etc), as a means to achieve this goal. Despite this, another key feature of a wellbeing economy is the priority of public health and inclusivity over traditional economic growth indicators, and COSLA believes the draft NPF4 must go further to prioritise and achieve public health outcomes as part of the just transition.
10. [The Place and Wellbeing Outcomes](#) identified by the Spatial Planning, Health and Wellbeing Collaborative, of which COSLA is a member, provide a starting point for delivering improvements to public health through place based working. The primary purpose of these outcomes is to provide evidenced consistency and clarity on what is needed for our places to impact positively on those who use them, and the most effective means by which to achieve these is by embedding them within NPF4. As the Framework will be a formal part of the development plan for all 34 planning authorities for the first time, inclusion of these outcomes will ensure that managing the use of our land and buildings in the long-term public interest will create places which improve health and wellbeing and reduce inequality.
11. The introduction on Sustainable Places Policies on p68 of the draft Framework states that, "climate change and nature recovery are the primary guiding principles for all our plans and decisions". While COSLA is supportive of these principles, we would welcome the inclusion of health and wellbeing and reducing inequalities in the primary guiding principles. The 2019 Act required that the NPF addresses these outcomes and their express inclusion would enhance local authorities' ability to make planning decisions in the interest of health and when considering the impact on those suffering inequality.

Furthermore, we consider improving health and inequality outcomes as central to the principles of the just transition, which will prove key to the holistic approach to climate change rather than a single focus on decarbonisation.

12. Whilst the Place and Wellbeing Outcomes provide a consistent and comprehensive list of what places need for people to thrive, key to the success of these place-based approaches will be the ability to work flexibly to respect the needs of the different demographics and geographies of Scotland. A one size fits all approach will be insufficient, as what works for our villages, towns or cities will not work for more rural communities in our islands, coasts or hinterlands. We are aware from our members, and a number of other stakeholders, of growing concerns over the applicability of NPF4 to rural and island communities. Overall, it is felt that the draft lacks a clear vision for rural communities and greater clarity is needed to demonstrate how concepts such as the 20-minute neighbourhood, and the principle of local living which they embody, can better apply to these rural settings, and deliver positive outcomes for their communities. This includes recognition of the contribution the rural economy makes to net zero ambitions through renewable energy, the food and drink sector and nature based solutions such as reforestation and peatland regeneration.
13. Further concerns have been raised about the applicability of the draft NPF4 to rural communities in the "Action Areas". We do not feel it is appropriate for COSLA to comment specifically on the action areas and will leave this to the individual local authorities who fall within each area, but we do wish to highlight a growing opinion that better defined action areas would deliver better outcomes for the communities they cover. We accept that these currently appear indicative and would welcome an opportunity to work with Scottish Government and our members to better define these areas in the final NPF.

Alignment

14. The aims of NPF4, chiefly the just transition to net zero, adoption of place-based working and delivery of a wellbeing economy, are shared across a number of current and emerging strategies and statutory documents. To maximise the impact of these strategies and give ourselves the best chance of success in achieving these ambitious aims, it is essential that the relationship between NPF4 and these related strategies is made clear. In the current draft there is a lack of clarity over how NPF4 will align with the goals and outcomes of other national strategies and programmes, including the National Strategy for Economic Transformation, Heat in Buildings Strategy, digital infrastructure, Town Centre Action Plan and place making and community empowerment more broadly. Furthermore, rural communities have expressed concern at the absence of any reference to the Land Use Strategy in "Policy 31: Rural Places," or anywhere else in the document, and despite the focus on biodiversity within the framework, no reference is made to the forthcoming Biodiversity Strategy, which will likely be a key document moving forward. It is clear that Scottish Government do not intend NPF4 to operate in isolation, but more explicit alignment would add clarity.
15. Successful achievement of the aim to plan and create sustainable, liveable, productive and distinctive places and contribute to a just transition to net zero will require synergies across all strategies which seek to deliver these common outcomes. COSLA understands that it is about quality of alignment, and not quantity, and that name checking is an overly simplistic measure, however as a means to illustrate the point we would like to raise the following. Transport and energy represent two of the biggest carbon emitting sectors, and therefore the two biggest priority areas for achieving our decarbonisation targets. Given the emphasis the draft NPF4 places on a just transition to net zero by no later than 2045, the related transport, and energy and heat generation strategies should be closely aligned to assist planners in playing their role in delivering these ambitions. Despite this there appears to be a disparity between the two sectors, with the National Transport Strategy

name checked eight times and Strategic Transport Projects Review 2 name checked 10 times, but no mention of the Heat in Buildings Strategy. As previously mentioned, we acknowledge that this is a crude measurement, but it does flag the need for a more consistent approach as to how NPF4 is aligned with other strategic documents.

