

Local Government, Housing and Planning Committee

Ivan McKee Minister for Public Finance 9 September 2025

Dear Ivan

Second Annual Review of the National Planning Framework 4

Thank you for giving evidence to the Committee as part of our annual review of NPF4 at our meeting on <u>24 June</u>. As you know, this followed evidence sessions on <u>3</u> and <u>17 June</u> at which we took evidence from planning officers, house builders, built environment professionals, architects and community organisations. I would like to thank all witnesses who contributed to our scrutiny.

This letter sets out the Committee's conclusions and recommendations to the Scottish Government on several key themes.

Background

NPF4 was adopted by Scottish Ministers on 13 February 2023, following its unanimous approval by the Scottish Parliament on 11 January 2023.

The Committee held its <u>first annual review of NPF4 in 2024</u>, holding three evidence sessions. On <u>26 June 2024</u>, the Committee wrote to you on the issues raised.

We raised concerns about—

- the resourcing of planning departments and statutory consultees;
- the work of the national planning improvement champion;
- the role of NPF4 in addressing the housing emergency;
- the apparent ineffectiveness of climate and biodiversity policies in affecting individual planning decisions;
- the increasing administrative burden of new policies on both developers and planning authorities;
- some potentially unexpected impacts of the flooding policy; and
- and a seeming lack of progress on local place plans.

Contact: Local Government, Housing and Planning Committee, The Scottish Parliament, Edinburgh, EH99 1SP. Email localgov.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

You responded to the Committee on <u>30 August 2024</u>. In your response, you signalled your plans for further work on the resourcing issue (which were subsequently actioned and implemented), infrastructure-first approaches, housing delivery, and biodiversity.

Key highlighted initiatives included the Planning Improvement Framework, updated guidance on flooding and soils, and support for community engagement. You also emphasised continued work on masterplan consent areas, compulsory purchase reform, and the infrastructure levy and the NPF Delivery Programme which was subsequently announced. The letter also outlined your ongoing collaboration with statutory consultees and advisory groups, alongside efforts to enhance data and digital tools.

Annual review of the implementation of NPF4 2025

The Committee agreed in December 2024 that before deciding on the focus of its annual check-up on NPF4, it would invite key stakeholders to highlight issues arising from their engagement with the framework. This informed the Committee's focus areas for this year's review. A call for views was issued on 3 February and received 42 responses. Responses can be found here:

Responses to the call for views on NPF4

- Themes raised in the responses include—
- The funding and staffing of planning departments;
- The need for a hierarchy of policy objectives;
- A need for clarity and guidance on the implementation of specific NPF4 policies;
- Concerns about overly rigid interpretations of NPF4 policies and its impact on development;
- Increasing worries about older and out of date Local Development Plans and their impact on decision making; and
- Concerns about progress in the development of Local Place Plans.

Based on these themes emerging from the responses to the call for views, the Committee took evidence from stakeholders at two meetings.

Resourcing of Planning Departments

The Committee acknowledges that planners across Scotland are doing excellent work in challenging circumstances. However, in 2024 we wrote that concerns about planning department resourcing remained as acute as during consideration of the draft NPF4 and this needed to be addressed.

While the Scottish Government's <u>Investing in Planning</u> proposals were welcomed, many stakeholders questioned whether they would solve the issue.¹ In your response to the Committee last year, you said that resourcing the planning system remains your priority.²

The third <u>NPF4 Delivery programme</u> published in October 2024 highlighted several initiatives aimed at increasing the number of planners and their skills, including appointing the national planning improvement champion, bursaries for student planners, review of permitted development rights, and a commencement of a review of compulsory purchase powers.

Despite this, a recurring theme of the evidence the Committee gathered this year was the under resourcing of planning departments.³

For example, Built Environment Forum Scotland (BEFS) argued that limited funding "...greatly restricts the speed and quality of decision-making and shrinks the time and space available for constructive exchange between planning officers and the wider built environment sector."⁴

Number of planners

BEFS was also particularly concerned that many experienced planners have left the sector in the past ten years, and vacant posts are not necessarily being backfilled.⁵ They also said the system is relying on smaller planning teams, in some cases, with less experienced staff. ⁶ The Chartered Institute of Ecology and Environmental Management wrote that $\hat{\mathbf{t}}$ is clear that lack of capacity, particularly within LPAs [Local Planning Authorities], continues to undermine implementation of NPF4."⁷

