

MIDLOTHIAN LOCAL DEVELOPMENT PLAN 2 - POSITION UPDATE ON ENGAGEMENT AND KEY ISSUES

Report by Chief Officer Place

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present a summary of the evidence collated (to date) in response to the Midlothian Local Development Plan 2 (MLDP2) engagement programme, which has been ongoing since the launch of the local development plan review in February 2023. In addition, the Committee is requested to start considering an indicative Local Housing Land Requirement (LHLR).
- 1.2 The report documents those matters presented to elected members in the May 2023 and November 2023 workshops and continues the progression of the MLDP2 as previously reported to Committee at its meetings of 28 February 2023, 16 May 2023 and 31 October 2023.

2 MIDLOTHIAN LOCAL DEVELOPMENT PLAN 2 - EVIDENCE GATHERING

- 2.1 At its meeting of 31 October 2023 the Committee was advised of the pending November 2023 workshops for elected members the purpose of the workshops was to inform elected members of the evidence gathered to date in the production of the MLDP2 Evidence Reports (the process of presenting the evidence there will be a report for each topic area) and to start considering an indicative LHLR.
- 2.2 The Evidence Reports will be submitted to Scottish Ministers in 2024 for "Gate Check", as part of the MLDP2 preparation process. The Gate Check, is to be undertaken by a Scottish Government Reporter(s) from the Scottish Government Department of Planning and Environmental Appeals (DPEA) and will determine if Scottish Ministers consider that the Council has collected sufficient information/evidence to commence work on producing a MLDP2 Proposed Plan.
- 2.3 This report provides a summary of key evidence collated for the Evidence Reports and details the topic headings that are being used to structure the individual Evidence Reports. The summary of key evidence collected to date is set out in Appendix A and a draft schedule of Evidence Reports being produced by officers for submission to Scottish Ministers in 2024 is set out in Appendix B. As set out in the 31

October 2023 Committee report, widespread engagement has and continues to take place to help inform the production of the Evidence Reports. Officers have, and will continue to, undertake targeted engagement on the Evidence Reports prior to their submission to Scottish Ministers.

- 2.4 Where there is a dispute in evidence between the Council and another party, the Council will seek to resolve it. Where the dispute cannot be resolved, the Council will highlight this in the relevant Evidence Report as an unresolved dispute for the attention of the Scottish Government Reporter(s) conducting the "Gate Check" process.
- 2.5 The report to Committee at its meeting of 31 October 2023 set the target of presenting the Evidence Report submission to Council at its scheduled meeting of 26 March 2024.

3 LOCAL HOUSING LAND REQUIREMENT (LHLR) FOR MLDP2

- 3.1 Midlothian Council in its Evidence Report(s) has to set an indicative LHLR for MLDP2. The LHLR is the indicative number of new homes for which land will be required to be allocated in MLDP2, for the 10 year period of the plan 2026-2036. This inclusion of an indicative LHLR in the Evidence Report(s) is an expectation set out in the May 2023 Scottish Government Local Development Planning Guidance. This report identifies the issues that need consideration in this regard.
- 3.2 The LHLR should be based upon the Minimum All-Tenure Housing Land Requirement (MATHLR). The MATHLR for Midlothian, as explained in the 28 February 2023 MLDP2 report to Planning Committee, is set out in National Planning Framework no. 4 (NPF4) at 8,850 homes. The expectation in NPF4 is that MLDP2 provides land for a minimum of 8,850 homes.
- 3.3 A summary of how the MATHLR figure is derived was provided in paragraph 2.10 of the 31 October 2023 Housing Land Audit 2023 report to Committee, and is repeated below for reference:

"The MATHLR (housing target) is based on 2018 Population and Housing Estimates from NRS (National Records of Scotland) which gives a 10 year household projection for Midlothian of 5,950 households. To this is added the outstanding need identified at 1,114 units (this brings the total to 7,064 units). To this figure a 25% generosity allowance is added (1,766 units), bringing the total to 8,830 units – the Scottish Government then rounds this figure to the nearest 50 resulting in a Midlothian MATHLR target of 8,850."