16. This is particularly clear when it comes to the successful delivery of individual planning policies which cross over into other areas as the examples below make clear. Where strategies have complementary aims, such as just transition to net-zero, close alignment is essential to ensure consistent delivery as well as effective resource alignment. The Scottish Planning Policy section provides examples of where a more considered approach to alignment would strengthen the deliverability of NPF4 and its policies for local authorities.
17. To continue the theme of the Heat in Buildings Strategy, Policy 11: Heating and Cooling considers how Local Development Plans take into account Local Heat and Energy Efficiency Strategies and Heat Network Zones, as well as wider measures and infrastructure required to decarbonise heat generation. The Heat in Buildings Strategy underpins the entirety of this work and will be fundamental if we are to successfully decarbonise heat generation, yet it is not mentioned in the policy or anywhere else in the framework. Complimenting the work of the Heat in Buildings Strategy is clearly implicit in the aims of the draft NPF4, but the Framework is a complex document and more explicit references and alignment to strategies such as Heat in Buildings will simplify it, helping planners to play their part in delivering a just transition to net zero.
18. COSLA also consider that clarity is required on how the content of NPF4 will align and interact with Local Development Plans. We understand that some of this is addressed in the recently published draft local development planning regulations and guidance, however, there is potential tension as to whether planning authorities will want to adopt the policies in full or adapt them for the local circumstances. Clarity will need to be provided as to the extent to which planning authorities will be able to adapt the policies, which will also apply as to how Regional Spatial Strategies are to align with the Framework.
19. Empowerment and participation of local communities in decisions relating to the NPF4 will be crucial to ensure consensus and ownership of local implementation. Further emphasis upon tools and methods which will help agencies work alongside communities to deliberate and coproduce local solutions, such as participatory budgeting, will ensure that activity at a local level prioritises fairness, equality and meaningful outcomes. Local Government, alongside the wider public sector, have key duties under the Community Empowerment Act to facilitate participation and empower local communities to engage in local decision making. This is also an important issue to consider from a rural aspect if more emphasis is placed on local communities to contribute towards and drive forward land use policy through engagement with the planning system.

Delivery

20. Delivery of NPF4 is a significant task which cannot be achieved by Scottish Government alone, and as statutory development planning partners, Local Government will play an essential role in delivering the Framework once finalised. In our response to the NPF4 Position Statement in 2021 we emphasised the importance of some form of delivery plan to help identify how it will operate in practice. Information on timescales and funding as well as identifying lead bodies to take various aspects forward was viewed as necessary for its success and we made an offer to assist in exploring options for working collaboratively with Scottish Government and other key stakeholders to develop the delivery plan.

21. The absence of a delivery plan has caused significant disappointment and is a particular issue when attempting to estimate resource implications on local authorities. Its omission at this stage is a serious concern and, even if budgets are not finalised, an estimate of costs and funding would have been helpful. It is recognised that the draft NPF4 states Scottish Government will work with local authorities and other key stakeholders to develop a detailed delivery programme to accompany the final NPF4, however, given the importance of delivery to its success, the lack of opportunity to respond to the delivery plan alongside the draft Framework feels like a missed opportunity and makes accurate scrutiny of the Framework more challenging. Furthermore we would expect the delivery plan, once developed, to set out capital and revenue consequences and impacts of the framework to assist local authorities with costing the delivery of the planning service.
22. As well as the issues caused by the lack of a delivery plan, there is also concern as to whether the policies in the draft SPP are worded strongly enough to provide planners with the necessary tools to actually deliver the ambitions of NPF4 within future developments. This was also raised in our response to the position statement when we stated that, “*We agree with colleagues at Heads of Planning Scotland (HOPS) and the Royal Town Planning Institute (RTPI) that these changes will require more robust wording in the final strategy to give local authorities the confidence to make development management decisions which are focused on the types of development that NPF4 aims to deliver.*”
23. We are therefore disappointed that there remains the view that the policy framework is not strong or precise enough in its detailed wording to defend planning decisions and appeals or be able to be implemented in Local Development Plans in a coherent manner. Specifically, the extensive use of the word “should” instead of “must”, or a similarly direct alternative, is felt to weaken some policies and make them harder to deliver or defend decisions in the event of appeal, leading to costly resource implications, delays and difficulties delivering the desired developments to achieve the aims of NPF4.
24. There are a number of examples of this which we could draw upon, but for the purposes of illustrating the point, “*Policy 2: Climate emergency b) All developments should be designed to minimise emissions over its lifecycle in line with the decarbonisation pathways set out nationally*” could be strengthened to “*...must be designated...*” to give local authorities a firmer position to tackle the global climate emergency and deliver on the Framework’s aim of delivering a just transition to net zero.
25. That said, a universal approach to strengthening the wording of policies in Scottish Planning Policy would be a blunt tool which could create problems of its own. For example, we believe less firmly worded policies for “Policy 5: Community Wealth Building,” is better as we support Community Wealth Building but not all areas are covered by these strategies. Additionally, the upcoming Community Wealth Building Bill means the relationship between planning and community wealth building will need to be carefully considered.
26. For NPF4 to successfully achieve its aims, it is essential that we get the clarity of wording in the Scottish Planning Policy right. To achieve this, COSLA would welcome the opportunity for Local Government and Scottish Government to review the wording of the Scottish Planning Policy to identify where this requires strengthening to assist local authorities in the delivery of NPF4’s aims.

