

NORTH LANARKSHIRE COUNCIL

REPORT AGENDA ITEM NO.3.....

To: Planning & Environment Committee	Subject: Scottish Executive National Policy Guidelines No. 2 - Economic Development	
From: DIRECTOR OF PLANNING AND ENVIRONMENT		
Date: 1 st May 2002	Ref: D/PL/35/11/SMcA	

Purpose of Report

1. To inform the Committee on the publication of the Consultative Draft of the NPPG on Economic Development, the issues contained therein and the proposed comments to be submitted to the Scottish Executive.

Sustainability Implications

2. The NPPG 2 Economic Development is committed to balancing the needs of Economic Development within the context of social and environmental sustainability and this is to be welcomed. There is also an emphasis on the *encouragement of economic development opportunities in sustainable locations* and a specific mention of the need for Design Quality and Environmental Protection. Further details of these changes, are included in Appendix One of this report.

Background

3. The original NPPG 2 guidance was produced in 1993 and was entitled Industry & Business. The Consultative Draft NPPG 2 – 'Economic Development' was issued for consideration in January 2001, with comments due to the Scottish Executive by 10 May 2002.
4. Prior to the publication of the Consultative Draft, a Scoping Exercise was undertaken in conjunction with the Enterprise Network which examined the national context and the policy influences which were expected to affect the proposed guidance.

Issues

5. Integration with Smart Successful Scotland and the Social Justice Strategy are both referred to as the main policy influences for the revision of this NPPG, but there are no mechanisms given for linkages to them from the Planning System, and no framework given for the future for economic development. There is an opportunity to take national economic priorities down to a local level, however there is a lack of clarity over the process of how this could be achieved, i.e. a spatial framework.
6. In the 1993 NPPG2 – Business & Industry, there was a category of specialised sites entitled Single User High Amenity sites, with a recognised requirement for approximately six sites within the former Strathclyde area. In 1998, a study was undertaken by the Joint Technical Group (Scottish Executive, Locate in Scotland and Scottish Enterprise National) to identify further sites within the Glasgow & Clyde Valley area. Six sites were then part of an Alteration to the 1995 Structure Plan. Within North Lanarkshire, Woodhall/Faskine was restricted to Class IV use due to the sensitivity of its location. This restriction to Class IV use has been omitted in the Consultative Draft and needs to be re-instated. It should also be noted that the category of High Amenity sites within the Consultative Draft no longer has a single user status, nor is there any size or locational specifics identified.
7. The previous NPPG 2 and the Glasgow & Clyde Valley Joint Structure Plan 2000 has reference to Medium Sized Industrial Sites. North Lanarkshire has two sites under this category - Gartcosh and Ravenscraig. The Consultative Draft makes no reference to Medium sites, as the Scottish Executive considers that the local authority level is the most appropriate for designation of such sites if necessary. For North Lanarkshire, future discussions are required in addition to endorsement by Scottish Enterprise National if either Gartcosh or Ravenscraig are to be considered to have local rather than national significance.

8. It is welcomed by North Lanarkshire that Scottish Executive are encouraging development in sustainable locations. Key sites will be those which are highly accessible to an intensive public transport network and by other modes. The recent regeneration and infrastructure works at Gartcosh make this site an ideal location, for both business and employment generated traffic.
9. In 1989, changes were made to The Town and Country Planning (Use Classes)(Scotland) Order which introduced General Industrial Classes 5 & 6, Business Use (Class 4) and Distribution (Class 11). Since then, it has been very difficult in land use terms to differentiate between these uses, particularly since the Glasgow & Clyde Valley Joint Structure Plan 2000 encourages business use in Strategic Business Centres. This Consultative Draft fails to deal adequately with the land use planning implications for Industrial & Business sites.

Conclusion

10. The opportunity to comment on the Consultative Draft NPPG2 – Economic Development is welcomed. The main issue for land use planning in North Lanarkshire is how to encourage an increase in economic development in the area whilst paying due regard to the sustainability of our environment. The business sectors in Scotland were consulted in the preparation of the consultative Draft, therefore the final document needs to be understood by the business community, and to be implemented effectively through the planning system.
11. Overall, this guidance and the change in direction towards due regard for the sustainability of our environment is welcomed. However, this Consultative Draft fails to offer precision and definition in its guidance to the planning system in achieving full integration with the business community.

Recommendation

12. It is recommended that the Committee note the issues raised in NPPG 2 - Economic Development and how it affects North Lanarkshire and to endorse the comments contained in Appendix A to be submitted to Scottish Executive.



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Appendix A

The Scottish Executive - National Planning Policy Guideline 2 - Economic Development.

Paragraphs 1-3 highlight the importance of the integration of land use planning within the context set by the Framework for Economic Development in Scotland (FEDS) in addition to the policies on social justice, community planning, sustainable development, transport, design and the environment.

Comment - Note the National context under which the NPPG has been prepared, but feel that the document as a whole is attempting to accomplish more than what the planning systems is currently capable of achieving.

