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Dear Colleague

Summer Update 2023

We are writing to update you on progress towards reforming the planning system and wider place-based working, including community-led regeneration and the Place Based Investment Programme, in recent months. It certainly has been a busy first half of the year, including the passing of some very significant milestones in the planning reform programme and the strengthening of our plan-led system which will ensure that we are doing all we can to tackle poverty and reduce inequality; deliver a fair, green and growing economy; and improve our public services.

Key achievements

[National Planning Framework 4](#) was adopted by the Scottish Ministers on 13 February 2023 and since then our attention has focused on developing new ways of working to support its delivery. The National Planning Framework now has a new, enhanced status as part of the statutory development plan, alongside local development plans. This is a significant step forward for planning in Scotland and we are already working collaboratively with a wide range of partners to support its delivery. We were delighted to receive a national planning award for NPF4 recently, recognising its contribution to addressing climate change.

Progressing further reforms of the planning system, new [regulations](#) and [guidance](#) on local development plans are also now in place, together with related [regulations](#) on Play Sufficiency Assessments. Local development planning will play a critical role in the new system, and we are looking forward to supporting implementation of the new approach in practice. Alongside this, we have issued a consultation on draft [statutory guidance on effective community engagement in development planning](#), which closes on 13 September. Collectively, this largely completes the reform of development planning, enabling planning authorities to proceed with the new suite of place-focused local development plans.

We have made significant progress in extending permitted development rights with [Phase 2](#) now in force and [Phase 3 open for consultation now](#). Phase 3 focuses on small scale renewable energy developments and is designed to support businesses as well as households in response to the cost-of-living crisis. Other matters covered in the consultation include limiting permitted development rights for shooting ranges.

We are in the process of developing a series of guidance documents that will support implementation of NPF4, including the current consultation on [Local living and 20 minute neighbourhoods](#) (supported by a blog which can be viewed [here](#)). We have also issued an updated circular on Short Term Lets. On biodiversity, following publication of NatureScot's [Developing with Nature](#) guidance (which accompanies NPF4 policy 3c), we have convened a Technical Advisory Group to inform development of wider guidance including on policy 3b. In the meantime, we have published links to [further reading and resources](#) on biodiversity enhancement and development.

Delivery of NPF4 policy 3 is in addition to our long-standing statutory environmental assessment obligations, including under the [Conservation \(Natural Habitats, &c.\) Regulations 1994](#), as amended, more commonly referred to as the 'Habitats Regulations'. As you may be aware, these regulations require that any development plan or proposal which is not directly connected with, or necessary to, the conservation of a European site, and which is likely to have a significant effect on such a site, must be subject to an 'appropriate assessment' of the implications for the Conservation Objectives of that site. Subject to certain limited circumstances, such plans or proposals may only be approved if the 'competent authority' has ascertained, by means of an appropriate assessment, that there will be no adverse effect on the integrity of the European site(s). The procedure to be applied is known as 'Habitats Regulations Appraisal' (HRA). In addition to fully designated European sites, the Habitats Regulations also apply to those sites in the earlier stages of the designation process, and which are referred to as 'candidate' or 'proposed' European sites. Further guidance is available at: [EU Exit: habitats regulations in Scotland www.gov.scot](#) and [Habitats Regulations Appraisal \(HRA\) \(NatureScot\)](#).

On the 28 June we laid a [Statement](#) in the Scottish Parliament which sets out the circumstances where the Scottish Ministers will consider calling in a planning application for their own consideration. This fulfils a duty in Section 29 of the Planning (Scotland) Act 2019.

Delivery of our [digital transformation programme](#) also continues to progress. Key recent developments include the appointment of suppliers, CapGemini working with StormID, on the new national payment solution for planning and building applications. This marks the start of the 'beta' (build) phase of the new pay solution, and we will be working closely with three partners – Loch Lomond and The Trossachs National Park Authority, Glasgow City Council and Stirling Council – to develop and implement the solution over the next 9 months. This will initially integrate with the existing eDevelopment service, bringing early value ahead of the full rollout of the new smart application service in early 2025. On the smart applications project, the 'alpha' (exploration) phase has just concluded, and the team are now working to define a scope for the first version of the new service which will improve and simplify processes and deliver a quicker and more efficient service for users.

We have co-produced a Data Strategy for Planning outlining a roadmap of activities for unlocking the value of planning data, with the potential to make a significant impact on the efficiency of information sharing within the system. As part of this roadmap, work has already begun with partners to clean high priority data needed for the new smart applications service.

The Digital Skills work, led by the Royal Town Planning Institute, is progressing at pace and we are continuing to explore how innovative technological solutions can be developed to support practice in the future. We are currently undertaking a structured review of the programme as a whole, having agreed with the Board that a reset of the approach is required in response to resourcing challenges. Further information on this will be available later in the year. And finally, the existing eDevelopment digital service reached the impressive milestone of 1.5 million submissions since launch!

