

### Scotland 2045

Scotland's Fourth National Planning Framework: Draft

## Integrated Impact Assessment Non-Technical Summary



### 1. An introduction to the National Planning Framework

- 1.1 The Scottish Government is reviewing its National Planning Framework (NPF), a long term plan for Scotland 2045.
- 1.2 The current National Planning Framework (NPF3) was published in 2014 and will remain in place until a fourth NPF (NPF4) is adopted by the Scottish Ministers. The NPF4 spatial strategy will set out where the Scottish Government wants to see development located in the future, and will explore how each part of Scotland can play to its strengths to contribute to a shared national vision. It will also include national planning policies to guide local development plans and decisions on planning applications across Scotland. Finally, NPF4 will also designate certain developments or types of development as 'national developments' for which the Scottish Ministers have established a need in principle.
- 1.3 NPF4 will work with the Scottish Government's wider programmes and strategies, including on infrastructure and economic investment, and will contribute to the following high level outcomes:
  - Meeting the housing needs of people living in Scotland including, in particular, the housing needs for older people and disabled people;
  - Improving the health and wellbeing of people living in Scotland;
  - Increasing the population of rural areas of Scotland;
  - Improving equality and eliminating discrimination;
  - Meeting any targets relating to the reduction of emissions of greenhouse gases; and
  - Securing positive effects for biodiversity.
- 1.4 The current National Planning Framework (NPF3) and Scottish Planning Policy were published in 2014 and will remain in place until a fourth NPF is adopted.

### 2. What is Integrated Impact Assessment (IIA)?

2.1 It is important to understand and take into account the impact of policies and proposals as they are developed. A range of Impact Assessments have informed the draft NPF4. Where possible we have integrated these assessments into the plan preparation process. We have also co-ordinated evidence gathering and assessment stages where relevant, sharing information and links between the different assessment topics and making connections.

### 3. What Impact Assessments have been undertaken?

- 3.1 The following Impact Assessment Reports and supporting information have been published alongside the draft NPF4.
  - Strategic Environmental Assessment (SEA): Environmental Report: This is in turn supported by:
    - Habitats Regulations Appraisal Updated Baseline Information Report
    - Habitats Regulations Appraisal of National Planning Framework
       4 Initial HRA Screening Record
    - Lifecycle Greenhouse Gas Emissions of NPF4 Proposed National Developments Assessment Findings
  - Society and Equalities Impact Assessment Report incorporating the following:
    - Equalities Impact Assessment (EQIA), including human rights considerations
    - Child Rights & Wellbeing Impact Assessment (CRWIA)
    - Fairer Scotland Duty assessment (FSD)
    - Island Communities Impact Assessment (ICIA)
  - Partial Business and Regulatory Impact Assessment
- 3.2 We have also assessed the likely health effects of proposed national developments, as part of the Strategic Environmental Assessment process.
- 3.3 This summary draws together key findings from each of the individual assessments so that people can easily access information on all of the impacts in one place.

#### 4. Scotland's characteristics

- 4.1 Scotland's environment is rich in natural and cultural heritage. Our network of European protected sites supports many important and rare plants, birds and animals, however global declines in biodiversity are mirrored in Scotland. Scotland's air, soil and water are generally in good condition, but there are concentrations of pollution in some parts of the country. Some of this is historic, but there are also on-going challenges, including diffuse pollution from urban and rural areas. Scotland has high quality landscapes, with many iconic views and scenic areas supporting quality of life, recreation and tourism. The historic environment includes World Heritage Sites, listed buildings, conservation areas, gardens and designed landscapes and archaeology including scheduled monuments. Many archaeological resources remain undiscovered. Scotland also has many natural resources and material assets, including high quality agricultural land, and extensive areas of forestry and woodland. Global climate change is predicted to lead to more extreme weather events, increasing water temperature and acidity, a rise in sea levels and changes to coastlines; all of which have the potential to affect other aspects of the environment.
- 4.2 Scotland's population is estimated to be just under five and a half million. Scotland has the lowest life expectancy in Western Europe, and the overall population density in the country is among the lowest in Europe. Scotland's overall population is increasing, however there is significant variation in how people are distributed, with more densely populated areas in the Central Belt and decreasing population mainly in the rural and island areas, particularly in the west of the country. It is estimated that, without change, Scotland's Sparsely Populated Areas could experience further population decline, and a shrinking working age population. Around 94 of our 900 islands are permanently inhabited, and the size and composition of each population has changed over the years. An ageing population will mean that the Scottish Government needs to do more to reverse past patterns of population decline and sustain local facilities and services that support rural and dispersed communities.
- 4.3 Approximately 19% of Scotland's population live in relative poverty after housing costs. Some types of households with children are known to be at a particularly high risk of poverty. These include households with single parents, three or more children, disabled household members, of a minority ethnic background, with a child aged under one, or a mother aged under 25. The Scottish Index of Multiple Deprivation is the Scottish Government's official tool to identify areas of multiple deprivation in Scotland, with the most deprived areas located predominantly in cities and towns. Approximately 30% of adults report having a long-term physical or mental health condition. Around 4% of people in Scotland are from minority ethnic groups council areas with large cities have the highest proportion of their population from a minority ethnic group. People from minority ethnic (non-white) groups are more likely to be in relative poverty after housing costs, compared to those from the 'White-British'