Paragraph 4 – European Regional Policy

Comment - Note the importance of the European Regional Policy. It would be preferable if the last sentence was altered to indicate that it is the expectation of the EU that spatial strategies are taken into account when the Single Programme Documents are being prepared rather than Development Plan policies written to make best use of the European Funds.

Paragraph 5 – Scottish Economy

Comment - It is noted that the Scottish economy is moving towards a knowledge-based economy. It is acknowledged that locally driven economic activity will not be given less recognition. This is important within North Lanarkshire due to large number of local firms that have been responsible for economic growth in addition to the high levels of inward investment over the last decade.

Paragraph 6 - 8 – Planning policy and provision of sites

Comment - There is no definition of marketable land contained within this draft NPPG2, nor is there a definition of what can be regarded as quality land. It is acknowledged that the planning process is perceived as having a poor understanding of business uses, but it is important that national guidance is given regarding the issue of 'marketability' – which needs to be addressed on two levels – 1) land use planning terms, i.e. the availability of the site
2) in business terms – i.e. where there is a desire from businesses to use this site for industrial / business.

It is difficult to reconcile the requirements of mobile inward investment and the second and third objectives of the NPPG2 – i.e. 'securing new development in sustainable locations' and 'safeguarding the environment'. The business community states that inward investors prefer greenfield locations adjacent to the motorway network, whilst it remains preferable in land use planning terms that development takes place on brownfield land which is located adjacent to the (public) transport network.

Paragraph 9 – Range and choice of marketable and quality sites in accessible locations

Comment - Accessibility in this context should be defined more in terms of public transport, and not simply adjacent to the road network. Recognise that planning policy needs to 'provide the locational framework for employment and development opportunities which reflect the particular circumstances of an area.'

Paragraph 10 – Knowledge-based economy

Comment - Note the change in direction for inward investment to higher value, higher skilled projects. This has implications for the training needs and skills for the working population. These needs can only be provided by others within economic development context and not through the planning system.

Paragraph 11 – Science Parks – will be dealt with in full in paragraphs 20-22

Comment - Note that 'planning authorities should work with universities, colleges and research institutions to provide for the expansion of existing, or the provision of new science and research parks linked by good transport and communications.'

Paragraph 12 – Development of business sites.

Comment - Wording of this paragraph needs to be examined. Whilst it is laudable that development upon previously developed sites is encouraged, particularly when linked to regeneration. The previous NPPG 2 stated that the re-use of land should be a priority. Where it is stated that the development of greenfield sites will be acceptable where they are consistent with other policies – those other policies should be specified. The last two sentences seem to be a contradiction – they suggest that larger sites required for manufacturing industry should be located on out of town sites.

Paragraph 14 – Nationally significant sites.

Comment - The possible sub-division of single user sites is noted. There is no clear guidance however as to the number of larger-scale sites which should be retained for possible future use.

Paragraph 15-17 – High Amenity Sites.

Comment - Note the omission of Single User from the title. There is also no advice on the size of these sites, or on their locational requirements. After the site search which was undertaken to identify, amongst others, Woodhall/Faskine as a High Amenity, Single User Site, this site was added through the Alteration to the 1995 Strathclyde Structure Plan. This site however was specifically restricted to Class IV/ R&D use. This restriction is not stated within the NPPG.

Paragraph 18 – Large Industrial & Business Sites

Comment - Noted that the former Single User site at Newhouse is not safeguarded for future re-use as this is no longer regarded as appropriate.

There is no mention of the category for Medium User site – this means that neither Ravenscraig nor Gartcosh have national status. Given the scale and nature of these sites, it is inappropriate for the status of these sites to be at a local authority level. It is recommended that further discussion re the status of these sites takes place between North Lanarkshire and Scottish Enterprise National.

Paragraph 20-22 – Clusters and Science Parks

Comment - Note the direction that SE is taking re industrial clusters. Additional guidance would be welcomed re the longer-term needs for science and innovation parks. North Lanarkshire could have a role to play in meeting ‘the recognised deficiency in the Glasgow conurbation’ – where is the evidence of this deficiency? Further guidance is required re the site search criteria for science and research parks.

Paragraph 23 – Headquarters

Comment - Justification for greenfield release is relatively ‘open’ and developers are not being persuaded to investigate suitable alternative sites. Welcome the wording ‘exceptional cases’ and the requirement that these sites should have public transport and quality of design. In emphasising the encouragement of economic development opportunities in sustainable locations, there should be reference to the use of Green Transport Plans to integrate with other Executive advice.

Also welcome the resistance to purely speculative proposals, although this requires clarification, as planning permission is granted for a use rather than a specific occupier.

Paragraph 24-26 - Small Businesses

Comment - Note the contribution that small businesses can make to the local economy, particularly in isolated parts of North Lanarkshire. Would contend that the planning system already strives to deliver the three bullet points – i.e.

- development plan policies
- the identification of locational opportunities for small business development and
- the efficient processing of planning applications.