Over the past months we have continued to strengthen synergies of planning and place-based regeneration within our policies and delivery. Our regeneration programmes continue to play an essential part in supporting place-based action through and delivery of key policies, such as the [Town Centre Action Plan 2022](#). The newly established Town Centre Action Plan Forum met for the first time in February this year, providing an important vehicle for progressing key actions within the Plan.

We have also seen the delivery of continued significant investment in communities across Scotland through our regeneration investment programmes, working in partnership with CoSLA, local authorities and communities including the £300+ million Place Based Investment Programme (PBIP). This has included the latest round of the [Regeneration Capital Grant Fund \(RCGF\)](#). This £25 million per annum fund has seen 22 new projects get underway which have the potential to support or create more than 2,900 jobs as well as thousands of training places, bring 29 buildings back in to use, support over 50 community facilities, and benefit more than 470 businesses or enterprises.

We have issued £33 million of PBIP funding directly to local authorities to support a wide variety of regeneration activity such as development of community facilities, green spaces, culture and heritage projects. PBIP investment was also made available in the last year to support community led place-based projects identified as a priority to support community recovery from the pandemic and help develop sustainability and resilience. Awards totalling £1.05 million were made to 33 community anchor organisations. In addition, four demonstrator projects were approved, investing over £2.3 million in more ambitious joined up place-based partnership approaches. The projects in Caithness, Rothesay, Portree and Oban will continue to be delivered over the coming year, with learning and outcomes captured and shared to help inform other projects.

We announced ten additional successful projects with investment of £5 million as part of our roll out of the £50 million [Low Carbon Vacant & Derelict Land Investment Programme](#). This investment will support longer term regeneration outcomes including aspirations for town centre living, 20 minute neighbourhoods, green infrastructure and a just transition to net zero with projects including community growing and greenspace, community facilities and low carbon housing. A further application round was delivered this year, with 15 projects receiving investment support in the coming year.

We have continued to deliver and develop our [Empowering Communities Programme](#), which delivered over £15 million to community led projects last year, enabling communities to tackle poverty and inequality on their own terms. This is supporting the development of community anchor organisations, helping to build their capacity so that they can drive change locally. We also completed the latest application round for the [Investing in Communities Fund](#) which will deliver £27 million over the next three years supporting community-led place-based, person-centred solutions to poverty, child poverty, climate change and disadvantage in fragile communities across Scotland.

We supported Scotland's Towns Partnership to develop new [Business and Community Improvement Districts \(BIDs\)](#) across Scotland and support 34 existing BIDs including 6 achieving successful renewal ballots this year, as well as issuing seedcorn grants to 4 new developing BIDs. This delivers local improvements and creates platforms for local economic growth, enabling local businesses to collaborate and direct local improvements. We also supported Scotland's Towns Partnership to raise the profile of town centres and develop the Scotland Loves Local programme including via an additional £250,000 to allow gift cards to operate digitally so that it will be easier for more people to 'think local first', and support local business and communities and towns.

Our £5 million annual sponsorship of the Clyde Gateway Urban Regeneration Company continues to enable social, economic and physical transformation across an 840 hectares area in order to deliver increased economic activity, sustainable place transformation and build community capacity. This year we have also managed the transfer of the multi million-pound SPRUCE investment programme from the European Investment Bank to the Scottish Government, ensuring that all the loans to projects will be repaid to the Scottish Government.

Forward look – investing in planning, places and communities

Our priorities have now moved from a period of significant structural change and policy development to focus on maximising the tools, skills and capacity to support delivery. In the coming year we have an excellent opportunity to bring together our many different workstreams to benefit places and communities throughout Scotland. For the remainder of 2023 and the first quarter of 2024 we will see further progress on our three overarching programmes:

- delivering planning reform;
- investing in communities and places; and
- innovation and creativity.

Much of this comes together in the actions set out in the [NPF4 Delivery Programme](#), which we will update in the autumn.

Planning reform

This summer, we will publish a consultation on **training of elected members**. This is a new requirement introduced by the 2019 Act, and we look forward to hearing stakeholders' views on the key areas that should be covered, building on established practices and ensuring elected members are up to date with changes introduced by planning reform.

Our work on **performance and resources** continues, with a consultation to be published later this year on planning fees. It is vital that any uplift in fees makes a difference to the service offered by planning authorities, and so we are looking forward to working closely with Scotland's first Planning Performance Improvement Champion, Craig McLaren, who will be based in the Improvement Service and working with planning stakeholders across the sectors. We are expanding our own capacity to support the delivery of ScotWind projects at present and working closely with wider government to develop skills and capacity for handling significant new investment in renewable energy technologies, including hydrogen. This will help accelerate our just transition, increase energy security and attract significant investment in the wider Scottish economy.



We are also working with Heads of Planning Scotland, the Royal Town Planning Institute Scotland and CoSLA / The Improvement Service to take forward recommendations of the Future Planners project and help build professional capacity. Education has a crucial role to play in this, and so we have committed funding to support 10 bursaries for students undertaking planning education in Scotland and will continue to work with Scotland's planning schools to support new routes into the profession which bring together learning with work-based experience.

