

Official Report

RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE

Wednesday 19 February 2014

Session 4

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RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE 4th Meeting 2014, Session 4

CONVENER

*Rob Gibson (Caithness, Sutherland and Ross) (SNP)

DEPUTY CONVENER

*Graeme Dey (Angus South) (SNP)

COMMITTEE MEMBERS

*Claudia Beamish (South Scotland) (Lab) *Nigel Don (Angus North and Mearns) (SNP) *Alex Fergusson (Galloway and West Dumfries) (Con) *Cara Hilton (Dunfermline) (Lab) *Jim Hume (South Scotland) (LD) *Richard Lyle (Central Scotland) (SNP) *Angus MacDonald (Falkirk East) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Derek Mackay (Minister for Local Government and Planning) Paul Wheelhouse (Minister for Environment and Climate Change)

CLERK TO THE COMMITTEE

Lynn Tullis

LOCATION

Committee Room 2

Scottish Parliament

Rural Affairs, Climate Change and Environment Committee

Wednesday 19 February 2014

[The Convener opened the meeting at 10:00]

Decision on Taking Business in Private

The Convener (Rob Gibson): Good morning and welcome to the fourth meeting in 2014 of the Rural Affairs, Climate Change and Environment Committee. Members and the public should turn off phones and other electronic devices that can affect the broadcasting system.

Agenda item 1 is a decision on taking business in private. Does the committee agree to take in private at future meetings the consideration of its draft report on the draft third national planning framework?

Members indicated agreement.

National Planning Framework 3

10:01

The Convener: We move on to agenda item 2, which is an evidence-taking session on the draft third national planning framework. I can definitely call the meeting historic in the true sense of the word, because we have before us two ministers: Paul Wheelhouse, the Minister for Environment and Climate Change; and Derek Mackay, the Minister for Local Government and Planning.

Good morning, ministers. I welcome you both and your officials. We want to fire on with questions to you rather than have any statements but, if you want to say a few words, we are happy for you to do so.

The Minister for Environment and Climate Change (Paul Wheelhouse): Thank you, convener. I am pleased to give evidence to the committee on the rural and climate change aspects of the proposed national planning framework 3. I am also delighted that my colleague Derek Mackay, the Minister for Local Government and Planning, has joined me to respond to any questions that you have on the spatial planning strategy of the proposed NPF3, given that planning strategy is the purpose of the document.

The proposed national planning framework 3 is the spatial planning expression of the Government's economic strategy. It is about facilitating and delivering, with appropriate safeguards, our ambition to create high-quality places that support sustainable economic growth across the country and about realising Scotland's opportunities for development and investment. It brings together our plans and strategies to provide a coherent vision of how Scotland, as a place, should evolve over the next 20 to 30 years.

From the beginning of the process, the Scottish Government has been clear that the review of the national planning framework and the Scottish planning policy should focus on planning for economic recovery, sustainable economic growth and the transition to a low-carbon economy. Looking across Scotland as a whole, that approach plays to our strengths and highlights where planning can help to reduce disadvantage.

Witnesses have already provided evidence on rural and climate change matters. Sustainability in its broadest sense, the impacts of and adaptations to climate change, and the facilitation of vibrant rural communities are clearly important considerations that have attracted considerable thought and debate. I turn to our vision of a sustainable rural Scotland. The vision that we seek to deliver for our overall future development would result in Scotland being described as a successful, sustainable place, a low-carbon place, a natural, resilient place and a connected place. The proposed NPF3 applies that vision to our cities, towns, villages, rural areas, coast and islands. We recognise the many demands that are placed on rural Scotland and our natural resources and we want rural Scotland to be vibrant and to provide high-quality places to live, learn and work. To achieve that, we need to be positive about development and ensure that it works in sympathy with the environment as far as possible.

The proposed NPF3 recognises and supports the stewardship of Scotland's outstanding and environment much-cherished natural and ecosystems. Even many of what we now regard as natural landscapes have, in fact, been heavily shaped by mankind. Our rural environment is shaped by the activity on it and our strategy is informed by and relates to our land use strategy. It aims to improve the links between Scotland's people and Scotland's land, promote, sustain and protect the irreplaceable features in our landscapes and improve the condition of degraded ones.

Renewable energy is currently the subject of significant public debate. Although there is much to be aained from microrenewables in communities throughout Scotland, many of the future opportunities for investment in renewable energy projects-whether they be wind, hydro, wave, or tidal-will lie in our rural areas and around our coast and islands. Therefore, it is important that the proposed NPF3 aims to ensure that planning continues to protect our natural resources and use them sustainably to benefit tourism, food and drink, aquaculture, forestry, fishing and farming. Our spatial strategy notes the need to ensure that negative impacts on communities from fossil fuel or mineral extraction activities are avoided and that, given the significant legacy that can result, sites are restored appropriately.

Developing a transport and communications infrastructure for the 21st century is crucial to rural Scotland, and our support for a national digital fibre network, combined with more traditional forms of transport, communication and walking and cycling, will further reduce perceived or actual disparities between urban and rural areas. That will support existing communities and businesses, as well as create opportunities for them to grow. In combination, those aspects offer significant career opportunities, support a diverse rural community and economy, and contribute to meeting a vision whereby rural Scotland has a level playing field on which to compete for employment and prosperity. As committee members will acknowledge, Scotland has among the highest levels of ambition in the world on climate change. Our stretching targets will, by their nature, be a challenge, but a challenge that we can meet. Our planning system will have a significant influence on delivery. NPF3 takes forward our greenhouse gas emissions reduction commitments, focusing on the issues that have a clear spatial dimension.

We see Scotland as having a living landscape one that can be considered in the round for all of the potential that it provides, through sound management that is in sympathy with nature. Our strategy includes the promotion of rivercatchment-scale flood risk management, delivery of our targets for woodland planting and the fulfilling of our desire for a significant scaling up of peatland restoration to improve the condition of Scotland's 1.8 million hectares of peatland, which are thought to store 1.6 billion tonnes of carbon dioxide equivalent.

Our strategy explains what the crucial decarbonisation of both the energy and transport sectors will mean for Scotland as a place and highlights where there will be clusters of development to facilitate that.

I welcome the opportunity to discuss the proposed NPF3 with the committee, along with my colleague Mr Mackay, and I look forward to answering your questions.

The Convener: Mr Mackay, are you happy just to respond to questions?

The Minister for Local Government and Planning (Derek Mackay): I know that you are keen to move on, convener, so I am happy to do so.

The Convener: Very good.

I want to ask about synchronicity. The spatial planning framework in NPF3 has to articulate with the Scottish planning policy 3, the report on proposals and policies 2 and the land-use strategy that was mentioned in the preamble. How do you see us providing that synchronicity in the final document?

Derek Mackay: That is an excellent question. For the first time, we have taken the opportunity to consult on a revised Scottish planning policy at the same time as reviewing the NPF. That seems common sense. It is timely and it ensures that planning policy is updated at the same time as we deliver the spatial strategy. Also, when we have conversations such as this one as part of the Parliamentary inquiry, the issue of Scottish planning policy is inevitably raised.

The initiative is timely and effective. I think that there are mutual benefits in having the review at the same time as the consultation, as that will enable us to produce co-ordinated documents in relation to SPP and NPF3. Further, there is the relationship with other Government strategies such as the Government's economic strategy, the transport strategy and the land use strategy, all of which have fed into NPF3. All those strategies are utilised in their own right, either in Parliament or in other places, but they have now come to a spatial expression through NPF3, which is at the top of the planning hierarchy.

I do not have to tell the committee that NPF3 is not a spending document or a project planner as such; it is a planning document that helps to guide planners with regard to their consideration of material considerations. To others, I suppose that it is an investment document that contains information about where we think development will feature in the Government's strategies. Therefore, the strategies inform each other. If I may say so, there is a symbiotic relationship with other strands of Government work.

The Convener: "Symbiotic"—that sounds very joined up.

The Scottish Environment Protection Agency was concerned that NPF3 should look carefully at issues other than the energy sector and its effect on climate change, and that it should also examine peatland protection, the delivery of zero waste and support for low-carbon patterns of development. We will ask specific questions about those things, but can I take it from your answer that you consider that those issues are included sufficiently in the symbiosis that you talked about in relation to NPF3?

Derek Mackay: I believe that they are. NPF3 will set out the planning certainty and what is appropriate for the planning system. However, in relation to the impact on climate change targets and adaptation, anything further than that would be for Mr Wheelhouse to pick up, because that is clearly an issue for a delivery strategy rather than a planning document. That said, NPF3 also includes an action plan and the monitoring statements.

We have put a great deal of effort and attention on energy policy into the revised SPP and NPF3, because clarity and a great deal of guidance are required, partly because of the controversial nature of such developments, especially those that are related to wind energy. However, that is not to say that wind energy is more of a priority than other forms of energy generation; rather, it is just that more narrative and guidance are required to help navigate through the issues. We cover that as fully as we can as part of NPF3, but the further work that lies behind the issues is for the relevant minister. For example, my colleague Mr Brown, the Minister for Transport and Veterans, will have responded on decarbonisation of the transport system at the relevant committee. Indeed, behind every part of NPF3 are the various strands of Government work that ministers answer for in their strategy documents and investment plans. Peatlands is an example of where we give greater protection in the planning policy but, if the committee was to probe further on peatland delivery and restoration, you would find that the Minister for Environment and Climate Change tackles those matters through his portfolio.

The Convener: We will come on to peatland.

Paul Wheelhouse: I will make some general comments in answer to your question. From my portfolio perspective, NPF3 very much complements the other strategies for which I have responsibility, including those on biodiversity, land use and climate change. Mr Mackay's point about the work of other ministers, such as Mr Brown on transport, applies. Therefore, although I would not expect NPF3 to reflect the full extent of the second report on proposals and policies and the land use and biodiversity strategies, it supports what I am trying to achieve in my portfolio. We have worked hard together to ensure that NPF3 reflects and links to those documents, so that people are signposted to appropriate advice. However, we are working in the background on, for example, the zero waste strategy and other areas to develop the detail of our implementation approach.

Claudia Beamish (South Scotland) (Lab): On page 20 of NPF3, in chapter 3, which is called "A low carbon place", it states:

"Our ambition is to achieve at least an 80% reduction in greenhouse gas emissions by 2050."

Is that a robust enough statement in view of the fact that we are legally bound to that target through the Climate Change (Scotland) Act 2009? Is "ambition" the appropriate word to use? A section on RPP2 in an earlier version of NPF3 has been taken out, so how can we assess how NPF3 is functioning with regard to RPP2?

Paul Wheelhouse: Mr Mackay will talk about how the document was drafted and I will address your question about the use of the word "ambition".

As I am sure that Claudia Beamish is aware, we have a 2020 target of a 42 per cent reduction in emissions. Given the change in the baseline figure, that means that in practice we have to achieve an absolute target of 44.2 per cent. However, our ambition is to reach a minimum 80 per cent target, which is the minimum that science is telling us that must be achieved by 2050. We will try to overachieve where we can, but our ambition is to achieve the reduction in greenhouse gas emissions a lot faster than other nations are perhaps trying to reach that target. We will do as much as we can to reduce our emissions and if we can go beyond the 80 per cent target, I would like us to do so. As I say, the science tells us that that is the minimum that we need to achieve as a society, so that is the signpost that we have.

10:15

Derek Mackay: To reinforce that, the term "ambition" does not diminish in any way our legal expectation, duty or that which we are required to deliver; it is simply how we have expressed that in that section of the document.

That takes me to my second point on the narrative. We have not tried to create a policy compendium or a document that is too difficult to read or that simply repeats other Government strategies or expectations. As you are well aware, Mr Wheelhouse could wax lyrical on RPP2. We do not feel the need to do that again in NPF3; instead, we have set out the clear national designations, the policies and the action points and references to RPP2. That is therefore the route into further detail on the issues.

I have two important points about expectations. First, as we arrived at the policy and national designation decisions, we used the SPACE tool. That is not an astronomical term—it is the spatial planning assessment of climate emissions tool, which we used to assess carbon emissions in designations where we could measure them and other areas in generally assessing the impact of our decisions as we constructed national planning framework 3.