Expertise

We heard that requirements introduced by NPF4, such as climate impact assessments for some development proposals, are placing an increasing burden on the limited number of suitably qualified planning authority staff.⁸ Increasingly planning authorities are turning to external consultants to assess such reports –

¹ Local Government, Housing and Planning Committee, <u>Letter to the Minister for Public Finance</u>, <u>26</u> June 2024

² Local Government, Housing and Planning Committee, <u>Letter from the Minister for Public Finance</u>, <u>30</u> August 2024

³ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 13; 17 June 2025, 2025 Col 18 and 19; Built Environment Forum Scotland written submission

⁴ Built Environment Forum Scotland written submission

⁵ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 26; 17 June 2025, Col 18

⁶ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 26; 17 June 2025, Col 18

⁷ Chartered Institute of Ecology and Environmental Management written submission

⁸ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 13

adding cost and delay into the already challenging development management process.9

Government interventions

In your evidence you highlighted a number of key initiatives aimed at addressing these issues including the National Planning Improvement Champion, planning hubs for hydrogen and housing and funding bursaries to increase the number of people choosing planning as a profession. When asked about these, some witnesses including RTPI said that still too early to assess the effectiveness of these interventions. 11

Homes for Scotland argued that the housing hub should be further built up to consist of a multi-disciplinary team, to better support planning departments process large or complex housing applications. ¹² Mobile UK asked that the hub be expanded to cover the development of telecommunications infrastructure. ¹³

Earlier this year, the Scottish Government set out the second phase of inflation-linked increases to planning fees which came into force on Monday 9 June 2025. Fees for appeals to Scottish Ministers and fees for local reviews to the Local Review Body were also introduced. However, Heads of Planning Scotland (HOPS) argued that the recent increase in planning fees "...will only keep the status quo and not drive positive change within the system. HOPS note Scotland still drastically lags behind English and Welsh authorities in fee income." 14

Homes for Scotland also advocated ring-fencing planning fee income solely for planning activities. ¹⁵ Others said this is not a solution to resourcing issues in the wider system, with a number of key agencies and statutory consultees also requiring increased funding and staffing. ¹⁶

You also indicated ongoing work with some smaller local authorities to explore opportunities for them to co-operate in sharing resources, particularly specialist resources that are in shorter supply.¹⁷

The Committee will continue to monitor initiatives to improve the resources available to planning departments.

⁹ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 13

¹⁰ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 19 and 22

¹¹ RTPI written submission

¹² Homes for Scotland written submission

¹³ Mobile UK written submission

¹⁴ HOPS written submission

¹⁵ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 27; 17 June 2025, Col 23

¹⁶ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 23 and 24

¹⁷ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 20

We request an update on the resource-sharing work with smaller authorities including timelines and resources involved. The Committee also seeks details of assessment of the impact of the planning fee increases this year.

Implementation of NPF4

The Committee continued to receive calls for the establishment of a clear policy hierarchy to improve certainty in decision-making from several stakeholders, including Aberdeenshire Council, BEFS, and the Royal Incorporation of Architects in Scotland (RIAS). They continued to raise concerns aired last year that the multiple policy priorities set out in NPF4 have created a confusing and sometimes contradictory policy environment for everyone involved with the planning system creating a need for further guidance from the Scottish Government on how to reconcile these priorities. ¹⁹

Stakeholders including RIAS and BEFS also argued that some planning authorities have adopted a very rigid approach to the application of NPF4 policies, meaning that proposals which could support NPF4 policy goals, such as the re-use of existing buildings to reduce the carbon impact of development, are being rejected for failing to meet very detailed requirements of NPF4 policy.²⁰ A specific concern highlighted was the impact this approach was having on small-scale rural housing developments, which cannot meet 20-minute neighbourhood and public transport accessibility requirements. In your response, you indicated that when specific issues with application of policies are identified, you can issue guidance to inform the work of local authorities.²¹

Particular concerns have also been raised about the interpretation of Policy 22 (flood risk and water management) and Scottish Environment Protection Agency's flooding guidance. Some witnesses argued that currently, this is having a significant negative impact on development, particularly on brownfield sites (an area of continued interest of the Committee²²) in town centres which tend to be located in areas prone to flood risk.²³ The Committee notes the letter of the Chief Planner on 11 June on the application of Policy 22 and your statement that you are progressing work on audits of the planning functions at key agencies, including SEPA.²⁴

¹⁸ Aberdeenshire Council, BEFS, and RIAS written submissions

¹⁹ Local Government, Housing and Planning Committee, <u>Official Report</u>, 3 June 2025, Col 13, 15 and 17; 17 June 2025, Col 9; Aberdeenshire Council written submission