Resourcing

27. When analysing and providing scrutiny on the draft NPF4, we must keep in mind that it is being developed against a backdrop of diminishing resources and increased workloads, and at a time when we are still implementing new and unfunded duties which were placed on planning authorities through the Planning (Scotland) Act 2019. This creates particular

challenges for Local Government, and COSLA has been consistent in its message that, without appropriate funding for Local Government, essential services, such as planning, will begin to fail. It is inevitable that such an ambitious and aspirational strategy, harnessing a broad range of skills and experiences, will require adequate resourcing in order to successfully achieve the change it seeks to deliver. The draft NPF4 places further requirements on planning authorities, and complexity through assessing and determining planning applications and reviewing Local Development Plans. These additional requirements go beyond the aforementioned additional duties of the Planning Act. It is therefore crucial to the success of Scotland's planning system and NPF4 that planning authorities are properly resourced.

28. Research by our colleagues at RTPI Scotland shows that:

- Nearly a third of planning department staff have been cut since 2009;
- Planning authorities' budgets have diminished in real terms by 42% since 2009;
- Planning application fees only cover on average 66% of their processing costs;
- There are in total 91 new and unfunded duties in the Planning (Scotland) Act, which could cost between £12.1m and £59.1m over 10 years; and
- Over the next 10 to 15 years there will be a demand for an additional 680 to 730 entrants into the sector.

29. To address these additional resourcing requirements, RTPI Scotland wishes to see a comprehensive resource and skills strategy and capital investment programme published as a part of the delivery programme. Timings have not allowed COSLA to take a firm position on this proposal however we see merit in exploring options to support the development of skills in the planning service and would welcome the opportunity to be involved in any discussions to develop such a programme.

30. We welcome the upcoming increase in planning fees, but have concerns that alone, this incremental rise lacks ambition and will not in itself enable local authority planning services to deliver the aims and ambitions of NPF4. This fee increase has been sought for over a decade and alone does not go far enough to address the persistent underfunding of Local Government or deliver the future demands of the planning service. More fundamental reform of how planning authorities are resourced is necessary to deliver a high performing, effective and efficient planning service and we must go much further than the proposed fee increase if this is to be achieved. Full Cost Recovery as part of local fiscal empowerment remains COSLA's ambition with more powers devolved to local authorities to properly fund planning services such as discretionary powers, local fee setting and a more holistic approach to funding the planning system. Planning fees are only linked to development management costs and not the other disciplines of planning such as policy and implementation. It is only through strategic planning being implemented correctly will we have any hope in addressing climate change, as development management is simply a way of making decisions within the context of an effective plan, therefore holistic resourcing of the system through full cost recovery is essential.

31. Linked to the issue of resource implication will be the reality of the skills' impact of NPF4. It is inevitable that the refocusing of priorities to deliver a just transition to net zero will require a major reskilling of the workforce, but the resource implications of this process must be considered as part of the impact of the Framework. A more robust policy framework to deliver the aims of NPF4 will help give certainty to planners, but a programme of upskilling, with the resource implications this will involve, must be taken into account. As stated above, it is estimated by the RTPI that NPF4, together with the additional requirements of the Planning Act, will mean that Scotland needs an additional 680 to 730 Planners at a time when many local authorities are struggling to recruit staff. Planning is facing a resourcing crisis and new ways of encouraging people into the

profession is urgently required. This is particularly the case if we are to be successful in achieving our shared aims of delivering a wellbeing economy and just transition to net zero no later than 2045.

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