On on-going monitoring and contributions, in some respects, the only known that we have is the unknowns. We will never be able to determine how many applications come in, because many of them will be private sector led. There will be an environmental assessment for each. However, we believe that the general direction of the policies that we deploy will contribute to reducing greenhouse gas emissions. There will be some monitoring of that, as there is a monitoring programme for NPF3 and the projects therein, and there is a timeline, of course. However, we do not know what applications will be received over the next few years.

Claudia Beamish: I want to follow that up with broader question about sustainable а development. There will be further questions about the national developments in the lines of inquiry that we pursue. How does sustainable development underpin NPF3-or, indeed, does it? I do not want to go into the details, which might appear quite semantic, but it is important to get something about that on the record.

Derek Mackay: The Government's overarching objective and purpose is, of course, sustainable economic growth, and we engage in the debate about sustainable development within that. The debate about definitions has been helpful. Sustainable development and sustainable economic growth absolutely underpin everything in the document. We believe that we can deliver greater growth while protecting the environment. It is about balance.

On definitions, through the review of planning policy, we have undertaken a consultation exercise so that we can have sustainability at the front and centre as part of our growth agenda. That features strongly in the policies and underpins the work that we are trying to achieve in NPF3. Much of that is characterised by the transition to a low-carbon economy, and that should be foremost in people's minds as they make individual planning determinations and decisions. Of course, it would be a material consideration in any local determination by any planning authority.

The Convener: We will move into the specifics, with questions on peatland.

Graeme Dey (Angus South) (SNP): Can the appropriate minister explain why the map of peatland depth in Scotland that was included in the NPF main issues report has not been included in the latest NPF document?

Derek Mackay: One issue on mapping is that, if we try to provide centrally maps that cover everything, they might not do so. However, the policy will apply. For example, there can be no decision on peatland protection that does not consider policies that take that into account. Therefore, whether or not something is on a map, the designation or protection that is afforded still applies. A number of maps that were in the environmental impact assessment or earlier iterations of the document might not feature in the end, but it is not the map that counts—it is the policy that applies. In that policy, we propose to continue the protection of peatland, separately from the work that Mr Wheelhouse will undertake.

Graeme Dey: I will therefore direct my supplementary question to Mr Wheelhouse, if I may. Paragraph 4.19 of NPF3 says:

"Peatland restoration, particularly relevant in north and north west Scotland, is planned on a large scale."

That is understandable, because we see when we look at the map that the bulk of the peatland is in north and west Scotland. However, the Scottish Wildlife Trust has picked up on that and sees it as almost a prioritisation of peatland restoration in those areas. It has made the point that there are threatened and degraded lowland bogs in central Scotland and the Borders, for example, as the minister is well aware. I would like to be satisfied that lowland bogs are not being ignored.

Paul Wheelhouse: I am happy to confirm that. Work is going on to develop the peatland code that will help us to develop the tools and approaches that we need to deploy to help us to work with land managers on small or large-scale landholdings throughout Scotland.

One of my first ministerial events was with the SWT at the Loch of the Lowes reserve, where we discussed a number of issues, including raised peat bogs in lowland areas. There is a general need to improve the condition of peatlands wherever they are in Scotland, and we have a commitment to doing so. We will look for opportunities, and I encourage stakeholders in lowland areas who have landholdings where there are raised bogs that they feel could be helped to engage with Scottish Natural Heritage and the Scottish Government in identifying projects that we could progress.

I am happy to kill the myth if I can. We know that there are some major opportunity sites in the north and west of Scotland, but they are exclusively in that region. There are clearly good opportunities to improve the condition of bogs in the south, the central belt and other regions of Scotland.

Alex Fergusson (Galloway and West Dumfries) (Con): In my constituency, one of the major landowners that has had an impact on the bogs is the Forestry Commission. You will be aware, minister, of the extent of forestry in Dumfries and Galloway. What talks, if any, have taken place with the Forestry Commission about restoring some of the bogs, where appropriate, when it is replanting?

Paul Wheelhouse: That point has come out of recent freedom of information requests on the approach that is taken to the replanting of forestry assets when there has been clearance of forestry.

We are trying to develop a more modern approach to forestry and to identify locations where we could do with leaving the landscape open and opportunities to improve degraded peatland, perhaps where there has been tree planting on shallow peatland. The Forestry Commission considers that when it is designing forestry schemes and when it makes acquisitions. When we buy assets for planting, we try to ensure that we take into account the condition of peatlands and work with that rather than against it.

I am happy to come back to the committee with further detail, but the Forestry Commission certainly factors peatlands into its thinking and knows that they are a high priority for the Government under RPP2. Obviously, it helps that the director of natural resources, Bob McIntosh, has responsibility in both areas. He is well aware of that priority and has percolated the message from the top down through the Forestry Commission and other aspects of the natural resources portfolio.

The Convener: I guess that the idea of a carbon calculation for wind farms is an improving science. I understand that SNH will add to the carbon calculator concerns about the carbon impact of the import of parts for wind farms, in relation not only to peatland but to carrying the parts to the place where they are used. Should that be extended from large wind farms to those under 50MW?

Derek Mackay: Yes, we would encourage its use, because we want a full understanding of the environmental impact of any planning decision that we take. When it comes to peatlands, there might be a trade-off. For a wind turbine, for example, we would consider the loss of peatlands and then try to determine what the payback period is in terms of the carbon emissions. We encourage the rollout of the ever-more scientific tools that help to inform decisions not only to developments of scale but to those of any size. More work is being undertaken on that, so we encourage the use of best practice.

The Convener: To come back to the maps, it is clear to me that when, for example, firms that are seeking to develop wind farms do specific surveys on the ground, they get a far more accurate picture of the depths of peat, because those are the most accurate and local investigations. They are not reflected on maps such as the one with which we have been provided. We can understand why that has not happened, but are there ways in which we can gather the environmental impact assessment materials from commercial developments to add to our detailed understanding about the depths of peat?

Paul Wheelhouse: You are right that the project levels of environmental assessment give us the opportunity to collect the kind of information that you describe. We expect that the project level of environmental assessment of wind farm development should identify what emissions will arise from specific proposals, and that should be taken into account in decision making. So there is the opportunity to capture that information, and we can discuss the best way to achieve that. However, I take on board your point about using local information to further inform what we are Because the information has been doing. presented in the planning process, it is an opportunity for the Government, SNH or other stakeholders to collect it and use it to good effect.

The Convener: Thank you—we have got that on the record and can have a look at it in due course when we think about our report. We move on to the subject of waste, on which Dick Lyle will kick off.

Richard Lyle (Central Scotland) (SNP): Good morning, ministers. The national zero waste policy straddles both your departments. I have two questions on waste. We all know that waste can be either buried, recycled or burned; I will cover the first two first.

Glasgow City Council and SEPA have suggested that NPF3 could better reflect the importance of delivering a zero waste policy. In fact, SEPA has suggested that NPF3 could provide stronger support for the policy by outlining in a national spatial context the Scottish Government's expectations for the planning system to support sustainable waste management and resource efficiency.

We have 32 councils that have 32 different ways of treating waste; for example, some collect plastic bottles with the tops on, while others say that the tops must be taken off. I believe that companies such as Coca-Cola say that they could recycle all those items. How does NPF3 support the delivery of Scotland's zero waste commitments?

Derek Mackay: I am happy to pick that up first—it is a good question. However, I slightly challenge the understanding of the purpose of NPF3 by the contributors of those suggestions. It is a spatial expression of the Government's strategy. I think that it would be wholly wrong of us to say, for example, "Here are the sites that we propose to put waste-to-energy plants on." It would not be for us to determine that centrally in a planning document. The spatial understanding is really important. It would not be appropriate to propose individual sites for that type of function.

Within the climate change targets and how we deal with waste, clearly there are principles and policies that the Government supports. Mr Wheelhouse can cover some of those for you. Mr Lyle, as a former councillor, will be well aware of the lack of a joint approach by councils on the issue of waste. I think that there is great potential to have shared services and working that would ensure that there was collaboration on the waste agenda and not 32 different approaches to dealing with waste across the country. There are better ways of delivering that, and we would do that in partnership with local government. However, it is not necessarily something that would feature in NPF3.

In the context of Scottish planning policy, I think that we are clear on the waste approach and the zero waste strategy for the country, and the kind of decisions that we would make.

I hope that I have given enough assurance about why it would not be appropriate to put the zero waste policy in a spatial expression. **Paul Wheelhouse:** Mr Lyle mentioned SEPA's comments. I acknowledge that SEPA made the point that was described, but it is worth pointing out that SEPA itself has acknowledged that, to do what it suggested in its evidence to the committee, further work would be needed to identify what is required. However, for the reasons that Mr Mackay has just given, we cannot define that in NPF3.

Work is on-going separately from NPF3, as I am sure that Mr Lyle is aware. Mr Swinney and Mr Mackay are looking at working with local government to ensure that we address the issue of the different systems that are deployed and try to reach a point at which we have a greater opportunity to develop our circular economy, as it is known. We want to improve the quality and consistency of the recyclate material and ensure that we process it in Scotland. We must not lose the value of the raw materials, which are leaving the country to be reprocessed in other parts of the world where we have little control over what happens to them. We must capture their value.

10:30

We must keep in mind the goal of building a more circular economy and making more use of the important resource that is produced through our waste system. The cabinet secretary and my fellow ministers Derek Mackay and John Swinney are working with local government to identify how we can best square that circle and achieve greater consistency of product while developing the associated industries in Scotland to reprocess the material, thereby generating jobs and value in our economy rather than elsewhere.

Richard Lyle: As I said earlier, waste can be buried, recycled or burned. With regard to Mr Mackay's point, I understand that the Scottish Executive designated such sites in the first session of Parliament, but that the policy disappeared over the horizon and was put—dare I say it—on the back burner.

I hope that I do not stray into someone else's question, but I found WWF Scotland's submission interesting with regard to the category of burning waste. It states:

"To date, district heating has progressed in Scotland in an ad hoc way, driven forward by committed individuals and supported, in part, by the Scottish Government's District Heating Loan Fund."

I pay tribute to the Scottish Government for establishing that fund. The submission goes on to say:

"The NPF3 provides a valuable opportunity to establish strategic national support for this transformative infrastructure, so its omission in the Proposed Framework is disappointing." Why should we not have a national plan or national designated sites? I know that there will be concerns from nimby—not in my backyard people, but why should we not try to develop a form of resource that could provide a new industry for Scotland?

Derek Mackay: I have good news for those who have hitherto been disappointed at the lack of such a strategy. Point 11 in our action programme for NPF3 states:

"We will publish a Scotland heat map in 2014, and work with local partners to produce a map for each local authority area."

The issue has moved on, and we now have more information. There is greater potential for connecting the energy source with consumers, and we will undertake more work to ensure that that happens this year. I hope that that will encourage those who were disappointed that we had not gone far enough. It is one of the key actions in the action plan.

Richard Lyle: I knew about that; I just wanted to draw it out of you.

Derek Mackay: I am sure that you did.

Claudia Beamish: In your answers about wind farms, you have both mentioned the need to support low-carbon development patterns. More broadly, you have mentioned the SPACE tool. In oral evidence to the committee, Paula Charleson from SEPA suggested that

"We already have a tool",

and that

"NPF3 could go further and suggest that a carbon assessment should be conducted for all developments, so that people have an understanding of their impacts."

She went on to say that

"SPACE allows for options appraisal in the siting of housing, industrial developments and so on",

as you will both know, and said:

"I do not think that NPF3 is strong enough on that."— [Official Report, Rural Affairs, Climate Change and Environment Committee, 29 January 2014; c 3209.]

Could NPF3 be strengthened to better allow low-carbon developments by requiring carbon assessments to be conducted for all major developments, or by requiring local authorities to consider how their development plans support emissions reduction targets? That is important with regard to rural living and our connected places, and the ways in which they are connected.

Derek Mackay: There are two points. First, for any development, a proportionate assessment of the environmental impact must be carried out. Some developments may not be on a scale that would require an assessment to be made in any great detail, but for major developments, as Claudia Beamish mentioned, an environmental impact would be expected, and any assessments that are relevant to the application would be made. There is therefore, at present, an assessment of the impact on the environment.

Secondly, any development is also expected to meet building standards, for example. In house building, not only are there area assessments but there is the expectation that properties will be built to the standard that we as the Government and the Parliament have said should be delivered. Within those targets, great progress has been made to reduce emissions. We require the current statutory standards to be delivered and an assessment is made for any new development.