²⁰ RIAS and BEFS written submissions

²¹ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 17

²² Local Government, Housing and Planning Committee, <u>Letter to the Minister for Public Finance</u>, <u>26</u> June 2024

²³ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 12, 35 and 36

²⁴ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 18

Scottish Environment Link, Action to Protect Rural Scotland, Heads of Planning Scotland and Planning Democracy raised concerns that guidance on the implementation of NPF4 policies on biodiversity have yet to be formally adopted.²⁵ This is affecting decision making, with some respondents claiming that climate and biodiversity issues are being given little or no weight in many planning decisions because of this.²⁶ Evidence was presented that English biodiversity guidance is being used as a stopgap measure by some developers and authorities.²⁷

BEFS raised others concerns related to the issue of biodiversity focusing on inconsistency of application of NPF4 policies. ²⁸ For instance, the Committee heard that although biodiversity is a central component of NPF4 and housebuilders are actively responding by conducting ecological assessments and including relevant proposals in their planning applications, the requirements differ widely across local authorities. One council may request a specific type of assessment while another asks for something different, leading to inconsistent evaluation of applications from the perspective of applicants.

Some witnesses expressed concerns about the level of resources and staffing the Scottish Government is dedicating to development of relevant guidance documents.²⁹

While the Climate Adaptation Guidance was published in June this year, it took over two years to prepare, and the biodiversity guidance (highlighted in our last year's letter) is still not ready. On 3 June, Scottish Environment LINK said:

"It is important that the guidance is finalised in order to give certainty to everyone—communities and developers. That is the guidance that would apply to environmental impact assessments for major national developments and really big schemes, so it is important that that guidance provides clarity." ³⁰

You undertook to look into this and assess the extent to which resourcing impacts production of guidance.³¹

The Committee is concerned by the pace at which guidance to support the implementation of NPF4 is being prepared. We request an update on how this will be expedited, including what additional resource can be made available to achieve this.

²⁵ <u>Scottish Environment Link, Action to Protect Rural Scotland, HOPS, and Planning Democracy</u> written submissions

²⁶ Scottish Environment Link and Action to Protect Rural Scotland written submissions

²⁷ HOPS written submission

²⁸ Local Government, Housing and Planning Committee, <u>Official Report</u>, 3 June 2025, Col 13; <u>Built</u> Environment Forum Scotland written submission

²⁹ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 5 and 6

³⁰ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 13

³¹ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 15

We also seek details of work you are doing to assess the need for further guidance on local living and 20-minute neighbourhoods, and flood risk and water management, particularly in light of the serious issues highlighted in evidence.

The Committee calls on the Scottish Government to prioritise audits of planning functions at key agencies, including SEPA and would also like to receive an update on this work at your earliest convenience, particularly on the impact of the updates to flood risk assessments.

We also asked about how you aim to ensure that we prevent the destruction of ancient woodlands which can be threatened by planning decisions. In your response you indicated that NatureScot initiated work on the ancient woodland register.³² The Committee will be seeking an update on this work from NatureScot.

Enforcement

We also heard that lack of guidance contributes to ineffective enforcement of the planning conditions. Planning Democracy and Scottish Environment Link voiced particular concerns about NPF4 Policy 3 and the requirement for biodiversity enhancement.³³ We highlighted this to you in our correspondence last year.

It does seem to be linked to the lack of guidance and a lack of enforcement of planning conditions aimed at delivering biodiversity goals. Witnesses argued that conditions are often not complied with and that enforcement seems to be relatively rare.³⁴

The Scottish Environmental Planning Group told us that, as far as they know, the Scottish Government does not monitor the incidence or effectiveness of planning enforcement.³⁵ Some witnesses also called for more ecological training for planners so that they are better prepared to formulate robust conditions.³⁶

You said that you are committed to engaging with Planning Democracy, who conducted initial research of how planning conditions are used and enforced in Scotland.³⁷

The Committee in concerned by suggestions of a lack of enforcement of policies on biodiversity enhancement. The Committee welcomes your

³² Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 6

³³ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 14

³⁴ <u>Planning Democracy written submission</u>; Local Government, Housing and Planning Committee, <u>Official Report</u>, 3 June 2025, Col 29

³⁵ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 29

³⁶ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 8

³⁷ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 7

undertaking to engage further with stakeholders on this issue and requests an update on the outcomes of these discussions.