It is important that planning authorities also have practical tools to help them to facilitate development delivery. Work to put in place new regulations and guidance on **Masterplan Consent Areas** is now underway. This has significant potential to enable large scale infrastructure projects including green freeports and development required to support ScotWind, as well as town centre regeneration and smaller scale proposals including for housing. Towards the end of the year, we will convene a new advisory group to inform our work on **Compulsory Purchase Orders**, so that it focuses on improvements that will have the greatest impact. New guidance on **Regional Spatial Strategies** will be drafted, bringing together a range of portfolio interests in working at this scale. We will also address the matter of compensation associated with **Special Development Orders** through regulations to be brought forward this year. Guidance on **Chief Planning Officers** will be published in the autumn.

We recognise that there is ongoing debate about the application of Policy 16 of National Planning Framework 4, relating to quality homes. We are preparing new guidance on **Housing Land Audits**, which will help to support the application of the policy. In the meantime, we are closely monitoring the policy in practice and will continue to work with planning authorities and stakeholders to support the change in culture and practice required to achieve a plan-led approach to housing development that benefits communities and supports our response to housing need and demand.

We recently convened the first meeting of the [Planning, Infrastructure and Place Advisory Group](#), with the support of the Scottish Futures Trust. This is an exciting opportunity to strengthen the links between planning, infrastructure and place based investment, and there was a lively discussion of priorities in the first meeting.

In the year ahead we will also taking forward preliminary work to inform regulations for an **infrastructure levy**, using the enabling power that was introduced by the 2019 Act. This has the potential to unlock development and empower local authorities to achieve an infrastructure-first approach to development, complementing Section 75 planning obligations. Further updates on this important work will be provided later in the year.

Investing in communities and places

We are already in the process of our next round of **Regeneration Capital Grant Fund**, with particular focus and energy around this fund as it marks its tenth anniversary. We will also see the next application round for the **Vacant and Derelict Land Investment Programme** this year.

Learning and understanding the impact from our collective investment programmes will be a key focus over the coming months. We are working with local authorities and the Improvement Service to capture the impact and learning from the **Place Based Investment Programme** support that is now into its third year and will see £140 million investment

allocated to local authorities over the course of the Parliamentary term, supporting place, town centres and 20 minute neighbourhoods and contribute to net zero.

We are moving into the **delivery phase for the Investing in Communities Fund** and are already starting to make strong connections with the 105 community organisations this will support over the next three years, with plans being put into place to visit the projects over the coming months.

We look forward to the second meeting of the **Town Centre Action Plan** Forum in September when we will reflect on progress to date and look to agree further actions.

Innovation and creativity

We will be developing our programme of support for design and innovation, enhancing and extending resources and good practice on **place-based working** through the ourplace.scot website. Much of this work will focus on working with partners to support and disseminate innovative and emerging approaches in the development of Local Place Plans and supporting work on local living and 20 minute neighbourhoods. We will also work with partners to implement the latest place standard tool resources, supporting improvements in participation and design and planning processes.

On **digital innovation**, we are very conscious that the early outputs focus on the development management process. Alongside this there is significant progress being made on handling of data in the system which has the potential to support development planning as well as development management. We have listened to the views of planning authorities and are keen to support the roll-out of new style development plans. We are therefore exploring how we can make some support available to encourage and enable innovation in digital solutions for local development planning. Further details will be provided in due course.

We recently launched an exciting rebrand of the Scottish Awards for Quality in Planning, now titled the **Scottish Planning Innovation Awards**. The new awards have been modernised and aligned with National Planning Framework 4. Written paperwork has been replaced with “Digital Stories” and winners will receive QR codes to make their work even more accessible to the general public. Submissions will close in September, with a celebration in March 2024. Details about how to enter are available [here](#). We look forward to celebrating your achievements and contributions to planning across Scotland.

Final thoughts / staying in touch.

We have come a long way with the reform of Scotland’s planning system, including support for our journey to net zero, and it is exciting to see some of the major elements of the reform programme now in place and being put into practice. We have also continued to invest in communities and places in a way which will contribute significantly to achieving our national priorities.

In the coming year we will build on this to continue to work collaboratively and make connections, to achieve better outcomes for people and places across Scotland. There is certainly much work to be done to drive forward change and investment. Strong collaboration has been central to our approach throughout this programme, and we are very grateful for the input we have received from a wide range of stakeholders. We will continue to engage

widely to shape the remaining reforms which are still to be progressed and also as we gather pace through the delivery phase.

In the meantime, we hope that you all have an opportunity to relax over the summer period, and that you have found this update helpful.

Your feedback is always very welcome. Please send any thoughts you wish to share to chief.planner@gov.scot. Please also make sure you follow us on Twitter [@ScotGovPlanning](https://twitter.com/ScotGovPlanning) and [register for Planning and Architecture News updates](#).

Yours faithfully



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