I have been keen to ensure that the planning system performs effectively, that we get improved performance and that assessments are proportionate and fair. Anything of the relevant scale would be expected to undergo the due process of environmental assessment. When a more specific environmental understanding is required, as with peatlands, to which members have referred, a specific way of assessing the impact is used.

Claudia Beamish: Would you support a requirement for local development plans to assess how they will support low-carbon living?

Derek Mackay: I understand that that is already required of local development plans under statutory provisions. We already have to produce such assessments by law, so that is not a new requirement—the burden already exists. The unknown quantity is the applications that will be made. We can have all the plans in the world and all the land designations we like, but the applications and therefore the overall impact are not in our gift.

The strategy in the framework takes us on a downward trajectory for greenhouse gas emissions and the transformation to the lowcarbon economy through transport, energy, housing, the proximity of new development and a host of other policies, such as reafforestation and other matters on which Mr Wheelhouse is more of an expert.

Paul Wheelhouse: Mr Mackay has set me up for a fall. I will add comments about the environment portfolio and how NPF3 can help. Mr Mackay has alluded a number of times to the fact that we all know that two of the biggest challenges that we face are residential emissions and transport emissions. We are using NPF3 and the Scottish planning policy to steer the thinking about the design of developments, so that they design in future proofing, such as ensuring that there are opportunities for sustainable active travel, good public transport connections and digital connections to prevent people from having to travel in the first place.

Through the planning system, all those things can influence our performance as a society in achieving our greenhouse gas emissions targets. I see opportunities in NPF3 and the new Scottish planning policy to achieve those objectives. I back up what Mr Mackay said about the ability to use the system to attack the challenges in transport and housing.

Claudia Beamish: Some evidence has highlighted the fact that NPF3 does not refer to air pollution—that is the case as far as I can see, too. That is an important issue in relation to planning.

Paul Wheelhouse: I do not know whether there will be other questions on air quality, convener.

The Convener: There will be.

Paul Wheelhouse: I would be happy to come back to the subject. There are strong links to how local authorities manage air quality management areas. We can deal with that at the appropriate time.

The Convener: Claudia Beamish can come back in at that point.

Alex Fergusson: In his opening remarks, Mr Wheelhouse said—I paraphrase—that, in taking forward sustainable economic development, it is important to continue to protect our rural landscape and countryside. None of us would disagree with that. I will touch on the Government's thinking on the work that SNH commissioned to identify core areas of wild land.

That work has achieved international recognition for its quality. It was included in the main issues report and it was given quite a high status in the SPP. At previous meetings, some witnesses drew our attention to bewilderment among some about why that work is not included in NPF3, rather like the map of peatland depth that we talked about. Will Mr Wheelhouse enlighten me on that?

Paul Wheelhouse: I invite Mr Mackay to talk about the coverage of NPF3; I will then be happy to talk about what SNH is doing in relation to the wild land maps. It might make sense to split the answer in that way.

Alex Fergusson: By all means—although I was keen to try and ask a question that only one of you might answer.

The Convener: Failed again, Mr Fergusson.

Derek Mackay: I am sure that I will give you a satisfactory answer. If I do not, Mr Wheelhouse will cover the rest.

There have been great debates in other committees about wild land. This is my fourth committee appearance on NPF3. Wild land has generated a great deal of interest. For the purposes of clarity, we are using the term "wild land" in relation to wind developments and turbines. Some people have the idea that we meant a wider designation, but it is as it relates to wind turbines. The first reason why it does not feature in the current iteration of the NPF is that SNH is conducting a consultation exercise on its analysis and its maps, as you mentioned. Therefore, it would have been wrong to prejudice that and put it in the draft NPF3 document, although wild land featured in the main issues report.

Secondly, some aspects will relate to Scottish planning policy and some will relate to NPF3 regarding the spatial expression. However we take forward the work, it would appear to be more appropriate through the Scottish planning policy, and wild land is therefore less of a feature in NPF3. However, the ambitions are still the same and they are around affording greater protection to parts of the country where we felt that to be required.

That is not to say that development cannot go ahead. Indeed, the most protected part of Scotland may be developed as long as that is done in such a way that it can be fully mitigated and the environment can be protected. Such areas can still be developed in a sustainable way. That could include a Natura site, for instance, as long as certain criteria are met.

What we have proposed, and what we are working on as regards the renewables sector as it relates to wind, is a categorisation according to which such development is simply no go in some parts of the country—it is a ban. That applies in the national parks and the national scenic areas. We then proposed a further category around areas of wild land, which are referred to in the SNH maps. There, siting, design and mitigation can overcome significant effects on the quality of the area. That means greater protection—not a ban, but not a free-for-all.

We are still working on that, and we look forward to the analysis of the SNH work. We will then arrive at a final position. To those who think that wild land is no longer an issue because it does not feature in NPF3, I would say that it is still an issue, we are still engaging on it and we will produce our final position before the end of the process. By "the end of the process", I mean the conclusion of the Scottish planning policy review, which is in June 2014. I recognise that that is outwith the formal 60-day parliamentary scrutiny period, but the review will be concluded by the end of June. By that point, NPF3 will have been debated in the Parliament with the committee's recommendations.

That is why wild lands do not feature in the document, but the work around greater protection continues, while keeping with our renewables targets. For completeness, I should mention that questions were asked in other committees around the separation distance. We had consulted on a separation distance of 2.5km, and there were mixed views around that matter, which we will have to conclude by the end of the process. I am offering the committee more areas to probe, which might not be wise, but there was also a question around the definition of a wind farm. Depending on the document, the policy or the planning authority, the definition of a wind farm might be different. We are considering whether it would be better to have one singular definition in the final document.

All those matters will be clarified, and I greatly appreciate the input of the committee into the current thinking. It would have been wrong for us to come to the committee today with a final position while the consultations are still on-going.

Paul Wheelhouse: I will try to keep this brief you almost got away with just one of us answering your question, Mr Fergusson.

I know that concerns have been raised by some groups, including crofters, in relation to the proposals on wild land. It would appear that there has been a misinterpretation on the part of many people-perhaps guided by the media rather than by anything in Parliament-that there is a designation of wild land. That is not what is happening. As Mr Mackay said, the measures are aimed primarily at addressing concerns about wind farms. Other forms of development would still be possible in the areas concerned. In the areas that are covered by the wild land map, it is still possible for renewables projects to happen if they can be mitigated with regard to their landscape impact and other impacts. I make that point to reassure stakeholders. I know that Western Isles Council—Comhairle nan Eilean Siar-was concerned about the implications for wider development in its area.

Just to nail this point, it is not a designation that we are talking about, and development can still happen. We want to make rural Scotland a vibrant place to live, work and enjoy.

10:45

Alex Fergusson: I am well aware that it is not a designation, but it is important to get that on the record. The concern was that, SNH having done a great deal of work in producing the document and the map, they were going to lie on the shelf. The replies that we have received indicate that that is

not the case and that they have a part to play in future planning policy. Thank you.

Paul Wheelhouse: I thank Mr Fergusson for his comments about SNH's work—I appreciate their sincerity. SNH has a difficult task in trying to put something that is very subjective into a map to show where the wild land is. Mr Mackay and I, and other ministers, look forward to receiving SNH's advice on the map.

Derek Mackay: We have touched on the maps, but even more important than maps and illustrations are the criteria for development. The challenge is to get the right developments in the right places irrespective of whether something is in or out of a map. The questions are whether a development meets the criteria and whether the environmental impact can be mitigated to the extent that it is overcome. Those things will be important wherever the development happens to feature. No part of Scotland will be declared dead by the Government—every part should be alive to sustainable development.

Graeme Dey: I thank the minister for opening the door to a discussion about other aspects of planning policy that relate to wind farms. He touched on the proposal to increase the separation zone for wind farms from 2km to 2.5km. It is important to explore—although not necessarily today—where the buffer zone would be measured from. If we are going to talk about distances from settlements and villages, we need to get a definition of what those would be. Would a cluster of houses count as a settlement?

In the same context, it strikes me as preposterous to have a neighbour notification distance of 20m in a rural context, as a rural setting is a completely different environment from an urban one. I wonder whether that issue might be explored.

My main point relates to something that has been raised in evidence by both Friends of the Earth Scotland and the Badenoch and Strathspey Conservation Group. Will the Government consider introducing a third-party right of appeal with an environmental tribunal to hear such appeals in order to bring a better and fairer balance to the whole process, accepting that that could create certain difficulties with self-appointed anti-wind farm groups getting involved in the process of every application?

I realise that that is a series of questions, but I wanted to get those ideas out there.

Derek Mackay: Those are substantial questions that it could take some time to debate fully, so I will cut straight to the answer to your third question. No, the Government has no proposals to consider a third-party right of appeal. Parliament has debated that issue previously and the Planning etc (Scotland) Act 2006 has settled down fairly well, so the Government will not progress such an option. We would much rather front load engagement in the planning system and have better engagement at the start, both in the preapplication consultation and in the creation of development plans and areas of search. We would rather have it the other way about: rather than have the public become objectors and appellants at the end of the process, we should allow them to engage better at the start of the planning process. That is a feature of much of the work that we have undertaken.

I have put a great deal of emphasis on the need to get the planning system to move more quickly. Quality counts, and getting the right developments in the right places is paramount. However, frankly, it takes too long for planning applications to go through the system, although that is not always the fault of the planning authority—there can be a range of factors. If there were a further right of appeal, that would prolong the planning process to an extent that would probably deter investment and the creation of some developments completely.

The right decision should be made with all the appropriate considerations taken on board. I hope that that answers your question and gives the rationale behind why we are not proceeding with a third-party right of appeal.

In relation to separation distances, as I have found in my two-year exposure to planning as the Minister for Local Government and Planning, definitions can be everything. The definition that we proposed for the distance from a settlement related to the local development plan, which would give a pretty settled view of what is a development, town or village.

However, our proposal for a 2.5km separation distance, as per that policy, would have unintended consequences. For example, when I visited the Western Isles, I found that many people are keen to have development as a way of leveraging resource and sustaining local economies through things such as community ownership and community benefit. The impact of such a policy there might be that very few areas could be developed with turbines, which might be contrary to what local communities want. It would be wrong for us in Edinburgh to create policies that have such a disproportionate effect on other parts of the country, so the policy approach has to be far more sensitive. For that and other reasons, we commissioned work into separation distances, with the aim of getting an evidence-based methodology around what is more appropriate. For some areas, a 2.5km separation distance might be appropriate for the landscape but, for others, it might not be appropriate, for landscape or other environmental reasons.

We have consulted on that and expert research is being undertaken. We will produce a final position on the issue for the Scottish planning policy, where it will most accurately fit. Crucially, rather than have an arbitrary figure, the approach must be sensitive to local circumstances. At present, the separation distance is roughly 2km, but it feels more appropriate to us that the decision is part of development management, rather than being based on lines on a map, as we have discussed. We want local communities to be protected and we want landscape surveys to be done to understand the issues. Whatever we do, we want it to be evidence based.

There is much work to be done on the separation distance and the definition of a settlement, and we have relied heavily on local development plans. I think that that covers the key points that Mr Dey raises.

Graeme Dey: You talked about front loading the process and encouraging engagement at the initial stage. If people are not being advised of proposals, as is happening in rural areas under the 20m notification rule, they will not feel engaged in the process. Can that issue be looked at in the rural setting?

Derek Mackay: I do not propose to look again at the notification distances in the planning system. However, partly in light of a petition on notification distances that made its way to the Scottish Parliament, we are rolling out good practice on what developers can and should do to make others aware of development in their areas. I am pretty convinced and content that the current notification process is fine. The correspondence that I see suggests that it is not a big secret that permission for turbines and wind farms is being sought. When a planning authority engages at the outset on development plans, that should be a full public engagement exercise that is publicised widely and engages local community councillors, local stakeholders and others on what the landuse designation should look like.

Too many local development plans are out of date. A local development plan should be less than five years old, but nearly half of the development plans in the country are older than that. That is unacceptable, which is why we have an action plan to try to update them. We believe in planning front loading the system with engagement. The die is almost cast on the notification stage, so it is better if we engage earlier, and I absolutely encourage that. We have no proposals to change the notification distances. That said, we have asked developers and our partners in SNH to consider the best practice guidance on raising awareness of wind farm

developments in local areas. I can provide more information on that if the committee wants it.

