Local Government and Communities Committee

Planning (Scotland) Bill

Submission from Glasgow City Region

Dear Sir/Madam

Thank you for the opportunity to provide our views on the Planning (Scotland) Bill to the Local Government and Communities Committee.

Please find the response of Glasgow City Region (GCR) attached. GCR has taken the opportunity to engage with the Scottish Government throughout the review of the planning system and has previously provided comments on the People, Places and Planning consultation document in March 2017 and the Position Statement issued by the Scottish Government in August 2017. The views now submitted to the Committee reflect the comments we submitted to these consultations.

As you will be aware, GCR has set out its vision, aims and key actions to 2035 in the GCR Regional Economic Strategy, launched in February this year, and the accompanying Economic Action Plan. Work on delivering the identified actions is now under way and we strongly support the strengthening of the land use planning system to provide a clearer focus on delivering these, particularly in relation to infrastructure and development. The Strategy and Action Plan demonstrate our strengthened focus on collegiate working involving the eight local authorities comprising GCR, partners in the public sector, academia and our business community, as a means of successfully achieving our shared ambitions for the region. We view the Planning Review as a welcome and important opportunity to further promote effective partnership working between regional interests, the Scottish Government and its agencies, and the private sector, towards delivering sustainable and inclusive economic growth for the City Region. We consider it important that the role of GCR in co-ordinating and delivering inclusive economic growth in the City Region is fully recognised and embedded within future legislation.

We also welcome the Scottish Government’s stated commitment to ensure that the review of the planning system is aligned with its recently published Enterprise & Skills Review and the review of the National Transport Strategy. Co-ordination across these areas is fundamental to the success of our regional and national economy and we look forward to working with the Scottish Government on this in the future.

GCR would be pleased to provide any further evidence or information which the Committee may require to support their consideration of the Bill.

Yours sincerely

Councillor Susan Aitken
Leader of the Council
Glasgow City Region (GCR) welcomes the opportunity to provide comments to the Local Government and Communities Committee in relation to the proposed Planning (Scotland) Bill. Responses are provided to questions 2, 3 and 8 which cover the key areas of interest for GCR.

**Q2 - To what extent will the proposals in the Bill result in higher levels of new house building? If not, what changes could be made to help further increase house building?**

The policy objectives of the Bill, including the wish to “strengthen the strategic role of planning in co-ordinating and supporting the delivery of infrastructure needed to support development, including much-needed housing” are supported by GCR.

GCR recognises the vital contribution that housing and infrastructure makes to delivering the ambitions for the City Region as set out in the Clydeplan Strategic Development Plan (SDP) (July 2017) and the GCR Economic Strategy and Action Plan (February 2017). The City Region will continue to work proactively with all those with an interest in this area to achieve those ambitions.

As acknowledged within the Joint Housing Delivery Plan for Scotland and its 34 actions, the activities required to address housing delivery are many and multi-facetted. Planning plays just one part in the delivery pipeline.

The current planning context for housing within the Glasgow City Region is working well. Within the GCR, the identification of housing aspirations for this region in the order of 110,000 homes to 2035 has been derived through a coherent understanding of the functioning of the housing system in this area, developed through effective partnership working. This aspiration reflects the position identified within the GCR regional spatial strategy (Clydeplan SDP), and land has been identified to more than meet that aspiration. Completions are currently improving year on year and land is available to facilitate 7,500 homes per annum which would if delivered, exceed the housing aspirations for this area.

However, despite land availability, housing delivery in the post recessionary period remains challenging. To name a specific issue in this city region, action is required to support brownfield development, which has significantly reduced since peak levels in 2007/08. In recognition of this, the infrastructure interventions being implemented through the City Deal Programme are essential in assisting delivery, particularly in areas most in need of regeneration. The existing GCR regional spatial strategy (Clydeplan SDP) provides a context for joint strategic actions to support delivery and activities are being prioritised including local authority and registered social housing direct delivery; land assembly; and the reuse of vacant and derelict land. In addition, the RES Economic Action Plan commits the GCR to work with government on the use of public surplus land for housing led development. Public sector led delivery activities of this nature, require to be supported and strengthened to achieve the higher levels of housebuilding sought.
GCR has also committed to preparing a regional housing strategy, supported by a co-ordinated Housing Investment Plan, bringing together all local authorities and housing partners. Alongside this, the GCR will continue to explore alternative funding models and funding streams, to address directly the identified matters impacting on delivery. This may result in the identification of further infrastructure interventions and funding initiatives requiring direct funding.

However, it is our view that revisions to the planning legislation cannot, in isolation, deliver on the aspiration to deliver more homes. Increased investment in infrastructure delivery and improved alignment of public and private sector infrastructure programmes is essential to support a transformation in the rate of housing delivery. We therefore welcome the Scottish Government’s commitment to increase investment in infrastructure and affordable housing delivery in the 2018/19 budget, and the recognition that the private sector has a key role to play in addressing housing need. It is also essential to ensure that this delivery occurs in the right locations to support economic and social regeneration objectives, including those embodied in the Glasgow City Region Economic Action Plan.