- group. Just over half of Scotland's population identifies as following a Christian Religion. Scotland's communities of identity are important and more needs to be done to tackle the inequalities faced by them. Levels of perceived influence over local decision making have been consistently low over recent years, and across all subgroups of the population.
- 4.4 Agriculture is the dominant land use in Scotland, covering 5.64 million hectares, over 70% of the country. Food & Drink (including agriculture & fisheries); Creative Industries (including digital); Sustainable Tourism; Energy (including renewables); Financial & Business Services; and, Life Sciences are all identified as key to the Scottish economy. Academic evidence suggests the UK's exit from the EU has already had an impact on investment and the economy<sup>1</sup> and the COVID-19 pandemic is causing harm to people's health, to Scotland's society and to the economy.

### 5. What are the key pressures and trends relevant to NPF4?

- 5.1 The <u>Global Climate Emergency</u> will continue to impact in Scotland, with changing weather patterns, and more frequent extreme weather. Warmer temperatures will result in rising sea levels, coastal flooding and loss of land to the sea.
- 5.2 Global declines in biodiversity are mirrored in Scotland with urbanisation recognised as a key pressure. From 1994 to 2016, 49% of Scottish species have decreased and 28% have increased in abundance<sup>2</sup>.
- 5.3 Societal challenges include long standing inequalities, including for health and wellbeing. The pandemic provides an opportunity to work towards net zero in a way which significantly improves our places, and to address longstanding inequality and eliminate discrimination. Planning and places play a crucial role in supporting health and physical activity and better places can help create the conditions for lifelong health and wellbeing for all. On a range of indicators people who live in deprived areas are faring worse than those in less deprived areas, these include: less likely to have access to greenspace; made visits to the outdoors; or living within 500 metres of vacant and derelict land and properties.
- 5.4 The COVID-19 pandemic has left a complex and far reaching social legacy. The pandemic has affected people's mental health, with women, young people and young carers, minority ethnic groups and those with an existing health diagnosis reporting greater impacts. Existing job market inequalities have been reinforced with women, disabled people and minority ethnic people (particularly minority ethnic women) facing persistent employment and pay gaps. Those in precarious employment, carers and lone parents, the majority of whom are women, have also experienced disproportionate impacts.

<sup>&</sup>lt;sup>1</sup> brexit-referendum-5-years-summary-impacts-date-information-note-scottish-government.pdf

<sup>&</sup>lt;sup>2</sup> State of Nature Scotland Report 2019 | NatureScot

- 5.5 Scotland's economy grew at a rate of 4.7%<sup>3</sup> over the second quarter of 2021 as Coronavirus restrictions have eased however Scottish businesses in the near term face challenges including ongoing rising input costs and competition for staff and some business sectors report shortages of materials. Many businesses are still deciding what to do long term on office space and some smaller businesses are opting to move out of city/town locations.
- 5.6 Recovery from the pandemic will be an opportunity to actively shape the future of Scotland's economy, setting the country on a pathway to a just transition and a wellbeing economy; one that is environmentally sustainable, enables businesses to thrive and innovate, and tackles the social inequalities that have been exacerbated by the pandemic.