The Convener: I will prolong the discussion on the issue a little, but first I want to correct the record—I said at our previous meeting that I have 13 of the 40 proposed core wild land areas in my constituency, but actually I have 14 of them.

I am concerned about the issue because there is a huge postbag on it. Some people talk about the view from their window, others talk about the view from the top of the mountains, and others talk about the view when driving towards the mountains. Those are subjective perceptions, so I know that you cannot reflect them in the policy. However, how do we get an interface between that and the overview of climate change and biodiversity, particularly given that areas such as those on the core wild land map were actually clearance areas and not wild land?

Paul Wheelhouse: I do not know whether Mr Mackay wants to come in, but I will start off.

I have certainly been struck by the degree to which people sometimes forget that the landscape that we see in front of us has, to a large extent, been shaped by man. As the forestry minister, I find it sad to say that, as a result of deforestation at the beginning of the 20th century, tree cover in Scotland went down to about 4 per cent. That shows the extent to which the landscape had been manipulated by man for agricultural and other purposes. We are trying to put that right over time.

There will be a number of land use changes. The link between NPF3 and land use is extremely important, although I appreciate that that is a different subject. As a society, we must accept that we are not talking about land that is wild in an absolute sense—it is a relative measure of wildness that SNH has been trying to map. For the reasons that Mr Mackay gave, a number of criteria are involved and subjectivity comes into the process, so it is inherently a difficult exercise. SNH is doing a good job of pulling that work together.

We recognise that society must have an understanding that we need critical infrastructure, whether that is schools, hospitals or social housing. We cannot preserve the countryside in aspic. There are key Natura sites and protected features that we have to look after, but we can show sensitivity to the environment and still achieve our societal objectives of developing the resources that we need to develop to ensure that we have vibrant rural communities.

I get concerned when I see some of the commentary about such issues that would have us seek to preserve Scotland in aspic and to allow no community development at all in areas such as Caithness and Sutherland, the Western Isles and other parts of rural Scotland. We need to be sensitive to the need for those communities to have jobs and prosperity and to be happy and healthy communities at the same time as doing what we can to ensure that major developments that might have a significant impact on the landscape are designed as sensitively as possible.

Both good and bad planning applications come forward at local level. The key is to ensure that the planning system treats every application on its merits. If it is possible to change the design of a project so that, for example, it has greater sympathy for biodiversity, protects against bird impacts or displays more sensitivity towards the landscape, I am sure that we can do that. We have ample opportunity to do that in a country such as Scotland, with the landscape that we have to work with.

Derek Mackay: I do not know whether it would be helpful for me to say that nimbyism does exist in some parts of Scotland. Some people say, "I like wind farms—just don't site them in my area." That is just the reality. The planning system is sometimes about conflict and about balancing interests. It is a question of balancing the needs of the country and the needs of the local environment. Not everyone who sees a wind turbine thinks that it is a bad thing and not everyone who supports renewable energy is a fan of turbines.

I know from our consultation exercise that those whom I will call the wild land lobby said that we did not go far enough on protection while some developers felt that we went too far. It is for the committee to decide whether we got the balance right. We propose, for good environmental reasons, that the renewables industry should grow, but we will provide greater protection of some of the most scenic parts of our country. We think that we have outlined how we can achieve that.

Under the categorisation that we propose, there will be a ban on wind development in some parts of the country—the national parks and the national scenic areas. Other areas will be afforded greater protection, while in some areas there will be fewer constraints on development, but I say again that no part of the country has been declared dead to development. It is all about adopting a sensitive methodology to balance interests, to reach the right conclusion and to get the right developments in the right places.

We will be doing further work on that to arrive at a policy position that is clear, because the last thing that we want to do on wind energy is to fudge the position with the result that there is a lack of clarity. Planning authorities will want clarity, so we will publish new planning advice notes following the policy changes. If you will pardon the pun, we seem to spend a lot of energy on wind energy when other great hydro and offshore developments are being proposed that might change the balance of developments across the country. We will use wave and tidal energy, as well as other forms of energy production, as we deliver on our targets.

11:00

I think that we can get the balance right. It would be wrong to suggest that giving an area wild land status is a barrier to development. It is about taking a sensitive approach in those areas.

We can get into a whole debate about buffer zones and people saying that they can see a wind farm from the top of a mountain, but that is different from a situation in which there is an immediate visual landscape impact because there is a wind turbine right before you.

This is a subjective matter, but we trust the planning authorities to apply locally the guidance that we issue sensitively. The area most affected by the current approach is the Highland Council area, which is why I was particularly keen to see the advice from the head of planning on that council, Malcolm MacLeod, who has been well informed about how we take it forward. It is fortuitous that the head of planning on that council is also the head of planning for Heads of Planning Scotland and can help to advise us to ensure that we get the balance right. I am mindful that some of the responses reflect vested interests.

The Convener: Before I bring in Paul Wheelhouse, I have a brief supplementary question. Because people want to have buffer zones, it leads them to suggest having more national parks, because they are top-line designations. No parks are proposed in the document; I take it that none will be considered for the next period of time.

Paul Wheelhouse: I have met stakeholders who are part of the Scottish Campaign for National Parks, the Association for the Protection of Rural Scotland and others. We have made clear to them that I am aware of no groundswell of support for a new park. Individuals have obviously written to me in my capacity as the minister with responsibility for national parks and I do not want to diminish the campaigns of the two groups that I mentioned, but there is no groundswell of support for new national parks and we do not have a clear view from those who propose them on what the business case and the set-up would be. There is a lack of clarity about what is being requested, but we certainly have no plans at this time to create new national parks.

If I may, convener, I will come back to a couple of points that I hope will be helpful rather than drag

us down. As climate change was mentioned, it is important to put on record that we have a high degree of ambition on climate change for valid reasons that were given previously and that I am sure the committee will identify with, but let us not forget that climate change will have an impact on Scotland.

We should not lose sight of the fact that climate change is already having an impact in terms of resilience pressures on our country, and it will have an impact on our biodiversity, our landscape quality and potentially the kind of landscapes that we see over time as there are significant changes in our climate. We are fighting what sometimes seems to be a losing battle to protect some of our species that are in dire need of support, such as capercaillie, ptarmigan, kittiwake and others that are being affected by climate change. The impact of a changing climate also places pressures on our flora.

On renewable energy, we should mention that the Government has a target to have 0.5GW of community energy projects in Scotland. One way in which we can work with greater sensitivity to community views on renewable energy is to promote community involvement, whether it is through directly owning and operating renewable energy projects or through having an active shareholding and genuine community investment in wind energy or other renewables projects. That is a way in which we can work in sympathy with the views of local communities and challenge them to come forward with projects that suit them on sites that they believe are appropriate for wind energy projects.

We can take a number of tacks, but let us not lose sight of the fact that climate change is real and it is affecting Scotland. We have a duty to do our bit on a global scale, but it is also a matter of protecting the landscapes and biodiversity that we value. That is why organisations such as RSPB Scotland, SWT and other environmental charities very much support renewable energy in the right place. We should look to that message.

Alex Fergusson: This is a subject that excites—I think that that is the right way to put it a great many of my constituents, and there is one issue related to the planning process that they always bring up with me. By the way, I draw attention to my entry in the register of members' interests, in which it is stated that I receive an income from a wind farm company.

Mr Mackay just said that he puts his trust in local authorities. Indeed, I note that Dumfries and Galloway Council has just introduced its own guidelines on the siting of wind farms, which most people accept are sensible ones for the region. What excites people is when the local authority rejects an application, based on its own guidelines, and the developer uses their right to appeal and—you know where I am going with this—the appeal is upheld, with the result that the well-intentioned guidance of the local authority is seen to be run roughshod over.

People always ask me, "Why, when we have no third-party right of appeal"—which I would not argue with—"does the developer have one?" I am sorry to prolong this discussion, but could you advise me on how you would reply to that question?

Derek Mackay: That is a helpful question. The principle of an appeal mechanism is well established in planning policy for good reason. It enables the applicants to be sure that the policies that have been deployed by the Government or the local authority have been adhered to. I would defend that.

I want to make an important point, because this is another myth about wind farms in Scotland. I do not have the figures for appeals in Dumfries and Galloway, but I have the figures for the whole of the country. The suggestion that the Scottish Government reporters, who are independent of ministerial direction, are overturning a majority of decisions across the country on appeal is incorrect. Actually, in terms of all developments, including wind farm developments, a minority of local authority decisions—about a third—are overturned by our reporters in the directorate of planning and environmental appeals. That reassures me that the system is working fairly well.

The majority of the times that an appeal is received, the Government is supportive of the local authority. In the majority of cases that involve section 36 applications, which concern decisions that are made by reporters in relation to the larger wind farms, the local authority agrees with us. That gives us quite a strong message that we are not overturning planning decisions across the country. Where they are overturned, it will be on the basis of policy considerations. If there is to be an appeal mechanism, it should be independent of the planning authority, and it is.

It is not the case that we are overturning decisions across the country. That gives me some assurance that the process is working fairly well. Of course, that will not keep people happy if their local area has been subject to a decision that they do not like.

Alex Fergusson: I accept the explanation. Let me just put on record that I was not accusing the Government of overturning every appeal.

Derek Mackay: Not everyone is as reasonable as you, Mr Fergusson.

Alex Fergusson: That is true.

Time is against us, so I will not prolong this line of questioning, but it is an issue that concerns me. I appreciate the explanation.

The Convener: It would be helpful if the minister could give us a breakdown of those figures for the past four or five years. The information might already have been given as a parliamentary answer, but it would be helpful to have it.

Derek Mackay: I am happy to share that with the committee.

I should say that a couple of councils—I cannot recall if one of them was Dumfries and Galloway Council—applied for a moratorium on wind farm developments in their areas. The Scottish Government does not support that position, because a moratorium on any kind of development would be unhelpful, because it just puts off the decisions that need to be taken. However, in order to provide support, we were able to make a oneoff investment of £725,000 to assist planning authorities in making determinations and to give them the tools to do the job.

Planning authorities and politicians might not always be too keen to take decisions on such calls for moratoria.

The Convener: Cara Hilton has some questions on national developments.

Cara Hilton (Dunfermline) (Lab): In an evidence-taking session, Scottish Environment LINK pointed out that some of the national developments could be contrary to the Government's climate change goals. How well does the list of national developments reflect the priority of securing "a low carbon place"? Do some of the national development proposals risk increasing Scotland's carbon emissions?

Derek Mackay: That is a good question. Some individual developments might increase emissions but they will be offset by the overall policy approach, which involves the decarbonisation of transport, the reduction of emissions through energy use and other initiatives that should bring emissions down.

That said, although we propose decarbonisation and greater electrification of transport, developments around road infrastructure could contribute to carbon emissions, as could those around airports and so on. However, the overall direction will be downward, and we hope that we have the balance right.

To use aviation as an example—because it is the area to which the environmental lobby would turn fairly quickly—we believe that airports are key dynamos for the economy and are therefore to be supported. Further, I point out that there is greater progress on emissions in the aviation industry than in any other area.

As I said, although we might want them to reduce emissions, not every development will do so. However, the overall package should be along those lines because of the kinds of strategies that we will deploy. That is the case not least in relation to issues such as the location of settlements, active travel approaches, the central Scotland green network and so on. Those are all things that we would expect to reduce emissions. The issue is one of balance, over and above the areas that we discussed at some length earlier, such as energy, transport, housing and reforestation.

Cara Hilton: Stop Climate Chaos Scotland said that the Government's overall transport strategy is inconsistent with the decarbonisation of the transport network. I take it that you disagree with that view.

Derek Mackay: There is a debate to be had, but if we propose future greater use of electric cars, for example, that means that building a road is not necessarily a bad thing, because any extra road journeys may be powered by electricity rather than fossil fuels. Similarly, greater use of the railways could be achieved by using electricity from renewable resources. From that point of view, therefore, I disagree with the general black and white comment that our policy does not go far enough. I think that, if you put everything together, you can see that road building is not, in itself, necessarily a bad thing, especially when those new roads might address congestion by ensuring that there is a more effective use of our transport system.

The issue is one of balance, and I think that we have got the balance right.

Paul Wheelhouse: The discussions that Mr Brown and I have had with Stop Climate Chaos and Transform Scotland on sustainable active travel have touched on key projects such as those on the A9, where we are looking to establish longdistance cycle routes. We want to ensure that we use the opportunity that is presented to us by the construction work that is going on in order to facilitate additional infrastructure.