Future guidance requires to be pro-active rather than simply a continuation of current practice. If the planning policies are to be delivered effectively at a local level, the planning system itself needs to be reviewed.

Paragraph 27 – Rural Development

Comment - Noted that development plans should recognise and encourage the potential for small towns to provide employment for the wider local community, including rural and farm diversification. Site search has already taken place re the Forest Industry Cluster, and should be referred to.

Paragraph 29-34 – Integration of transport and economic development.

Comment - Welcome the linkage with NPPG17 and the encouragement of development to be sited where there is a choice of transport and the location is not dependent predominantly on access by car. Also welcome the acknowledgement that ‘the increasingly congested nature of parts of the strategic roads network means that even decentralised locations may experience severe congestion problems’ This is particularly true for North Lanarkshire Council at the Auchenkilns Roundabout at the A80 and the Shawhead Interchange on the A8. The importance of these routes for economic development should support the case for improvements to the road network.

Welcome the introduction of transport assessments, green travel plans and maximum car parking standards – but these policy initiatives need to be countered with a further requirement for an *effective* public transport system – which cannot be directly influenced by the planning system.

Other elements of this guidance seems to be inconsistent with this approach, particularly in Par 33 – ‘The prospect of economic development and new employment should not be lost just because improvements to accessibility can only be achieved retrospectively’ This contradiction needs to be resolved.

Welcome the identification of key sites which are highly accessible to an intensive public transport network. Within North Lanarkshire, Gartcosh is an ideal example, but there is no guidance and to whether these sites are regarded as having local, national or regional significance.

The emphasis used within NPPG17 – Transport is missing within the context of this Consultative Draft, and the opportunity to reinforce the sustainable transport element has been missed. A sequential approach should be taken when identifying new sites for industrial or business use – i.e.

- 1) Review marketable sites currently within system,
- 2) Investigate Brownfield sites not currently identified
- 3) Greenfield sites only where other strong justifications can be met – economic and transport related.

Paragraph 35-40 – Brownfield Development

Comment - Welcome the last sentence that ‘Development plans should therefore promote their reuse where marketable and economically viable sites can be achieved’ Further work is required to be done re the identification of economically viable sites (refer above to comments on Paras 6-8)

The Scottish Executive’s commitment to social justice, economic regeneration and physical renewal is noted, but further reference and a framework for integration with SIP areas is lacking.

Compulsory purchase do have a particular contribution in assembling sites, but local authorities may find it difficult to fund packages. Further reference should be made here regarding public/private partnership arrangements.

Noted that Scottish Enterprise supports 'greater focus in strategic area-based regeneration'. It would be beneficial within the context of this NPPG 2 if the Scottish Executive also was seen to be supporting regeneration, particularly within North Lanarkshire where the large-scale regeneration sites are no longer considered to have national (or regional) significance.

Paragraph 41-43 – ICT, satellite offices and home working

Comment - Welcome the support for ICT, satellite and home working having a role to play in rural areas.

Paragraph 44-51 - Design Quality and Environmental Protection.

Comment - The specific mention for Design Quality and Environmental Protection is noted, however the caveat that development may be permitted on more sensitive locations in order to maintain Scotland's competitiveness is somewhat ambiguous and requires further clarification.

The definition of a 'firm development proposal' needs to be further clarified if this is the main criterion for the justification of green belt release.

Paragraph 52-54 – Promoting a dialogue with the business community.

Comment - Welcome the aim 'to promote a positive culture of engagement' with the business community. Whilst the participation in the Local Economic Forums is recognised as a key role for the planning system, the Forums are task-driven, and will be reviewed in 2003. There requires to be an additional vehicle for collaboration between the planning system and the business community which is more pro-active and has a longer-term strategic vision.

By consulting fully with the business community in the preparation of this Consultative Draft, expectations will have been raised that the planning system will achieve increased prosperity and economic development. There has been no definition within this NPPG of economic development.

Paragraph 54 (and 55) – Implementation. This suggests that the planning system is not currently fulfilling its obligations. If this was the case, this would need to be addressed elsewhere, and not within this NPPG.

Paragraph 56-57 – Development Plans

Comment - Development Plans are not split between Structure & Local Plans. This has the potential to make the strategic role and the role of local planning less apparent.

Paragraph 59 – Development Control

Comment - Noted that development control should be reliable, consistent, speedy and efficient. Again, this requires to be addressed elsewhere, including the funding and staffing levels of local authorities.

Paragraph 64 – Notes

Comment - The change of the name of this Consultative Draft to economic development has been justified as 'reflecting the significant contribution made to the economy by non-manufacturing sectors such as construction, retailing and tourism.' Whilst this is acknowledged, in changing the title to economic development, this NPPG then attempts to cover too many policy issues and a wide range of national issues under the former Industry & Business heading. Many aspects are

therefore only touched upon, and therefore lack clarity and definition and, in reality, will be difficult to achieve under the current planning system.