### 6. What are the likely significant environmental effects of the draft NPF4?

- 6.1 **Biodiversity, flora and fauna:** The draft NPF4 would establish climate change and nature recovery as primary guiding principles for all plans and decisions, and the emphasis on protecting and enhancing biodiversity is expected to lead to significant long term cumulative positive effects on biodiversity, flora and fauna, including through new universal policies on enhancing biodiversity.
- 6.2 **Climatic factors:** Collectively, the draft policies and proposals set out in the draft NPF4 are expected to have significant long term positive effects on climatic factors, contributing to reduced greenhouse gas (GHG) emissions, and helping facilitate a transition to net zero. As they embed actions to increase community and infrastructure resilience to extreme weather events, the policies and proposals can also support adaptation to climate change.
- 6.3 The lifecycle greenhouse gas (GHG) assessment of the proposed national developments found that overall, the greatest reductions are likely to be in terms of electricity and, to a lesser extent, transport. While the industrial, manufacture and construction processes sector is likely to experience the largest increase in direct emissions, this will enable direct and indirect emission reductions across other sectors.
- 6.4 **Air:** Draft policies and proposals which reduce emissions overall are likely to have cumulative positive effects on air quality. In addition to effects on ecosystems, air pollution affects health and this can impact on more vulnerable people, making air quality an important health inequalities issue. Measures to improve air quality can therefore have cumulative secondary benefits for biodiversity and population and human health. This could be particularly beneficial in areas where air quality issues currently arise.
- 6.5 Negative impacts on noise and air quality, including dust and odour, may arise during construction of the national developments. These will be temporary and local in nature, and will be managed at the stage when specific projects are brought forward for consent.

<sup>&</sup>lt;sup>3</sup> Scottish economy and global economic trends - Scottish Enterprise (scottish-enterprise.com)

- 6.6 **Water:** The overall focus on climate change and climate change adaptation will have cumulative positive effects on water through increased focus on flood risk, water shortages and coastal erosion. Secondary benefits to biodiversity may arise where nature based solutions to flood risk management are implemented. Polices and proposals may also improve water supply and waste-water systems.
- 6.7 Proposals for waterfront developments and new development at ports and harbours may negatively impact water during construction and operational phases, and will require managed at the stage when specific projects are brought forward for consent.
- 6.8 Soil: Several aspects of the draft NPF4 are likely to have positive cumulative benefits for soils. For example, draft policies seek to protect peat and carbon-rich soils. Proposals relating to woodland expansion and green infrastructure can help improve soil stability and drainage, and can help to improve the quality of places. Positive cumulative effects on soils are also expected from the emphasis on the reuse of derelict and vacant land, with secondary positive impacts on water quality.
- 6.9 There is potential for negative effects on soils arising from some of the proposed national developments, which will need to be managed in plans and at the stage when specific projects are brought forward for consent.
- 6.10 **Cultural heritage and Historic Environment:** Significant positive cumulative effects on cultural heritage are expected, given the emphasis within the draft NPF4 on protecting and enhancing locally, regionally, nationally and internationally valued historic assets and places. Draft policies and proposals relating to woodland expansion and green infrastructure may act to improve the setting of historic assets. The emphasis within NPF4 on reusing vacant buildings may help to bring buildings at risk back into use.
- 6.11 There is potential for negative effects arising including from some national development proposals which will need to be managed in plans and at the stage when specific projects are brought forward for consent.
- 6.12 **Landscape and Geodiversity:** There is potential for some of the proposed national developments and draft policies to result in negative effects on landscapes and careful consideration will be required at plan and project consenting stages.
- 6.13 Initiatives such as the Central Scotland Green Network and national walking and cycling routes provide opportunities to protect and enhance townscapes and landscapes and to increase experience and enjoyment of these. Draft policies which lead to increased woodland and forestry have potential to improve landscape character, depending on the scale and nature of change. Furthermore, support for peatland protection and restoration could also benefit some iconic and culturally significant landscapes.
- 6.14 **Material assets:** The focus on an infrastructure first approach within the draft NPF4 can ensure that places function effectively and development improves,

- rather than detracts from quality of life. Promoting greater coordination of infrastructure works and planning, at both the regional and local scales, can minimise the potential for negative indirect and cumulative effects, for example through reduced disturbance during construction stages, and through reduced fragmentation of green infrastructure and nature networks.
- 6.15 An increase in development, for example housing or renewable energy, could lead to increased pressures on existing land uses. However, the potential for such conflicts would remain key considerations in the planning system, particularly through development plans where key decisions on sites and delivery are made. The potential for environmental impacts will continue to be considered through SEA and Habitats Regulations Appraisal of development plans, as well as through the development management process at individual project level.
- 6.16 **Population and Human Health**: The draft policies and proposals have potential to give rise to significant benefits for population and human health.
- 6.17 Health and wellbeing benefits may arise where policies and certain proposed national developments lead to more people walking, wheeling and cycling. Increased physical activity, improved access to the outdoors, education, facilities and services, and quality local green spaces, are also likely to have long term significant positive effects on physical and mental health. Positive impacts could also arise from improved sense of place including benefits for communities. Benefits can be maximised where a focus is given to areas experiencing current levels of disadvantage.