As Mr Mackay said, the issue comes down to choices. I respect the view of Stop Climate Chaos, which would like us to go down a different route in our strategy to lower carbon emissions from transport and would have us use a demandmanagement approach rather than consider alternative technologies and fuels.

In RPP2, we have chosen to deliver a strategy that attempts to ensure that we lower carbon emissions through our vehicle fleet and the fuels that that fleet uses. That includes developing electric and hybrid vehicles and putting in place the charging infrastructure. The ECOS—employee car ownership schemes—group, which is a partnership, has developed a route map to get us to that decarbonisation target for transport.

We are doing things in parallel. For the reasons that we gave earlier, that work is not necessarily reflected in NPF3, because we are talking about parallel documents. You can take it from what I am saying that we place great store in trying to do something quite significant in tackling climate emissions in relation to transport.

As Claudia Beamish will appreciate from the RPP2 process, transport and housing are the two areas in which we have perhaps the biggest challenges in relation to emissions. The challenge is replicated across western Europe. Countries have taken action in transport and housing to varying degrees, but there is a consistent recognition that they are the areas where the challenge is the greatest, because progress in those areas relies massively on behavioural change. We can put in place the infrastructure that will help people to make decisions that are helpful, but, ultimately, we have to do work on behaviour change if we are to make progress effectively.

11:15

Angus MacDonald (Falkirk East) (SNP): Good morning, ministers. Cara Hilton alluded to the fact that the committee has heard some evidence regarding the list of national developments and a possible knock-on effect of an increase in Scotland's climate change emissions. However, we also heard support for many of the national developments, including support from SNH and Glasgow City Council for the metropolitan Glasgow strategic drainage partnership, and support from Argyll and Bute Council for the inclusion of pumped-storage hydro and better recognition for active travel, and Scottish Environment LINK welcomed the retention of the central Scotland green network, to which the minister alluded.

SEPA noted that NPF3 will support the delivery of RPP2 emission reduction actions in the energy sector, including carbon capture and storage. If the committee will excuse me for being parochial, I will ask specifically about carbon capture and storage. As the ministers know, one of the proposed CCS plants is in my constituency of Falkirk East, as part of the Grangemouth investment plan in the national development list. Some local concerns have been raised regarding the impact on air quality if 90 per cent carbon capture is not operational at the plant from day 1. Clearly, any planning application such as that for the plant has to take into account environmental considerations. Notwithstanding that, can the ministers reassure me and my constituents that

environmental safeguards on air quality will be given due consideration if or when the applications are submitted for Grangemouth and Peterhead?

Paul Wheelhouse: The strategic environmental assessment for a project such as that will acknowledge the potential impact on air quality. There is quite strict regulation through the European Commission industrial emissions directive, which SEPA would have responsibility for enforcing. If such a site were to be developed, it would be a national development and there would be on-going and rigorous policing of the site's emissions to ensure that they complied with the requirements of the EC industrial emissions directive.

A project-level environmental impact assessment would also provide more detail and take into account the range of factors that might be found on such a site, including fuel transport, fuel technology that might be used and mitigation measures that might be identified and developed to reduce impacts to an acceptable level.

We have explicitly acknowledged the need for co-ordinated action in Grangemouth to address the potential impacts of the development on the local community's quality of life. Planning has a key role to play in ensuring the quality of the place and environment that people live in. We will take that forward following finalisation of NPF3, as part of the action programme.

I am happy to have a more detailed discussion with Angus MacDonald about his and his constituents' concerns. I put on record that we foresee SEPA, working with the site operators, taking a rigorous approach to ensuring that the EC industrial emissions directive is applied. SEPA's general approach is to work with businesses to ensure that they comply, rather than to have to deal with the aftermath of non-compliance. We hope that the project-level EIA will give us sufficient detail to understand whether particular problems might arise and enable us to tackle them before the development takes place.

Derek Mackay may want to add to that.

Derek Mackay: Mr Wheelhouse adequately covered the safeguards and I heard him say on his head be it.

Paul Wheelhouse: I am not sure that I used those words.

Derek Mackay: That covers the planning system.

The serious point to make is that what we are doing is not retrospective; it is not just about monitoring, enforcement and regulation. It is about ensuring that we get the development right at the outset, before any development goes ahead. That is why there are such stringent regulations and expectations around the assessment that would be made, both for it to feature as a national development and then for it to be developed in due course, if the funding package and the development proposal come together.

We are mindful of the engagement that we have had in that area. We had not only the general NPF3 consultation exercise across the country but very specific engagement with the community to ensure that we understood the issues that had been raised and how we might address them.

In addressing Angus MacDonald's comments, I concur absolutely with Mr Wheelhouse: mitigation of environmental impacts and local community interests will be crucial as part of the overall approach to sustainable economic development.

Angus MacDonald: Thank you. I welcome the ministers' assurances, as will my constituents.

If I can continue to be parochial, convener, my constituency has an issue with unconventional gas extraction, which does not get as warm a welcome in NPF3 as it did in NPF2. Although it is not a national development, it will have a major impact in the proposed areas should it go ahead and concerns are growing, not least in my Falkirk East constituency, about the gung-ho attitude of the United Kingdom Government, which is issuing petroleum exploration development licences— PEDLs—left, right and centre. More PEDLs will be released in the near future.

I welcome the minister's announcement last October on the introduction of buffer zones between unconventional gas developments and communities. However, the issue is clearly a complex one and SEPA has recently confirmed that it might not have the capacity to monitor properly methane leakage from wells. There are clearly a number of environmental concerns locally and nationally.

In addition, Scottish Environment LINK's submission calls on the Government to invoke the precautionary principle in relation to coal-bed methane and not to allow any developments

"until climate and other environmental and health concerns are fully addressed".

I am hoping to take the opportunity to ask the ministers to give the committee and the public some comfort that, should unconventional gas go ahead, SEPA will have the appropriate powers and capacity to regulate it. Can the ministers also confirm that local planning authorities will have the power to set the distance of each buffer zone, as the minister announced in October?

Paul Wheelhouse: I will take the first part of the question and then direct the part about buffer zones to Mr Mackay.

On the role of SEPA, I have to be careful what I say because a determination on a specific site is being made by inquiry so I will not go into the detail of the evidence that has been given to that inquiry. Suffice it to say that we in Scotland see ourselves as having an approach to unconventional gas that is distinct from that of the UK. The UK is entitled to take the position that it has taken, but we in Scotland have taken the view that we need to ensure that appropriate safeguards are in place, should any opportunity arise, so that unconventional gas is robustly regulated. We want to give confidence to communities and the public in Scotland that such opportunities will be taken only when to do so would be consistent with the regulatory constraints.

I have not yet had direct representations from SEPA about the resource issues and concerns to which Angus MacDonald referred. I would certainly be happy to engage with SEPA on any resource implications that it has not yet communicated to me. I undertake to take that forward with Mr Sigsworth and James Curran.

I reassure Angus MacDonald that we appreciate that there are concerns in Falkirk East and other parts of the country about unconventional gas. There are currently no permits in Scotland for hydraulic fracturing. We have worked with Dart Energy to remove the only existing consent at Canonbie, but a number of sites are being tested for coal-bed methane.

Much of the public discourse has failed to make the distinction between coal-bed methane and hydraulic fracturing, and has lumped them together as fracking. They are two different technologies and, at the moment, the only ones with live opportunities or projects are for coal-bed methane rather than hydraulic fracturing for shale gas. We do not, at the moment, have any concerns about that.

There is a split between the UK Government and the Scottish Government in terms of the licensing process. That does not necessarily sit comfortably with us because we have to deal with our concerns through the planning and regulatory systems rather than having control over the licensing itself.

Angus MacDonald: Can Mr Mackay confirm that local planning authorities will have the power to set the distance of each buffer zone?

Derek Mackay: They will: each planning authority will be able to interpret and use the current guidance as it sees fit in making local determinations.

I will not beat about the bush or be too delicate here—and I ask the unionist party committee members to forgive me for a moment—but it would be better if we had independence and all the powers in one place so that we could make robust and consistent decisions on all policy matters, not least in this area. After all, a range of agencies will be involved in, for example, fracking. The Department of Energy and Climate Change will play a role, the Coal Authority might be involved and, of course, there will be SEPA and the planning authorities. However, the Government's guiding principle is to promote responsible extraction of resources and to assist with that work. That is why we have established an expert panel to inform our policy proposition and individual local planning authorities.

My answer to your original question is that the planning authority will determine in the light of local circumstances the appropriate buffer zone and separation distance, because that will very much be a local consideration. We have not set a national separation distance, because we feel that the distance is a matter for local authorities.

Mr Wheelhouse is right: our understanding is that there are at this point in time no fracking applications in Scotland. However, if one were to appear, we would want to ensure that the guidance on notification and the best expertise were available to support the local authority in making a determination.

We look forward to the work of the expert scientific panel, but I think that the Government has made clear its direction of travel on this issue. We expect robust understanding of impacts on the environment before consent can be given.

Graeme Dey: Like the minister, I look forward to Scotland's becoming independent and enjoying all the powers that would go with that.

In the meantime, however, I understand that onshore licences are issued under the Petroleum Act 1998, which contains no requirement to restore the site and no provision for aftercare. There is nothing at all in the act to ensure that licences explicitly require operators to prove that they have the resources to carry out restoration work. Does the Scottish Government have the power through SPP or NPF3 to take a robust approach to restoration bonds, which must, as I understand it, be lodged for onshore wind turbines? Is there any scope for ensuring that we have similar financial insurance—if you like—for much more environmentally risky work?

Derek Mackay: There is certainly scope to do that. At the moment, any planning authority can set conditions not as part of the licence but as part of a planning condition for the restoration of land.

Of course, the planning system relates only to land use, which means that, even in the case of fracking, it will look only at the structures on and above the ground, not at what lies underground. That is where other agencies come in. Again, that process will be assisted by the on-going work and consultation on mineral and coal extraction, and by work on the apparent failure in parts of the country to monitor such situations and remediate land that has been affected by such extraction. That work is also quite timely, given that the revised SPP will be concluded this summer.

Claudia Beamish: I was going to ask a question about restoration, but given the clarification that the minister has just provided, I will not do so. Obviously as a South Scotland MSP—just to be parochial again—I have had concerns raised with me not only in relation to Canonbie but on the much broader issue of the lack of restoration bonds for opencast mining.

Why does NPF3 not, as far as I can see, say anything about air pollution in hotspots in cities or about how the planning system might affect that with regard to the developments that can go ahead?

Paul Wheelhouse: I am happy to take that question, convener.

The Convener: Does the question relate to NPF3?

Claudia Beamish: Yes it does, in my view.

11:30

Paul Wheelhouse: There are a number of issues in relation to NPF3. It facilitates continued movement towards active travel, so that is one driver that will help to address air quality issues, particularly in urban areas but also, potentially, in some of the rural hot spots. It supports the improvement of rail connections in Scotland, which reduces more damaging forms of commuting, and it could assist with the need for a reduction in car journeys—and indeed lorry journeys, if we get rail freight addressed.

NPF3 also supports the roll-out of digital infrastructure, which, for the reason that I gave earlier, avoids the need for people to travel in the first place. That involves more use of videoconferencing, people working from home and small businesses locating in rural settings where they can get a competitive broadband connection, whereas at present they may have to go to a larger urban centres or business parks to achieve the same result.

The draft SPP, as opposed to NPF3, supports the planning system in promoting patterns of development that reduce the need to travel. We talked earlier about the design of housing and how that can impact on settlements. The SPP can also direct significant travel-generating uses to locations that are better served by transport in order to avoid creating unsustainable commuting.

Some specific projects are being promoted through NPF3. An example is the Baillieston linkthe missing link, if you like-on the M8 corridor. project will be opposed by some That environmentalists for understandable reasons-I respect their position while not necessarily agreeing with it-but it will help to address a wellknown trouble spot for air quality issues on the edge of the city of Glasgow. There will be positive environmental benefits from the point of view of dealing with the air quality challenge of which we are aware. That is the last significant site to be addressed of those that currently fail to meet the requirements of the European directive. There is an issue of timing-we would be keen to get it done more quickly than we believe it will be done-but it will address a long-standing problem in the area.