While the proposed duty in section 1 and 7 of the Bill for key agencies to co-operate with Scottish Ministers in preparing the National Planning Framework is welcomed, it would be beneficial to extend this to contain a requirement for the delivery programmes of the key agencies to be fully aligned with the NPF and Local Development Plans. This would help ensure that required infrastructure is delivered in the right places and at the right time to unlock housing development and accelerate delivery. Working with Scottish Government and other partners, GCR would envisage the regional spatial strategy being developed to more fully act as the co-ordinating framework for delivery of development in the city region. Linking to the NPF and Local Development Plans, the spatial strategy will provide the spatial dimension for delivery of the growth ambitions contained in the Regional Economic Strategy and Action Plan, by assisting in co-ordination of key infrastructure investment in the City Region and therefore boosting delivery of housing.

**Q3 - Do the proposals in the Bill create a sufficiently robust structure to maintain planning at a regional level following the ending of Strategic Development Plans and, if not, what needs to be done to improve regional planning?**

The Bill represents an important opportunity to lay the foundation for more effective co-ordination in our region to deliver GCR’s vision for “a strong, inclusive, competitive and outward-looking economy, sustaining growth and prosperity with every person reaching their full potential”, and the Scottish Government’s central purpose to “create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth”.

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The planning authorities in the Glasgow City Region have already demonstrated a strong commitment to the type of regional partnership working envisaged by the Scottish Government and described in the Policy Memorandum. The existing planning system has many positive aspects and has been an important contributor in the successful delivery of regeneration and economic growth in the Glasgow city region in recent years. We welcome the opportunity presented by legislative change for closer and more collaborative working between local and Scottish government, and with the key agencies, developers and other stakeholders to achieve more rapid housing delivery and to accelerate sustainable economic growth. The most recent chapter in the history of collaborative leadership in the region has been the securing of £1.13 billion of City Deal investment to further boost the region’s economy. This has been accompanied by the establishment of a new vision of sustainable economic growth through the formation of GCR and the launch of its Regional Economic Strategy and Economic Action Plan.

The ambition to improve housing delivery and increase employment opportunities is at the core of the 11 objectives set out by GCR in its Strategy and translated into a range of supporting actions in its Action Plan. The collaborative work forged by the eight Clyde Valley local authorities through Glasgow City Region and Clydeplan provide the basis for an effective new regional planning partnership, which would prepare a regional spatial strategy to support delivery of the Economic Strategy, and which could be incorporated into the City Region governance framework.

It is important to GCR that a robust, credible form of regional planning should not only continue to exist in the City Region, but should be even more effective in supporting sustainable economic growth in the future than it has been in the past. It is therefore essential that the new arrangements for regional planning fully support the policy objective of the Bill, set out in the Policy Memorandum, to “strengthen the strategic role of planning in co-ordinating and supporting the delivery of infrastructure needed to support development, including much-needed housing”.

Greater clarity is needed on how the removal of statutory strategic development plans and their replacement in the NPF by the introduction of a “more focused strategic planning element at the regional scale, in addition to its existing national planning focus”, will achieve this. While the Scottish Government has committed to support regional planning partnerships, this would be on a discretionary basis only. It is recognised that the Bill includes a new duty for planning authorities to assist the Scottish Ministers in preparing the NPF and provision for two or more planning authorities to co-operate with one another when preparing this information. However, this appears to be primarily focused on the collation and preparation of analytical information and evidence to support the production of the NPF. Despite delivery being a priority for the new planning system, the Bill does not include any provision to improve collaboration between planning authorities through the formation of regional planning partnerships, or a requirement for key agencies and the Scottish Government to work together with regional partnerships to align their delivery programmes and
collaborate to overcome constraints to development. We would consider this to be a deficiency in the Bill as it currently stands.

It is noted that Scottish Ministers will maintain responsibility for adopting the finalised NPF (following parliamentary scrutiny). However, GCR would wish to see a requirement in the Bill for the Scottish Government to consult with, and justify any variation from, the views of Glasgow City Region as expressed in the Regional Economic Strategy and accompanying regional spatial strategy, before finalising the NPF for parliamentary scrutiny. Furthermore, it is essential that GCR should have the opportunity to participate in the parliamentary scrutiny process where any differences of opinion remain between it and the Scottish Government on the content of the NPF as it affects the City Region. The proposed provisions of the Bill would have the effect of transferring decision making on strategic planning from the eight planning authorities in the Glasgow City Region to the Scottish Government by abolishing Strategic Development Plans and enhancing the role of the NPF. Councillors in the City Region are well placed to take a view on the economic, social and environmental needs of their area, are closest to the views of people in the region, and should therefore continue to have a statutory role in taking decisions on how their area should grow and develop. Glasgow City Region has also developed close working relationships with academia and business in the region who have been involved in developing the vision and objectives of the Regional Economic Strategy. It is therefore important that this voice is heard, that the NPF should support the Strategy’s vision and objectives, and that local views and knowledge are fully taken into account in the preparation of the NPF.