# 7. Will the draft NPF4 support health, wellbeing, and quality of life in our current and future population?

- 7.1 Improving the health and wellbeing of the people of Scotland is one of the six high level outcomes for NPF4. Relevant provisions in the draft NPF4 include support for 20 Minute Neighbourhoods, high quality greenspace, active travel and in managing access to food, food production, and community growing.
- 7.2 The focus provided in the draft NPF4 to addressing the climate emergency and nature crisis should also lead to health and wellbeing improvements, both physical and mental, and to more resilient communities that are better able to adapt to the impacts of climate change. For example, a focus on blue and green infrastructure can bring nature into our towns and cities and can play a key role in helping people and places adapt to the risks of climate change, for example providing natural flood defences and cooling.
- 7.3 Outdoor spaces for play, sport and recreation can make a significant contribution towards creating more liveable and healthier places, and are important for physical and mental health and overall wellbeing. For example, children experience a range of health, wellbeing and educational benefits from outdoor play. Embedding an infrastructure first approach in Scotland's planning

- system will also support the provision of infrastructure which better meets the diverse needs of the population or an area, for example through improved availability and access to health and social care facilities. Prioritising the re-use of vacant and derelict land and properties, can also support improved community resilience, habitat enhancement and can help reduce pressure on natural resources. Wider benefits could also arise through improved levels of social interaction and sense of place.
- 7.4 The draft NPF4 includes draft policy of not supporting development where significant adverse health effects are likely. It also proposes a health impact assessment is required for developments that are likely to have significant health effects or significant environmental effects. Development proposals with a significant adverse effect on air quality would also not be supported through proposed draft policy.
- 7.5 Finally, the draft NPF4 includes policy proposals aimed at supporting improved access to healthy food, especially in deprived areas.

### 8. Will the draft NPF4 help to improve equality and eliminate discrimination across Scotland?

- 8.1 Improving equality and eliminating discrimination across Scotland is one of the six high level outcomes of NPF4.
- 8.2 Planning is concerned with the creation of better places and the purpose of planning is to manage the development and use of land in the long term public interest. The Scottish Government recognises that the impacts of the policies in draft NPF4 have the potential to fall differentially on different groups in society. The evidence would suggest that people with disabilities, older people, children and young people, women and Black and Minority Ethnic groups for example, experience a variety of challenges in both engaging with the planning system, and having the system meet their needs.
- 8.3 Both the Equality Impact Assessment (EQIA) and the Child Rights and Wellbeing Assessment consider six key areas: participation, housing and accommodation, spaces and places, connectivity and health and wellbeing. The EQIA also considers issues around people's human rights.
- 8.4 Planning should respect, protect and fulfil human rights, seek to eliminate discrimination and promote equality. The focus proposed in the draft NPF4 on engagement is for parties to have a responsibility to consult and engage others collaboratively, meaningfully and proportionately.
- 8.5 The draft spatial strategy recognises that our future places, homes and neighbourhoods will be better, healthier and more vibrant places to live. Direct benefits could help us to be healthy and active, creative and diverse, so that people grow up loved, safe and respected, and realise their full potential. Draft NPF4 also recognises the important role that planning can play in tackling some of the drivers of child poverty.

### 9. What is the likely impact of the draft NPF4 on our Island Communities?

- 9.1 Draft NPF4 includes draft policies on key issues supporting island communities such as: engagement, local living, housing, spaces and places, rural and coastal policies, health and wellbeing, and connectivity.
- 9.2 Scotland's north and west coast and islands have been identified as being at the forefront of our efforts to reach the Scottish Government's target of net zero emissions by 2045. Draft NPF4 provides for a specific spatial strategy which recognises the diversity of this area, from Shetland and Orkney in the north, to the Outer and Inner Hebrides and the coastal areas of Argyll and Bute and Highland.
- 9.3 From the evidence set out so far, the main potential issues for island communities appear to be a lack of:
  - support for young people to remain, move or return to the islands;
  - employment, training and higher education opportunities;
  - access and affordability to transport;
  - a variety of housing types, sizes and tenures to meet people's needs and a lack of affordable housing;
  - speed and reliability of internet/ phone connections;
  - influence over decisions made by local and national government; and
  - adequate infrastructure for the number of tourists attracted to the islands.
- 9.4 The draft NPF4 seeks to tackle these issues through the spatial strategy, certain proposed national developments, and through thematic policies.