There are a number of measures in NPF3 that may not be badged as air quality measures but which will have the consequential impact of improving air quality where there are known to be pressures.

Derek Mackay: I add that, whatever is expressed in NPF3 as a spatial expression strategy, the planning advice notes that will follow from it will reference air quality and how it should be taken into account as a material consideration in any application.

Claudia Beamish: That is helpful. Thank you.

There has been evidence on the national ecological network from a range of stakeholders. I will not go into the detail of that now, but concern has been expressed that there was, in NPF2, perhaps more emphasis on the national ecological network. We already have the strong model of the central Scotland green network. Again, I will not go into detail because of the time, but evidence suggests that a range of benefits might accrue from a national ecological network. Because of that, there is disappointment in some quarters—I identify with it—that such a network is not one of the 14 national developments. Do you have any comments on that?

Paul Wheelhouse: I will start, and maybe Mr Mackay will come in on the drafting reasons.

The first thing to say is that we have "2020 Challenge for Scotland's Biodiversity—A Strategy for the conservation and enhancement of biodiversity in Scotland", which is our revised and updated biodiversity strategy. That will be implemented at local level by networks of local biodiversity action plan officers within local authorities. I have met a number of them, who were brought to me by Dennis Dick in the context of the biodiversity committee, and we discussed a number of things that they are doing. Biodiversity action plan officers in Tayside and Grampian are looking to take a similar approach to that of the central Scotland green network. They are doing so themselves and not because the Government is directing them. That is at an early stage, but they are looking at how they can collaborate on a larger scale to achieve a similar outcome to what is being achieved in the central Scotland green network.

As a priority—certainly from the environment portfolio point of view—we are very committed to supporting the central Scotland green network and ensuring that it succeeds. With the reorganisation of the CSGN and the merger with the Central Scotland Forest Trust to create a single body, there have been some changes. I hope that that will provide clear lines of communication and more resource for delivery rather than for administration. The CSGN remains a high priority for the Government as an exemplar project. It is well respected internationally; indeed we flagged it up to Owen Paterson as a good example of green infrastructure that he can use in his discussions at Europe level.

I reassure stakeholders and Ms Beamish that we place a high value on achieving our biodiversity strategy, on wider impacts on climate change and other areas, and on national performance indicators in terms of getting people to go out and enjoy the countryside. There are some great examples of green infrastructure in Scotland that we want to take forward. The national ecological network was put to us as a concept rather than a specific project; as such it is difficult to reflect it in NPF3. The CSGN is a more defined initiative and strategy. Mr Mackay may want to comment on that.

Derek Mackay: Mr Wheelhouse has made a valiant effort to try to reassure Claudia Beamish that she should not be disappointed about the lack of inclusion of the national ecological network in NPF3. I will try to reinforce that. It is important to say that we value the national ecological network; it is just that we were not sure that it met the criteria for being a national development and, therefore, what giving it such status would add to it. Why? Essentially, national development status is about assisting with consent and giving some certainty within the planning system so that something sits at the top of the planning hierarchy. The national ecological network feels like more of a concept than something that would benefit from national development status.

When we embarked upon NPF3, we set out what the criteria would be for inclusion. We had a participation statement and there was broad agreement about the criteria that would be used. The ecological network certainly met some of those criteria—for example, improving the quality of the built or natural environment—but it did not meet all the criteria. Like many of the hundreds of bids that we received, it did not quite achieve final status. That is not say that it is not important—it is important, and it will be referenced in the final document as being valuable to Scotland. We just did not see what added value we would get from giving it national development status, so it was not included as one of the 14 national developments.

Of course, not all 14 are site-specific projects; some will stretch the length and breadth of the country, such as the national walking and cycling network or the transmission network for energy supply. We value the national ecological network—it is important—but it just did not meet the criteria that we had set out to become a national development. However, it is still valued by the Scottish Government and it is certainly supported by ministers.

Claudia Beamish: Would it be possible for the committee to have sight of how the criteria were developed? It would be reassuring.

Derek Mackay: Yes. I would be happy to share that with the committee. Given the level of detail that it goes into, it will help you if you suffer from insomnia.

Claudia Beamish: Perhaps I will regret asking that question.

The Convener: Claudia Beamish is the rapporteur on the matter.

Derek Mackay: There are no great secrets. Dr Simpson has some of the paperwork as a wee snapshot, but if you want to feast your eyes on that, gaun yersel, as we say in the west.

The Convener: Thank you. Jim Hume has a question about climate adaptation and resilience.

Jim Hume (South Scotland) (LD): I will try to merge two questions into one, just to speed things along.

On flooding, SEPA thought that NPF3 could go a bit further, for example by suggesting that housing and other developments should avoid flood risk areas. SEPA was also concerned about resilience, as was Glasgow City Council. There is quite a bit about resilience in what you might call green environmental issues, but in future resilience will mean a joined-up approach involving transport, buildings and communications systems. How does NPF3 support the delivery of sustainable flood risk management? Can it go a bit further? Is there room to spread out resilience to include other areas such as transport and communications?

Paul Wheelhouse: First, I will address the flood risk and flood risk management issues. We have the necessary tools to do the job. The Flood Risk

Management (Scotland) Act 2009 is an excellent piece of legislation, and it is helping to inform our strategy and the roll out of investment across Scotland, in partnership with the Convention of Scottish Local Authorities. In January, we published flood risk and hazard maps, which are very important tools for local authorities, local responders and communities and will help them make themselves more resilient. They also inform the planning process by helping the determination of where residential property and business development would or would not be appropriate. In addition, we are embarking on the next phase of river basin management planning through SEPA, and the next exercise will cover 30 catchment areas. A lot of work must be done on priority catchments.

Our draft Scottish planning policy has been revised to reflect flood risk, and flood risk is noted as a national issue in NPF3, so the matter has been flagged up and recognised. I will leave Mr Mackay to deal with the spatial aspects of the issue, but the NPF3 consultation identified climate change as a principal overarching policy. Adaptation to climate change is a key aspect that must be factored into all planning decisions.

The point was made very early on today that we cannot expect NPF3 to be a compendium of absolutely every Government policy. NPF3 signposts readers, planners and developers to the fact that we have an overarching climate change policy, that we are developing an adaptation programme and that flood risk is flagged up as an issue of national importance. We then have all the pieces of work that I have discussed, such as the flood risk and hazard maps and the Flood Risk Management (Scotland) Act 2009, which underpin what is mentioned in NPF3.

The topic is another example of signposting and making sure that people are cognisant of the challenges and the issues that they need to take into account with regard to the planning process, and are also aware that the detail and the overarching strategy on flood risk management elsewhere associated are presented in documents. The Parliament can be confident that we have very comprehensive policy provision on flood risk and that we are developing a local response, working with partners such as Dumfries and Galloway Council, Angus Council and other councils to develop specific projects.

Derek Mackay: Mr Hume would be right to expect us to be watching what is happening elsewhere, to make sure that, if there are any lessons to be learned on response, resilience and proactive planning, we will learn them. We are in a strong position with the planning process. NPF3 may not set out where the flood risks are, but those are dealt with in planning advice notes, which lie behind this work. For some, NPF3 will almost be an investment document. Flood risk, water attenuation and waste would be considered in any planning decisions on drainage and infrastructure. I hope that that reassures him.

When Mr Hume mentioned resilience, he cited Glasgow as an example. Resilience is partly about regeneration, which is why we are adopting the town centre first approach, for example. Through that approach we will look first to regenerate sites rather than necessarily building on the greenbelt. That is about how we deploy our planning decisions and weigh up some of the challenges. A lot is going on around sustainability, regeneration and resilience.

Glasgow stands to benefit through, for example, the Commonwealth games. They were mentioned in NPF2 but they are not in NPF3. Why is that the case? The games will be over by the time that we have concluded NPF3, so it does not add value to include them. However, NPF3 will assist in the overall package of regeneration in Glasgow around the games, including their legacy, and it shows how the policies are interconnected. Ongoing work in Glasgow includes the strategic drainage partnership, developments at the Clyde Gateway and a central Scotland green network. Those are just a few examples of the work that will add to the resilience and regeneration of that part of the country.

Similar work is taking place throughout the country. Another example of where regeneration and resilience come into play with regard to the local economy is the Ravenscraig site. We propose to give the site national development status because we believe that that will assist with some of the planning status that will be afforded to the area.

Paul Wheelhouse: I would like to add one brief point, if I may—I am conscious of the time. The maps that I have described map for the first time surface water flooding risk as well as coastal land and fluvial, or river, flooding risks. Therefore, we now have the ability to map all the potential flooding risks in terms of that aspect of resilience. We are now working with Scottish Water on its investment plans as well. It will take account of the factors in the mapping when it prioritises what it has to do on drainage. We are therefore getting a more co-ordinated and cohesive approach to specific issues such as flood risks.

Obviously, the point that was made about critical infrastructure, such as energy infrastructure, is absolutely right. We need an overview of the resilience of those infrastructure investments as well.

11:45

Jim Hume: That is fine. Thanks.

Nigel Don (Angus North and Mearns) (SNP): Good morning, gentlemen. I want to pursue Paul Wheelhouse's comments on the maps. Although they provide very useful information, the other side of the coin is that they make it extremely difficult for some people to get insurance for flooding. The more obvious it is that there is a risk, the less likely it will be that somebody will want to cover that risk. I appreciate that the issue is tangential to the discussion and will not be in NPF3, but what can the Government do to ensure that all that good information does not backfire so that our constituents—we will all have them in the right places—simply find that it is a disadvantage and they cannot get insured against that hazard?

Paul Wheelhouse: Nigel Don makes a very fair point. We need to ensure that the maps are as accurate as possible so that we do not unfairly burden people with a perceived flood risk where there is no flood risk.

The accuracy of the maps is improving all the time; they do not just show the extent of flooding now. The old approach was to show certain risk scenarios and the extent of flooding in an area, but not necessarily its depth, velocity or impact. The maps are becoming much more sophisticated. They will show the extent of a flood—as they did previously—in the three different scenarios of low, medium and high-frequency events; the depth and velocity of the flooding water; and the source, or whether the water is surface, fluvial or coastal. Therefore, there is much more sophisticated information.

In parallel, we are working with the insurance industry and stakeholders to ensure that we get information that is as accurate as possible from all 32 local authorities to demonstrate where flood protection has been put in place to help to reduce the risk of flooding to communities. That information should be taken into account, and I have had assurances from the insurance industry that it will take it into account in determining premiums and the size of the excess at a local level.

We can assure communities that, if investment is made, that should have a knock-on impact in reducing their perceived flood risk and the premiums and excesses that they are likely to be charged. We are getting a more sophisticated approach throughout, from start to finish.

Nigel Don: I would like to continue on the issue. Does the minister accept that there is a problem for those who have a perceived, evaluated and enumerated risk but who will not find any mitigation from any scheme turning up because mitigation is simply not sensible? I am concerned about our ability as a nation to protect ourselves and insure against hazards that we cannot mitigate. That really should be a collective issue.

Paul Wheelhouse: I am happy to address that point. I am sorry if I did not address it properly in the answer that I gave.

On the other aspects of the process, through its Water Bill, the UK Government is proposing a flood re scheme, which is an insurance initiative to ensure that there is, effectively, cross-subsidy from all policy holders across the UK for properties that are at a perceived higher risk of flooding. Their premiums will be brought down to a level that is more sustainable for individuals. Currently, residential properties are only affected—I appreciate that that is an issue for communities that have businesses that have been affected by flooding. However, the scheme will help. We were not consulted on the development of the proposal, but we support the general approach as the best offer on the table. I hope that it will bring down the risk of high premiums.

The other thing that we can do—this is not related to NPF3 or the SPP, obviously—is look at property-level protection. We are doing an evaluation through a consultancy to understand the effectiveness of property-level protection so that where a mitigation project or large-scale flood protection project is not possible, we can advise communities and individuals of the best products and the best approach to protect their property and can look at other ways in which we can support them.

I recognise that insurance is an issue. In the next couple of days, I am due to catch up with Aidan Kerr of the Association of British Insurers on the impact of the events in England on the UK Government's insurance proposal.

Nigel Don: Thank you. I am grateful for that diversion.

The Convener: As there are no more comments on flooding, we will move on to rural development issues.