Furthermore, to ensure the future success of regional planning, it is proposed that the legislation should make provision for, or include provision for secondary legislation covering:

- Statutory status for regional spatial strategies which set out regional priorities and an action plan for their delivery, where regional partnerships choose to prepare these. These should cover strategic planning issues including housing, economic regeneration, transport, climate change adaptation and green infrastructure. In the Glasgow City Region, in the same way that the NPF is the spatial expression of the Government Economic Strategy, the regional spatial strategy would form the regional expression of the GCR Regional Economic Strategy;
- the need to align the NPF with regional spatial strategies, and associated regional strategies including regional economic and transport strategies;
- regional delivery plans which would accompany the regional spatial strategy, and which should be co-ordinated by the regional partnerships (including Glasgow City Region), working in collaboration with the Scottish Government, key agencies and private sector developers; to co-ordinate programming and delivery of strategic projects, including the planning process, programming of infrastructure funding, and land assembly to deliver commitments set out in the NPF and regional spatial strategies.
Q8 - Is the proposed Infrastructure Levy the best way to secure investment in new infrastructure from developers, how might it impact on levels of development? Are there any other ways (to the proposed Levy) that could raise funds for infrastructure provision in order to provide services

It is recognised that the Scottish Government are committed to increasing funding to support development and infrastructure delivery. The commitment in the 2018/19 budget to establish the Building Scotland Fund, provide initial capitalisation for the Scottish National Investment Bank which could be used to secure infrastructure to stimulate and support new development including housing, increase affordable housing funding, and continued support for City Region Deals are all particularly welcomed as evidence of the Scottish Government’s commitment to infrastructure and housing delivery.

GCR take the view that while an Infrastructure Levy may have some value in supporting the delivery of strategic infrastructure in certain areas, this is likely to be limited. It is unlikely to yield the significant funding that is required if a step-change in the pace of delivery of housing, particularly affordable housing, and commercial delivery is to be achieved. The levy should therefore not be seen as an alternative to increased direct public funding for infrastructure delivery which would be essential if the Scottish Government, and Glasgow City Region’s, aspirations for sustained growth and increased prosperity are to be met.

Within the Glasgow City Region area, reduced levels of private sector delivery activity is a particular problem, particularly in those areas of the region suffering high levels of deprivation and in particular need of social and economic regeneration. The City Region will continue to work with the industry to develop a fuller understanding of the impediments to delivery in these areas, and recognises that a key factor relates to development viability and marketability.

GCR are concerned that the imposition of a levy could be perceived as an additional tax on investment, further reducing the viability of developing vacant and derelict sites that are a priority for regeneration, and placing greater pressure on greenfield releases to meet housing demand. This would be environmentally unsustainable and could operate against the delivery of social and economic regeneration where it is most needed. Direct funding of regional infrastructure delivery programmes through partnerships such as GCR is therefore essential if the sustainable economic growth and increased housing delivery is to be successfully achieved.

Nevertheless, while the provisions in the Bill for an Infrastructure Levy are unlikely to substantially contribute to infrastructure requirements to unlock development potential in the areas of greatest need, it is accepted that capturing land value uplift may have a role to play in contributing to provision of infrastructure and services. While the Scottish Government have commissioned research on the value of a levy no model has yet been proposed that addresses the concerns relating to the possible negative impacts on development viability and displacement of development to sites that are less challenging to develop
as outlined above. If the provisions for an Infrastructure Levy are retained in the Bill, it is essential that these issues are resolved and that secondary legislation provides for a system that pro-actively encourages the development of vacant, derelict and hard to develop sites.

Strong, well-co-ordinated regional infrastructure delivery programmes are an essential basis for infrastructure delivery across Scotland. The Bill should include provision for a regional economic stimulus package, which could include the City Deal Infrastructure Fund and an expanded Infrastructure Investment Programme. The funding packages should identify future priorities for infrastructure and housing development, be agreed with regional partnerships on an annual basis, and align with the 10 year horizon envisaged for the National Planning Framework and Local Development Plans.

The Bill should also make explicit provision for key agencies, local authorities and the regional partnerships to collaborate in the delivery of infrastructure supported by the economic stimulus packages. This collaboration should also extend to ensuring that public sector land disposals and infrastructure investment programmes are well co-ordinated, to provide a strategic framework to support sustainable economic growth across Scotland’s regions. GCR would welcome the opportunity to co-ordinate and lead this process in the Glasgow City Region while also working with the private sector on land releases, removal of constraints to development and support of housing delivery through the planning system.

While Places, People and Planning rejected the introduction of a new infrastructure agency specifically for Scotland in favour of a national infrastructure delivery group, GCR would welcome the introduction of a stronger statutory basis for an infrastructure delivery body in the Bill. A clause should be included in the legislation enabling Scottish Ministers to establish a new or issue a remit to an existing agency or commission to support infrastructure delivery in Scotland, and providing a duty for key agencies to collaborate with this agency in support of the objectives of the Scottish Government and regional partnerships. This would enable further discussion on this option and the possible future establishment of such an agency. GCR would welcome a defined role for the National Infrastructure Commission and believes that significant benefits could be achieved from its involvement in assessing infrastructure requirements in Scotland and in terms of support for infrastructure delivery to deliver the objectives of regional economic and planning partnerships.