## 10. What are the likely business and regulatory impacts of the draft NPF4?

- 10.1 A partial Business and Regulatory Impact Assessment (BRIA) has been prepared. This acknowledges that NPF4 is likely to have some impact on all business sectors across Scotland who are likely, in the future, to engage with the planning system through the submission of planning applications. The most significant impacts will be on those businesses that are dependent on the planning system for identifying new sites for their ongoing operations. This will, in particular, include house builders, the renewable energy sector, digital network providers and the minerals and aquaculture sectors.
- 10.2 Our initial high level assessment suggests the following effects are likely:
  - the proposed national spatial strategy sets out a high level vision of how Scotland should develop to 2045. The impact of the strategy on individual businesses is likely to arise through the identification of national

- developments and development management policies that are being put in place to support the spatial strategy;
- national development status will give greater certainty to developers because it establishes the need for the development, although additional costs may be associated with progressing proposals through the planning system;
- the introduction of national planning policies which form part of the development plan will provide greater certainty to developers and considerably reduce the number of occasions where they will need to engage with the planning system on the development of policies that affect their businesses;
- there are significant changes proposed throughout the development management policies in draft NPF4, both in relation to the existing Scottish planning policies and those which are currently in local development plans. The changes are intended to ensure that future development contributes to Scottish Government objectives for the planning system. Some of these policies will impact on businesses (both positively and negatively) and views will be sought on the extent of these impacts, both individually and cumulatively, before the BRIA is finalised;
- the delivery programme aims to secure a cross-government approach to the delivery of NPF4 that is unlikely to result in cost burdens for businesses; and
- Annex B of Part 5 of the draft NPF4 sets out the Minimum All-Tenure
  Housing Land Requirement for each planning authority in Scotland. This
  is included to meet the requirement of Section 3A(3)(d) of the Town and
  Country Planning (Scotland) Act 1997 and will have particular relevance
  for housebuilders.
- 10.3 We will be undertaking further engagement with stakeholders to inform the contents of the final BRIA, including through a questionnaire. Any stakeholders wishing to ensure they receive a copy of the questionnaire should provide contact details to scotplan@gov.scot

#### 11. What monitoring is proposed?

- 11.1 The Scottish Government has committed to working with a range of stakeholders to develop an appropriate monitoring programme for NPF4 that allows us to assess progress and take action where required. Monitoring will be required at both a national and local level and will be proportionate and effective.
- 11.2 An agreed monitoring programme will complement, and potentially combine, wider planning performance work including Planning Performance Frameworks

and Royal Town Planning Institute work on monitoring outcomes, as well as reflecting national outcomes set out in the National Performance Framework<sup>4</sup>.

#### 12. Next Steps

12.1 The consultation on the draft NPF4 closes on 31 March 2022. Following the consultation and the end of the Parliamentary scrutiny process, we will analyse the responses and produce a final NPF4. The final adoption date will depend on the approval of NPF4 by the Scottish Parliament, but we are currently aiming to lay a finalised version for approval by summer 2022. We will then publish a Post-Adoption Statement. The Statement will reflect on the views provided on the findings of the assessment and the proposals in the draft NPF4, and will explain how the comments received were taken into account.

#### 13. How to comment

- 13.1 Details on how to comment can be found on the Scottish Government's Consultation Hub, Citizen Space at www.consult.gov.scot. You can also request a hard copy of this report and consultation documents at <a href="mailto:scotplan@gov.scot">scotplan@gov.scot</a>
- 13.2 If you are unable to respond using our consultation hub, please complete a Respondent Information Form and return it, together with your response to <a href="mailto:scotplan@gov.scot">scotplan@gov.scot</a> or by mail to:

National Planning Framework Team

Planning and Architecture Division

Area 2F South

Victoria Quay

Edinburgh

EH6 6QQ

13.3 Consultees may wish to consider the following questions:

#### Environmental Report

Q 59: What are your views on the accuracy and scope of the environmental baseline set out in the environmental report? Please give details of any additional relevant sources.

Q 60: What are your views on the predicted environmental effects of the draft NPF4 as set out in the environmental report?

Q 61: What are your views on the potential health effects of the proposed national developments as set out in the environmental report?

<sup>&</sup>lt;sup>4</sup> National Performance Framework | National Performance Framework

Q 62: What are your views on the assessment of alternatives as set out in the environmental report?

Q 63: What are your views on the proposals for mitigation, enhancement and monitoring of the environmental effects set out in the environmental report?

#### Society and equalities impact assessment

Q 64: What are your views on the evidence and information to inform the society and equalities impact assessment?

Q 65: Do you have any comments on the findings of the equalities impact assessment?

Q 66: Do you have any comments on the findings of the children's rights and wellbeing impact assessment?

Q 67: Do you have any comments on the Fairer Scotland Duty and the draft NPF4?

Q 68: Do you have any comments on the consideration of human rights and the draft NPF4?

Q 69: Do you have any comments on the islands impact assessment?

#### Business and regulatory impact assessment

Q 70: Do you have any comments on the partial business and regulatory impact assessment?



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