Claudia Beamish: The issue of community ownership of assets has been raised in evidence to the committee, and we have been to Gigha and seen the vibrant community there. The land reform review group will be reporting soon, although the report's publication is not particularly timeous with regard to the publication of NPF3. There are also planning issues in relation to community ownership of energy.

Do the ministers consider that community ownership of assets is an important driver of rural development? If so, how should that be reflected—if it can be—in NPF3? **Paul Wheelhouse:** First, on the timing of the land reform review group's report, it is hoped that the report will be available in April, or at worst at the beginning of May. We expect parliamentary stakeholders and members to have access to the report on that timescale.

The Government views community ownership as very important. The First Minister has announced our target of doubling the amount of land in community ownership by 2020, which will be difficult but achievable. We have set that objective primarily because we want communities to be empowered to take control of their future, along the same lines as communities such as Gigha have been empowered. Such schemes run from small-scale projects that involve simply extending a village hall to larger-scale projects in which people take on the ownership of large land holdings and crofting estates. There is an opportunity for communities to determine their own economic path.

Our objective links in with the issue of land use. In some respects, land reform is viewed in isolation, but I recognise the view of many stakeholders that it fits neatly with the discussion about land use. Simply changing ownership is not an objective in itself; the issue is what the land is used for and how economic benefit is delivered for the community in question. We are aware of the need to ensure that those two strands—land use and land reform—work together. Obviously, the land reform review group is primarily considering the land reform aspects, but I am sure that it will touch on land use issues too.

Derek Mackay: I agree, but I must be ever so slightly careful in that regard, as purists would say that the planning system takes no account of ownership in determining land use. Although that is true, the system can take into account the economic impact of, and the community benefit from, certain decisions.

Claudia Beamish mentioned energy, and there is a connection with broadband and mobile coverage issues, so that every part of the country can enjoy the digital revolution. The target that Paul Wheelhouse mentioned is also supportive of community benefit, and the issue is mentioned in planning policy.

On where we are going with community ownership, it will be addressed not through planning policy, but through legislation such as the forthcoming community empowerment and renewal bill. In essence, our answer to Claudia Beamish's question on whether we support community ownership as a way to drive local regeneration is yes, we do.

Jim Hume: We have had various comments from outside organisations on housing. Some

have suggested that we should concentrate housing in towns, and others, such as Scotland's Rural College, have requested more housing in the countryside.

As I am sure Paul Wheelhouse at least will know, it is very difficult in our rural region for young people to access homes and for rural business people to retire in their own communities. Do the ministers think that we are currently striking the right balance in NPF3 and the Scottish planning policy between protecting the landscape and acknowledging the economic activity that takes place in our rural landscape and requires housing?

Paul Wheelhouse: I echo many of the points that Mr Hume has just made. Housing is a key component in ensuring that we have, as I mentioned in my opening remarks, vibrant rural communities that people enjoy living and working in. Obviously those communities will have to be sustainable, but they must provide the facilities and access to affordable housing that people in rural areas need every bit as much as people in urban areas. It is a very important aspect of policy.

It all comes back to our previous comments about landscape, the impact on wild land and the view that, as Mr Mackay put it, there should be no no-go areas. We have to work sensitively with regard to whatever protected features or other environmental considerations are in place in certain areas, which will be a particular challenge in, say, the Cairngorms national park, where the sheer breadth of protected features and sites makes it challenging to find locations that meet the community's aspirations while staying within the sustainable development principles that we all support.

There is definitely support for Mr Hume's view that we need to look at rural housing opportunities, and I know that SRUC and others have been very active on the issue. NPF3 certainly supports such development, because it is very much about ensuring that rural Scotland is a sustainable and vibrant place to live and work in. I believe that that is the overarching strategy; as I understand it, the detail will come in through the Scottish planning policy, and Mr Mackay is better placed to deal with that issue.

Derek Mackay: Planning authorities are expected to ensure a generous supply of land to meet local housing need, and the figures will be driven by a local housing need and demand assessment. That can sometimes be done at scale, which is fine. People could read our document and say, "Well, you're proposing to develop largely in the conurbations—in Perth, Aberdeen, Edinburgh and so on." However, that is where demand is at scale—and, obviously, there is demand in Inverness as well. There are two points to make about rural areas. First, developments need to be flexible. As planning minister, I am very aware that individual applications are important. They might not fit with the notion of scale as far as housing developments are concerned but they are absolutely vital to rural areas, not least in the Highlands, and we have to be flexible in relation to and supportive of individual developments.

Sometimes such developments might depart from the plan-led system, but that is okay as long as such a departure is justified by certain material considerations and informed by a sense of place. We have not really discussed place-making this morning, but it is at the heart of planning policy. As long as a development or even an individual site is in keeping with the local environment, it is a good thing.

However, in order to maintain, sustain and, indeed, increase the population in some parts of rural Scotland, the planning system's policies and, more important, the implementation of those policies will sometimes have to be quite liberal and permissive. I hate to tell you this, convener, but from time to time you get overzealous planners out there. They are not numerous but they exist, and sometimes we have to be a bit more supportive of creating the infrastructure and housing that will provide rural areas with a sustainable future. For that reason, the policies are supportive but, as I said, implementation on the ground will be even more important.

The Government would not support a culture in which someone who has designed the right kind of property that is in keeping with the local environment is then told, "It's not covered in the plan, so the computer says no"—I include in that remark the 32 planning authorities, which are led by local authorities and, I hasten to add, the two national parks. Sometimes, inadvertent additions to the planning process, such as occupancy conditions, are irrelevant to planning decision making and determinations; indeed, the use of such things has been somewhat ill-advised in the past.

The Convener: There is a lot that we could say about the matter but Mr Hume will have to finish on this point.

Jim Hume: I am glad to hear that Derek Mackay agrees that it is a good thing to be Liberal—and I mean "Liberal" with a capital L for the purposes of the *Official Report*.

The Convener: I do not think that he said that.

Jim Hume: He said something to that effect, convener.

Scotland's Rural College has said that additional Government support is needed to help rural communities with housing. Is that in the pipeline?

12:00

Paul Wheelhouse: I would need to direct that question to housing colleagues. We certainly have a number of initiatives, which I know occasionally have their critics, to help with housing for crofters, for example through grants designed for that purpose. Of course, the quality of rural housing is also a big issue; it is not just about the numbers. We have a disproportionate amount of older, solidwall properties with poor heating or poor energy efficiency ratings. That is also a big challenge, which Margaret Burgess is taking forward.

I know anecdotally of many rural housing associations that receive grant funding from the Scottish Government to provide housing, including in the Borders and in other regions of the south of Scotland. I can come back with a response from housing colleagues on the issue that you raised, if that would be helpful to the committee.

Jim Hume: Yes, it would be. Thank you.

Graeme Dey: I want to explore the balance of new housing provision, particularly in the national parks. The Badenoch and Strathspey Conservation Group has said that

"NPF3 should focus new housing in national parks—"

particularly in the Cairngorms national park-

"on meeting genuine local need".

The group argues that there is too much openmarket housing, only a small number of affordable houses and too many second homes. It has suggested the introduction of residency criteria for the national parks so that new build housing would be restricted to people who had a long-standing relationship with the area.

I suspect that that approach would potentially offer a better chance for young people to remain in the areas where they were born and raised. Jim Hume referred to retiring people, too, but losing young people from rural communities has considerable consequences for those areas. Jim Hume also touched on the SRUC's evidence, which highlighted the issue of young people's access to housing in rural areas. Is the proposal on residency criteria worthy of consideration?

Derek Mackay: From a planning point of view, I am not immediately attracted to the proposal. The more complications, criteria and formulas that are put in place in order for someone to get a planning application accepted, the more difficult it becomes. Surely the way in which we will create sustainable, vibrant and dynamic local environments and economies is through creating more opportunities

by ensuring that there are job prospects and economic growth. The size and composition of households is an important issue as well.

My experience is that occupancy conditions have made it harder rather than easier to get the right kind of developments. In terms of the planning system, therefore, I am not immediately attracted to what Mr Dey described, although in terms of grants and other things it may be a consideration. I think that, rather than having a more restrictive culture, we need a more can-do, enabling culture in planning to generate economic growth and population retention.

Paul Wheelhouse: I echo what Mr Mackay has said, because I would have a slight concern about the proposal that Mr Dey described. I would certainly listen to any evidence or arguments presented to me as the minister responsible for the national parks, but I would be concerned about an approach that focused on particular residency criteria for getting housing there. There can be difficulties in attracting people with particular skills to live in national parks, and a residency test might be a barrier for someone who is needed as a key worker in a national park if it meant that they could not get access to housing. Residency criteria can therefore present challenges.

As Mr Mackay said, it is a matter of ensuring that there is a range of employment and education and learning opportunities locally for people to enable them to remain in an area. It should also be said, though, that it can be a good thing for people to leave an area, gain experience and come back. What we have to do is provide the opportunity for them to come back when they have gained experience.

I suppose the challenge for the national parks, and the Highlands and Islands more generally, has been the huge demographic dip from so many people in the younger age group leaving and there being no consequent flow back in from outside the area to balance things out. There is therefore a kind of mismatch in supply and demand for young people going into employment. There are not enough young folk available to provide the skills that are needed.

As I said, I would be slightly concerned about having a residency test to access new housing. I have not heard any evidence so far from the Badenoch and Strathspey Conservation Group, and I have not heard what the national park boards' view would be on the proposal. I am happy to listen to any evidence on the issue, but for the reasons that I gave I would be concerned that a residency test might be a barrier to attracting skilled workers into national park areas to satisfy a defined economic need. **Graeme Dey:** Thank you for that informative answer. I would like to develop the theme slightly. SRUC has suggested that there is nothing specific in NPF3 that attempts to check outward migration. It has stated that

"young people are not mentioned at all."—[Official Report, Rural Affairs, Climate Change and Environment Committee, 5 February 2014; c 3237.]

Is that a valid criticism? Can you point to anything in NPF3 that would tackle that issue?

Derek Mackay: We might not talk about older people, younger people, the disabled or specific ethnic groups in the document, but you cannot read NPF3 without concluding that it is for all the people of Scotland in the creation of a successful, sustainable place that has a future. I am passionate that it will make a difference and contribute to a host of other strategies that are for all the people of Scotland.

We have not gone through a tick-box process to ensure that we have covered every category, used every piece of jargon and mentioned every group that we should mention. We have a document that does a job and does it very effectively. We have not covered every single part of the country by name, either, because it is about having the policies and mechanisms that will deliver, not a tick-box mentality.

My message to young people is that the document is about giving them a sustainable future, jobs, housing, employment, access and digital connectivity. It has everything for them without setting it out like some sort of shopping list. I strongly reject any claim that NPF3 is not for every part of the country or for every person in the country. It is a dynamic document, and this is not even the finished version—after the committee's engagement, it will be even better.

The Convener: I hope that that message is passed on to every local planning officer. We are certainly conscious of the individual experience in respect of homes being made available.

Paul Wheelhouse: I want to touch on a slightly different aspect. Mr Mackay in full flow is always a tough act to follow.

Many committee members are residents of rural areas, and one aspect of NPF3 that is important for rural areas is that it supports the development and creation of service clusters in rural towns. At the moment, there tends to be a two-speed model in which rural areas do not have competitive locations for the kind of business service jobs that are currently located in urban areas. We want rural Scotland to develop vibrant and exciting places in which to work as well as live, which means creating viable alternatives to working in an urban context and ensuring—as Mr Mackay said—that the broadband infrastructure is up to scratch to enable appropriate investment to take place.

Alex Fergusson: I want to raise an issue that I have raised at previous meetings. In my experience, in my part of rural Scotland, social housing development too often takes place where the infrastructure supports that development and not necessarily where there is a need for housing—and Dumfries and Galloway is badly in need of social housing.

As a result, a housing provider that has recently built a development of 34 houses in the village next to where I live is having trouble filling that development because people are taking account of other considerations such as the cost of travel the public transport system is not great—and are turning down the opportunity to move into a brand new house even though they would love to do that.

It is important to have joined-up thinking, particularly concerning sewerage and Scottish Water facilities, in the provision of such developments. Too often, a development is driven by the ability to build in a certain place rather than the need for housing there.

The Convener: Do we agree?

Derek Mackay: It is helpful for us to hear about that situation.