3.4 As set out in Committee reports of 28 February 2023 and 31 October 2023, a significant amount of land to meet that requirement is already allocated in Midlothian through the current MLDP (adopted by the Council in 2017). Section 2 of the 31 October 2023 report to Planning Committee on the Midlothian Housing Land Audit 2023 set out that as at 31 March 2023 the established housing land supply was 11,799 units, of

which 11,052 were effective. It also set out that by April 2026 the Housing Land Audit 2023 projects an effective housing land supply of 8,524, with an additional 600 units from safeguarded sites that could raise that figure to 9,124 units. This level of supply is based upon programmed delivery rates set out in Housing Land Audit 2023. The level of supply available at April 2026 will depend upon the rate at which homes in the audit are built - whether they are built more quickly or slower than programmed.

Selecting a Local Housing Land Requirement (LHLR)

- 3.5 The expectation of NPF4 is that the MATHLR figure of 8,850 homes will be exceeded and that the LHLR figure for MLDP2 should be higher than 8,850 homes for the 2026-2036 MLDP2 10 year period. Scottish Government expects planning authorities to provide a generous housing land supply through their local development plans. It is for the Council to decide by how much more than the 8,850 MATHLR figure it provides in its indicative LHLR for MLDP2.
- 3.6 NPF4 sets no specific methodology or formula to follow to identify a LHLR. It is for the local authority to decide. The May 2023 Scottish Government Local Development Planning Guidance sets out sources of information that planning authorities may wish to consider in identifying a LHLR. These include a range of factors including, the MATHLR, relevant Housing Needs and Demand Assessment (HNDA), the Council's Local Housing Strategy (LHS) and Strategic Housing Investment Plan (SHIP). Ensuring infrastructure availability (and delivery), environmental implications, economic considerations and place-making objectives are, from a general planning perspective, factors that should also be taken into account in identifying a LHLR.
- 3.7 As stated, it is for the Council to determine by how much it exceeds the MATHLR in identifying a LHLR. It could choose to minimally exceed the MATHLR figure by selecting a LHLR figure of perhaps between 8,850 and 9,000 on the basis of the MATHLR already significantly exceeds, by approximately 25%, the 2018 NRS (National Records of Scotland) Population and Housing Estimate of a 10 year household projection growth for Midlothian of 5,950 and that Midlothian's actual housing need, identified in the third Housing Needs and Demand Assessment for Edinburgh and South East Scotland (HNDA3) is 1,114 households. The issues particularly associated with the provision of health care and education infrastructure highlighted in Appendix A of this report highlight the impact of the very significant housing growth in Midlothian and implications for future growth. Members might consider this supported a lower exceedance of the 8,850 MATHLR figure.
- 3.8 Alternatively, the Council could choose a higher figure of housing land supply in excess of 8,850 homes, to help provide further housing land supply generosity to: protect against sites not being delivered; the supply being built out in advance of the 10 year plan period and as a consequence unplanned sites being promoted with the risk of planning

by appeal for new sites; and to meet the Council's place-making objectives such as:

- An increased provision of affordable housing including the Council's own housing programme and aspirations;
- Support for starter homes/first time buyer homes;
- Support for homes for the elderly (bungalows and 4 in a block properties);
- Support for specialist housing (homes for the disabled and independent homes with some care provision);
- Housing to support rural populations and economies;
- Identified redevelopment of redundant buildings/sites;
- Promoting economic growth through development;
- Place-making opportunities which benefit local communities; and
- 3.9 When elected members are asked to set a LHLR (March 2024) they will need to take into account the factors identified in this report and the summary of evidence referred to in Appendix A. If Members wish to choose a LHLR that significantly exceeds the MATHLR for Midlothian then more housing allocations would be needed. While this report sets out the significant quantity of housing land supply available, further new housing land allocations and/or increased housing densities of existing sites without a planning permission are still likely to be needed to comfortably exceed the MATHLR, more so if existing allocations are built more quickly than programmed. At this stage of evidence gathering it is not known if sufficient infrastructure could be made readily available for supporting a LHLR that was significantly more than the 8,850 home MATHLR figure set out in NPF4.