Local Development Plans

Of the 32 local authorities, 20 currently have outdated local development plans (LDPs). 38 Although work on new LDPs is in progress, many planning authorities do not expect to adopt updated versions until between 2028 and 2030.³⁹ This means that, during the current 2023-2028 period, an increasing area of Scotland will be covered by out-of-date plans which some witnesses argue hampers development and discourages investment due to uncertainty about priorities.[16]

In your evidence, you indicated that you are following the progress of local authorities in preparing local development plans and monitoring the situation to understand any risks.40

The Committee would welcome an update on the most recent assessment of this risk.

In the context of expected delays, Homes for Scotland called for reintroduction of the presumption in favour of sustainable development as a temporary release clause for unallocated sites until new a LDP is published, or the housing emergency is addressed, in a council area. 41 Scottish Environment LINK would not support this and argued that it could create uncertainty around unallocated sites and potentially limit the community engagement with the local development plans.⁴²

The Committee also looked at the challenges in developing new LDPs, particularly at rejection of evidence reports for new LDPs at the 'gate-check'. Every planning authority must produce an evidence report, which sets out the evidence to be used in drafting an LDP. The evidence report is considered by an independent Reporter in the gate-check exercise. The Reporter decides whether the evidence base is sufficient or that further evidence needs to be gathered. If further evidence is needed, then the authority will be required to gather and resubmit the evidence report for further consideration. The Committee recognises that the gate-check is a new addition to the LDP process and acknowledges that early-stage challenges are to be expected. However, it is noteworthy that out of nine reports, only six have passed the gate-check.

³⁸ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 12

³⁹ Homes for Scotland, HOPS, and RTPI written submissions

Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 4
Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 18

⁴² Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 18 and 19

In your evidence you indicated that you organised dedicated sessions for local planning authorities to discuss issues with the gate-check process.⁴³

The Committee hopes that this will increase the level of understanding of how to successfully meet the requirements of the gate-check process and this will be reflected in the new success-rate figures.

Local Place Plans

We heard of the significant potential of Local Place Plans (LPPs) and the vital role they can play in fostering a well-functioning planning system. ⁴⁴ Evidence presented highlighted inspiring examples of communities that have developed engaging, collaborative LPPs —empowering them to pursue a wide range of initiatives and influence the priorities of other stakeholders. ⁴⁵

However, the Committee heard about the complexity of the process, how the scope varies from place to place, the resource that is required, the unevenness of take-up and how the timelines work in conjunction with the local development plans.⁴⁶

Planning Aid argued that "The absence of dedicated funding for Local Place Plans raises questions about the ability of communities, particularly marginalised ones, to participate effectively in the planning process." ⁴⁷

There is currently no national database of LPPs, making it difficult to see what communities are planning or have already implemented—limiting opportunities for shared learning and collaboration. ⁴⁸ Following the evidence sessions, the Committee decided to <u>write to all local and national park authorities</u> to seek more information about the registered and in-development LPPs.

While much of the progress depends on community-led efforts, a lack of visible support and impact can lead to disillusionment—not just with LPPs, but with the planning system as a whole.⁴⁹ If the time and resources invested do not result in meaningful change, communities may become discouraged and disengaged.

In your evidence, you indicated that the legislation "deliberately set quite a low bar in relation to what needs to be in a local place plan" and stressed the requirement for

⁴³ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 13

⁴⁴ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 20

⁴⁵ Local Government, Housing and Planning Committee, <u>Official Report</u>, 17 June 2025, Col 21; Scottish Community Development Centre written submission

⁴⁶ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 20; 17 June 2025, Col 20 and 21

⁴⁷ Planning Aid written submission

⁴⁸ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 21

⁴⁹ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 36

planning authorities to consider LPPs when developing their Local Development Plans.⁵⁰

The Committee seeks details of the work the Scottish Government is considering to appropriately resource the communities working on LPPs and to establish a national LPP database and resource centre.

Housing Emergency

It is notable that NPF4 was drafted before the declaration of the housing emergency. In relation to this, the Committee received a range of views regarding the need to adjust the framework.⁵¹ Moreover, it should be noted that housing delivery is influenced by more than just planning policy—it's also shaped by financial factors, land prices, investor confidence, and broader policies such as rent controls. These elements significantly affect the feasibility of delivering housing under NPF4.⁵²

Following the conclusion of Committees evidence sessions, on 1 July 2025, the Committee received a <u>letter from the Cabinet Secretary for Housing</u> outlining the Scottish Government's response to housing emergency.