There is a subtlety to the issue, which we have consulted on to ensure that we get it right. For private sector developments, there is a quota of how much of a site should be affordable housing— I think that it is 25 per cent. The quota is applied slightly differently across the country and it is sometimes unhelpful because it makes a development unviable, which is not what we want when we are trying to promote economic growth. We might, therefore, accept that a development should go ahead without that specific quota or that the quota should be sensitive to local circumstances, which might require specialist housing.

That is why we have consulted on the question of the quota. It is about getting the right developments in the right places, and it relates to the point that Mr Fergusson makes. That point is very helpful to us and we will bear it in mind.

Paul Wheelhouse: Earlier, I made a point to Claudia Beamish about directing development where possible to make use of existing public transport infrastructure. If we do that, those developments will be more attractive for people who are looking for affordable housing, who perhaps have greater cost pressures and who will be able to avoid having to use expensive private vehicles. By virtue of the fact that we are looking at the issue from the low-carbon perspective and ensuring that there are active travel or public transport routes by which people can get to employment centres, we will make those places more viable locations for people to take up the affordable housing option, and such housing will not be left vacant because it is in the wrong place.

The Convener: I am conscious that we have to move on. Angus MacDonald is next.

Angus MacDonald: I will head to the islands. NPF3 states that Scotland's coasts and islands have

"an unprecedented opportunity to secure growth from renewable energy generation",

which will

"bring ... employment"

and

"reverse population decline".

That is clearly good news, but Scottish Power has recently shelved its involvement in the Tiree array and SSE is reviewing its involvement in offshore renewables. If progress on offshore renewables is not as fast as the Scottish Government anticipates, what other opportunities are available to support rural development in coastal and island communities, and how does NPF3 reflect that?

Derek Mackay: In some ports and harbours, development will be mixed. We have included the NRIP—national renewables infrastructure plan sites in NPF3. As I mentioned, some of the developments are wholly dependent on the private sector bringing forward proposals. However, there is competition at some harbours and ports, so if one development does not take off, there is potential for other developments and other industries. There will be a combination and a mix. Some coastal areas might enjoy growth in the tourism market, marine recreation or fishing and aquaculture—not just in renewables. We need a balanced approach.

In NPF3, we have connected the national planning framework and land use more effectively with the marine strategy and marine opportunities. Because of the potential that exists, NPF3 looks more to the coast and coastal communities than previous iterations of the NPF perhaps did.

Although individual projects might not proceed— I have to say that the situation has not been helped by some decisions, or a lack of decisions, by the UK Government—importantly the strategy is not just for one or two years or for the shortterm. It puts in place planning certainty for the future and for a generation. It is about generational change. To answer the question briefly, it is about a balance, a mix of opportunities and giving greater certainty. If we have more commercial progress at some sites, the planning system and functions will be well placed to release and realise the opportunities. That connects with the Government's emphasis on the NRIP sites, to which you referred in your question.

Paul Wheelhouse: I will add complementary comments rather than go over what Mr Mackay has said.

We have opportunities for specific sectors. Many island groups and coastal areas will potentially benefit from cruise traffic and the development of marine tourism. That is identified at local level in a list of projects and initiatives in each of the island authorities and in the Highland and Argyll and Bute areas. Members would also expect me, as the minister for aquaculture, to say that aquaculture is a huge opportunity for many rural and island communities. It is probably the key sector for private sector employment in Shetland. Shetland is a major centre for fin fish and shellfish production, and the island authority is keen to develop it further.

Parallel approaches that we have talked about such as the land reform process, community empowerment and our focus on creating towns as service centres and hubs of economic activity will benefit island areas and coastal communities every bit as much as they will benefit more mainland areas. The investment in broadband infrastructure is absolutely crucial to make it possible for people to live and work on a competitive basis in places such as the Western Isles.

A lot of things are going on in parallel. As I said, you would not expect NPF3 to address all the issues, but a number of initiatives in it relate to tourism and development—particularly marine tourism in the islands—and broadband infrastructure.

12:15

Angus MacDonald: Thanks for that.

Most of those issues have been raised in a submission by Comhairle nan Eilean Siar, in which it made a number of salient points, not least the fact that

"Scotland's Western seaboard is home to one of the richest renewable energy resources in Europe".

As Mr Mackay mentioned, NRIP highlights that Arnish, Kishorn and Machrihanish are key locations for the development of renewables.

It would be churlish not to mention that Lewis and Harris have today been named by TripAdvisor as among the best islands to visit in the world, which is very welcome—not that I am biased or anything.

Increasing tourist footfall in the islands is paramount. However, in NPF3 there is mention of support for hutting, following the example of our Scandinavian neighbours. The Western Isles council referred to that in its submission, with regard to

"provision of infrastructure, visual/cumulative impact in open landscapes, and use-class definition."

Can both ministers assure me that the council's concerns will be taken on board as you progress with NPF3?

Derek Mackay: We will look at the specific comments, but first I congratulate the island that Mr MacDonald mentioned. The situation will be helped by the fact that Scotland's airports will enjoy national designation as part of NPF3. Scotland's airports have been upgraded, which is good for connectivity to the islands. That is a further example of how something quite subtle in the document actually assists sustainable economic growth.

We are aware of some of the correspondence about hutting—to our surprise, the biggest campaign on NPF3 was probably the one about hutting. We have had a wide consultation process.

The Convener: It is a housing problem in another guise.

Derek Mackay: Indeed.

We will look at some of the concerns but, as with everything else, there is both a principle, which is that we support the promotion of hutting in Scotland, and the matter of the guidance that planning authorities would like—on the definition and infrastructure, for example. We will look at what they want and try to give them that guidance so that there is consistency across the country.

I dare say that the issue will be slightly less controversial than energy or other policies. We will commit to giving planning authorities as much clarity as they like. The planning system is about individuals weighing up different issues and making decisions. We like planners to have as much guidance as they can. Dr Fiona Simpson will resolve that issue by our next meeting and ensure that the guidance is produced to keep within the aspiration that hutting is something that can be enjoyed in Scotland, which we certainly should support.

The Convener: Does Alex Fergusson have a question?

Alex Fergusson: I was going to ask about national parks, but you rather purloined my question earlier, convener.

In response to the convener's question, Mr Wheelhouse made a point that I have to question, certainly from the perspective of my own part of the world. I have long championed the prospect of a Dumfries and Galloway national park, if there is to be further development of national parks. I hasten to add that my enthusiasm for that has nothing to do with the fact that it might reduce the development of wind farms across the region; it is entirely to do with sustainable economic development, of which my region is in great need.

I wanted to question Mr Wheelhouse's suggestion that he has not been able to identify any growing enthusiasm for more national parks. When I first started to raise the issue in 2003 I would have agreed with him: I could not find much enthusiasm for it. However, recently in the region, the council, the Dumfries and Galloway Chamber of Commerce and others have come out strongly in favour of the development of a Dumfries and Galloway national park.

I simply want to make the point that, although there is not growing enthusiasm nationally, Mr Wheelhouse could not say that there is not growing enthusiasm in Dumfries and Galloway.

Paul Wheelhouse: I think that the Official Report will show that I said that we had received some individual pieces of correspondence but that there had not been a groundswell—that was the point that I made. We have not had a large amount of correspondence and I am not aware of the organisations that Mr Fergusson mentioned, such as the chamber of commerce, having written directly to me. I stand to be corrected and will come back to the committee if that is not true.

Alex Fergusson: They will soon.

Paul Wheelhouse: I have certainly not had anything directly from them so far.

The Government has not had any well-defined, firm proposals. There was a proposal for a national park for Harris that went to a local vote. The local people voted in favour of it, but the council decided not to progress it. That was not the Government ignoring the public's views, but the local authority deciding not to progress the proposal for a national park. That is my understanding—it all happened before my time in office.

Other than the representations that have been made by stakeholders who are campaigning for a programme of new national parks or to protect rural Scotland—perhaps for the reason that is not Mr Fergusson's reason for supporting a park in Dumfries and Galloway but mainly because of wind farms, if I can put it in those simplistic terms—no one has contacted me. I have met those people and made clear our position. We would need to have some more clearly defined proposals for national parks than we have been given, but I would happily receive any correspondence from Mr Ferguson's and—dare I say it—my constituents on proposals in Dumfries and Galloway.

Nigel Don: I will go briefly back to the discussion that we had about affordable housing and rural towns being vibrant centres of business, which I do not want to repeat. Should the planning framework talk at all about affordability? In other words, can it address the economics of living and working in rural areas? A plain and obvious point is that transport costs are always higher, but there are many other factors.

Paul Wheelhouse: As a general principle, I accept that the cost of living is high. The Joseph Rowntree Foundation did work on the cost of living in the Highlands and Islands Enterprise area, and I believe that the figures suggested that the cost of living in the rural Highlands and Islands is up to 20 per cent higher than it is in urban Scotland. That clearly demonstrates the point that there is an issue with the experience of living in the rural environment.

With reference to making rural communities more vibrant, we have a clear approach in NPF3 that is supportive of development that will generate local employment opportunities. One of the biggest costs that we have is people having to transport themselves to centres of employment. If we can avoid their having to do that, it not only helps to tackle climate change but helps with people's household budgets. As Mr Mackay mentioned, Mr Ewing, he and I are working on the implementation of a heat strategy and working to lower the cost of domestic heating, which is a major pressure on household budgets. A substantial proportion of the rural population is fuel poor.

We can do, and have to do, a number of things. The investment in adaptation measures to address flood protection to try to reduce the premium costs to individuals can help to make it more affordable to live in rural locations. I recognise the fact that the cost of living is a real challenge in rural areas.

From the housing perspective, Ms Burgess is trying to address the retrofitting of relatively energy inefficient housing in rural areas as a key means by which we address fuel poverty. A number of different Government ministers are involved in the matter. The issue is not just for the rural portfolio; it is very much a core part of what different departments are trying to do. NPF3 is supportive of trying to create the employment and rural housing opportunities that can address it directly.

The Convener: We will have a very small point from Claudia Beamish.

Claudia Beamish: It is not a small point, but I will make it brief. [*Laughter*.]

My point relates to rail in rural Scotland. Obviously, affordability is not within the spatial arguments, but the Scottish Association for Public Transport has highlighted that more could be done on access to rail transport, such as the opening of other stations and a range of other measures that could help to connect people better through rail transport. I was disappointed to see that reference is made to road improvements between Cairnryan and Ayr but very little is said about the railway from Stranraer up to Glasgow. Connectivity is the issue.

Derek Mackay: I will comment briefly on Nigel Don's point. Key themes include inequality, rurality, settlement and the town-centre-first principle. That will help to address the points on planning that were referred to.

Claudia Beamish should not be concerned by the omission of certain elements. When Mr Brown and I appeared before the Infrastructure and Capital Investment Committee, we were able to talk about rail connectivity a bit more and explain that the NPF is almost a consenting process. It is a planning process and sets out aspirations on, for example, high-speed rail and connections between Glasgow and Edinburgh.

The NPF does not list all the other transport investment projects that Claudia Beamish might have expected because, if they do not require planning consent, they do not feature in the document. Some proposals that are at an earlier stage or at the lobbying point would feature not in it but in the Government's strategic transport projects review. That would be the appropriate place to channel requests, demands, instructions and bids for rail investment.

In policy principle, we want the modal shift to more environmentally friendly forms of transport and, therefore, we are supportive, but Claudia Beamish will be aware that there is a specific legislative process to go through when new rail is required. It normally requires an act of Parliament because of the nature of the legislation.

Claudia Beamish should not be concerned by the omission of rail projects. It is simply that the NPF is more about certainty about projects that are already in the system. Mr Brown will be more than happy to receive representations on further requests for rail—I will tell him that after the meeting—but there is a specific process to be undertaken on that, which is not necessarily relevant to the NPF.

Paul Wheelhouse: We expect the station investment fund to be opened for bids this year. I believe that that is public knowledge. The fund is

£30 million and is open to rural areas to bid for new stations every bit as much as urban areas.

The Convener: Thank you very much for your evidence, ministers. Some of us have been very restrained in what we have had to say, but we have had a wide range of questions and full answers. We extend our thanks to you for that detail; we look forward to mulling it over.

We would be more sociable in a break, but we have another piece of business to deal with in private, so I am afraid that we will have to stop now, thank you for your involvement, clear the decks and come back in a couple of minutes.

12:27

Meeting continued in private until 12:42.

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