Risks of a Low Local Housing Land Requirement (LHLR)

- 3.10 Members should be aware of possible risks for going for a LHLR (for the 2026-2036 MLDP2) that is minimally above the 8,850 home MATHLR figure of NPF4. Policy 16f of NPF4 sets out circumstances where land not allocated for housing can be brought forward for housing if delivery of housing sites is happening substantially earlier and quicker than expected in the Housing Land Audit. To help maintain a plan-led system and help avoid the development of unallocated sites for housing, elected members may choose to have a LHLR sufficiently higher than the MATHLR this would result in addition land allocations in MLDP2. In addition and/or alternatively where appropriate, housing densities of already allocated sites that do not have planning consent could potentially be increased as a means of providing more housing supply.
- 3.11 Related to this matter is the completion and using up (or "build out") of the current effective housing supply. Section 2.4 of the Midlothian Housing Land Audit 2023 (see 31 October 2023 Committee report on Housing Land Audit 2023) provides details of current and previous housing completions in Midlothian. It sets out that in the year 2022/2023 there were 908 housing completions and there were 818 house completions in the year 2021/2022. Both were record years for

the number of housing completions. For comparison the five year rolling average from 2017/2018 to 2021/2022 was 656 completions a year. Future completion levels cannot be known with certainty and are susceptible to economic and market circumstances. The Council works with Homes for Scotland (the umbrella organisation for the house building industry in Scotland) to, as best it can, set out through the housing land audit process credible programmed housing completion information in Midlothian. It is unknown if the higher than average completions of the past two years (2021/2022 and 2022/2023) will continue, or whether they may have been inflated due to a built-up of demand during the coronavirus pandemic, which has now been capped by current market conditions.

- 3.12 The implication of this for the LHLR and MLDP2 is that if the quicker than historic levels of completions of the past two years continues the available effective housing land supply from allocations identified in the current MLDP (2017) will reduce quicker between now and the adoption of MLDP2 in late 2026. Regardless of this position the MLDP2 will still need to have allocated housing land for a minimum of 8,850 homes.
- 3.13 If sufficient allocated housing land were not available in MLDP2 and quicker rates of completions continued, then a consequence will be that unallocated housing sites may be brought forward or be granted planning permission on appeal. Choosing a LHLR marginally above the MATHLR will guard against unplanned development and planning by appeal.

Local Housing Land Requirement – Possible Scenarios for MLDP2:

3.14 Below are three possible LHLR scenarios for consideration (elected members can consider alternative scenarios which may arise from the continuing engagement programme):

	Option	Opportunities	Risks
1	8,850 – 9,000 In line with the NPF4 MATHLR target	 Continued growth within known infrastructure constraints; Position most reflective of local communities and service providers based on the early engagement (with the exception of the house building industry). 	 Dependant on all sites already allocated for housing being delivered; Risk of planning by appeal if the existing supply is built out ahead of schedule; and Limited opportunities for the Council to progress new place- making objectives.
2	9,001 – 11,000 Additional Generosity	 Provides a buffer against sites not being delivered and/or the supply of housing being built out ahead of schedule resulting in 	 Impact on infrastructure – education, health provision services and transportation infrastructure.

		•	unallocated housing sites coming forward; Additional employment and investment opportunities; and Enhanced place- making opportunities.		
3	11,001 + Significant Growth	•	Provides a buffer against sites not being delivered and/or the supply of housing being built out ahead of schedule resulting in unallocated housing sites coming forward; Additional employment and investment opportunities; and Enhanced place- making opportunities.	•	Significant impact on infrastructure – education, health provision services and transportation infrastructure.

RECOMMENDATIONS 4

- 4.1 It is recommended that the Committee notes:
 - the evidence collated to date in response to the Midlothian Local a. Development Plan 2 engagement programme; and the issues set out with regard the indicative Local Housing Land
 - b. Requirement (LHLR).