The Committee would welcome an update on two planning-related initiatives mentioned in the letter, specifically on the progress towards the 23 actions included in the Planning and the Housing Emergency Delivery Plan as well as on the work of the Short Life Working Group on planning.

Accessibility of NPF4 and related documents

In its submission to the Committee, the Royal Town Planning Institute (RTPI) called for a more accessible and dynamic presentation of NPF4 and any other relevant regulations, guidance and policy documents.⁵³ On 17 June, Dr Caroline Brown, director of Scotland and Ireland at RTPI said:

"It is more about the presentation of NPF4 in the light of the continuous issuing of guidance. We recently had a chief planner letter on policy 22, and we had the guidance on climate resilience last week. However, when we look at the text of NPF4, we see that those new bits of guidance, and clarifications in the form of letters and supporting documents, are not linked to the policies. We were arguing for them to be linked so that things are not missed—for example, a chief planner letter that may clarify the interpretation of a particular policy. [...] Rather than having a static PDF document on a web platform, a dynamic document would allow links to be made to other policy areas, both inside and outside planning. NPF4 is helping to deliver many of the Scottish

⁵⁰ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 15

⁵¹ Local Government, Housing and Planning Committee, Official Report, 17 June 205, Col 12

⁵² Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 12; 24 June 2025, Col 8

⁵³ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 28

Government's other ambitions, and it is important to link to new documents when they emerge, whether they relate to housing, transport, nature networks or something else.⁵⁴

In your evidence, you indicated that you would reflect on and consider how it can be implemented.⁵⁵

The Committee supports the view that NPF4 should be easily accessible and bring together all current policy and comment on planning in one place. The Committee recommends the Scottish Government consider what can be done to achieve this level of accessibility.

Impact assessment

A number of stakeholders stated that currently we are still unable to assess the impact that NPF4 is having on the location, type, and form of development in Scotland.⁵⁶

Much of the evidence presented to the Committee, including your own, has primarily focused on procedural aspects rather than the outcomes achieved by NPF4 since its introduction.⁵⁷ Some witnesses said that they would like to see more emphasis on evaluation and monitoring of whether NPF4 is delivering good outcomes.⁵⁸ Dr Caroline Brown, director of Scotland and Ireland, Royal Town Planning Institute, said:

"There must be reporting against outcomes and it must be evidence based. We have talked about evidence a number of times. Having evidence is really important so that these sessions are not just a matter of putting a finger in the wind to find out what people think or feel about something; there needs to be data or figures to look at. There are things in the system that you can quantify and there are things that are harder to quantify, but we need to look at what the evidence base is. That is really important, because we want NPF4 to work and we want it to be up to date." ⁵⁹

The Committee notes Government commitment to monitoring and impact assessment expressed in the third <u>NPF4 Delivery programme</u> published in October 2024 which states that:

⁵⁴ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 21 and 34

⁵⁵ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 26

⁵⁶ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 13; 17 June 2025, Col 2

⁵⁷ Local Government, Housing and Planning Committee, Official Report, 3 June 2025, Col 13; 24 June 2025, Col 4

⁵⁸ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 4, 5, 29 and 30

⁵⁹ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 30

"During the last year we have been developing our approach to monitoring and measuring progress on NPF4's impact. The speed of change will vary both across the country and between policy areas. It is important to monitor long-term change and for the monitoring framework to evolve over time. Given the significant lead-in time for development projects, trends will likely not emerge for some time and will not be wholly attributable to the impact of NPF4: A broad range of influences will be at work, among which planning has a key role in creating the circumstances for, and overcoming barriers to, change."

The Committee heard specific examples of areas that could be assessed using quantitative measures such as housing numbers, biodiversity and 20-minute neighbourhoods.⁶⁰

In your response to queries on evaluation, you did not indicate that there is comprehensive monitoring of how specific policies are applied or how and to what extent NPF4 achieves positive outcomes for areas like biodiversity, the housing emergency or sustainability of our communities.⁶¹

The Committee would welcome an update on how the Scottish Government is progressing its work on developing its approach to monitoring and measuring progress on NPF4's impact and, in particular, how it plans to incorporate the measurable indicators suggested to the Committee in evidence.

On behalf of the Committee, I request a response to this letter by 21 October 2025.

Yours sincerely,

Ariane Burgess MSP Convener

⁶⁰ Local Government, Housing and Planning Committee, Official Report, 17 June 2025, Col 31

⁶¹ Local Government, Housing and Planning Committee, Official Report, 24 June 2025, Col 4