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17 November 2023
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Environment
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28 February 2023, 16 May 2023 and 31 October
2023 Committee reports with regard NPF4 and
MLDP2.
Appendix A – Summary of Evidence Collected to
Date for MLDP2 Evidence Reports (November 2023)
Appendix B – Draft Schedule of Evidence Reports
being produced for Midlothian Local Development
Plan 2 "Gate Check" – format and structure may be
subject to change

<u>APPENDICES A and B</u> - 28 November 2023 Planning Committee Report: Midlothian Local Development Plan 2 – Position Update on Engagement and Key Issues

<u>Appendix A</u> – Summary of Evidence Collected to Date for MLDP2 Evidence Reports and Key Issues (November 2023)

Public Engagement Key Issues

The most frequent matters raised during the 2023 public engagement to help inform the production of the draft Evidence Report were very strong concern on the impact of population and development growth in Midlothian, including:

Торіс	Public Engagement Comments
Natural Environment	 loss of green spaces, trees and the natural environment loss settlement identity and settlement coalescence
Infrastructure	 insufficient education and health care services and capacity not having sufficient capacity to meet needs of existing and new residents moving into new homes the need to ensure sufficient infrastructure in general is in place to support population and residential growth in Midlothian condition of play park facilities lack of facilities for younger people
Housing	 affordability of housing and the high prices of new homes being built predominance of larger low density detached/semi-detached family housing being built, rather than a variety of homes and smaller homes (in terms of numbers of bedrooms) being built for people of lower incomes to get on the housing ladder
Transport	 public transport service (including frequency) and availability of routes to connect different parts of Midlothian, and the directness of some routes into Edinburgh poor condition of roads and impact of new housing shortage of safe active travel routes for cycling
Town Centres/Retail	 poor condition of town centres people not using local and town centres poor car parking provision in town centres areas of anti-social behaviour (not limited to local/town centres)

Appendix A: Summary of Headline Issues for MLDP2 Evidence Reports:

Part 1 (Appendix A pages 3-17)

- Climate Change and Biodiversity
- Health
- Education
- Housing and Affordable Housing
- Transport
- Economy
- Developer Contributions
- Town, Local and Commercial Centres and Retail

Part 2: (Appendix A pages 18-25)

- Natural Places and Landscape
- Built Environment
- Renewable Energy Generation
- Infrastructure (Excluding Health, Education and Roads)
- Blue and Green Infrastructure
- Flood Risk and Water Management

Appendix A - Part 1: Summary of Headline Issues for MLDP2 Evidence Reports

Evidence Report Topic/Chapter	Summary of Evidence Collected for MLDP2 Evidence Reports
Climate Change and Biodiversity	Information is being collected on the Climate Emergency for use in preparation of the Proposed Plan of MLDP2, and on how to incorporate adaptation to Climate Change in MLDP2. MLDP2 needs to have the Climate Emergency at its centre. The Evidence Report on Climate Mitigation and Adaptation will highlight: National policy context on Climate Mitigation and Adaptation; Greenhouse Gas Emissions in Midlothian; Climate Change Impacts on Midlothian; Implications for the spatial strategy of MLDP2; How can carbon sequestration be achieved; and What does climate adaptation mean for Midlothian and MLDP2. With regard to biodiversity, the relevant Evidence Report focusses on the following points and highlights that they need to inform production of MLDP2: Habitats and Species; Local Priorities (for Biodiversity); Nature Networks; Securing Positive Effects for Biodiversity; and Soils.
Health	Health care partners, NHS Lothian Public Health Team and Midlothian's Health and Social Care Partnership's (MHSCP) and NHS Lothian Primary Care have provided information for the Health Evidence Report. This Appendix A contains only a short summary of the information provided for the Health Evidence Report.

	Implications for Health and Social Care Services and Infrastructure
	Significant concern has been expressed by healthcare partners, and the wider public, at the impact on a
1	range of health care services from new housing growth. Health care partners have acknowledged that the
	increase in demand for services is likely to have different impacts on and with Midlothian communities.
	Planning officers still engaged with health providers to help determine future investment needs.
	i lanning oncers suit engaged with health providers to help determine future investment needs.
I	Information indicates service planning challenges due to the uncertainty of the future demographic
	composition of new housing (i.e. the ages and number of household occupants) until they presents/ come
	forward with service needs.
	Healthcare Staff Retention and Recruitment
I	Information on factors effecting staff retention and recruitment is provided. This includes, but not
	exclusively, cost of housing, access to transport and public transport, other employment opportunities bei
	available and the actual availability of people necessary to fill posts.
G	available and the actual availability of people necessary to hill posts.
	Air Quality
I	Evidence on air quality in Midlothian is that it is within national quality safety limits. Details have been
	provided on where air quality in Midlothian takes place.
'	
	Health and Safety
	Development High Risk Area information has been supplied by the Coal Authority and this has been
1	mapped. The location of high pressure gas pipe lines in Midlothian have also been mapped.
	NPF4 Policy 23(f) requires that development proposals be designed to take into account suicide risk.
	Engagement is on going on these matters with NHS Public Health and Emergency Services. This will
	inform production of the MLDP2 Proposed Plan.
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	Emergency Services
(Contact with the Emergency Services (Police, Fire and Ambulance) is on going. The ambulance services
	has expressed concern at the population growth in Midlothian and on the response times this may have c
	services.
4	

Education	Education Capacity Detailed information on school pupil capac awaited. Planning officers are engaged wit Council Education Services are that the inf in many areas.	h Education services on the matter. Init	ial indications from
Housing and Affordable Housing	Housing Requirement and Housing Nee Midlothian Local Development Plan no. 2 (figure is the MATHLR (Minimum All Tenure out in Scottish Government's NPF4 (Nation	MLDP2) will need to allocate land for a Housing Requirement Land Requirem nal Planning Framework no. 4).	
	A breakdown of how the MATHLR figure is Factors Producing the NPF4 MATHLR		
	2018 Population and Housing Estimates from NRS (National Records of Scotland) 10 year household projection for Midlothian		
	Existing housing need in Midlothian identified by the third Housing Needs and Demand Assessment for Edinburgh and South East Scotland (HNDA3)	1,114	
	Total	7,064	
	25% generosity allowance added	1,766	
	Combined figures, rounded to nearest 50, giving the NPF4 MATHLR	8,850 (7,064 + 1,766 rounded to nearest 50)	

temporary accommodation, 64 households both overcrowded and concealed, and 288 with support needs/special forms of housing – totalling 1,114 households.
The third Housing Needs and Demand Assessment for Edinburgh and South East Scotland (HNDA3) was given "robust and credible" status from the Scottish Government's Centre for Housing Market Analysis (CHMA) on 28 July 2022. This means it was considered to robustly and credibly demonstrate the housing need and demand in Midlothian and should be used for plan making purposes.
In the years that MLDP2 will operate (2026-2036), the HNDA3 identifies demand for 2725 units social rent, 1310 below market rent, 430 private rent, 1835 owner occupied. The HNDA figures for established need (1,114 households/homes) were also used to inform the MATHLR.
Early information received from the private sector house building industry indicates, in their view, that these housing figures are an under estimate of need and demand in Midlothian.
Affordable Housing
The high cost of housing has been raised very frequently in public engagement as part for evidence gathering for production of draft Evidence Reports.
The Council has a housing waiting list of over 4,000 people. It was at just under 5,000 in 2016 but the introduction of allocating houses to most in need may have reduced the number from that level. The demand is predominantly (approximately 85%) for one and two bedroom properties.
The Council has over 6,500 properties and they have a low turnover, i.e. properties don't become frequently available. There are approximately 3,500 Registered Social landlord (RSL) properties in Midlothian.
Council officers have met with representatives of the private and social rented (Registered Social Landlords - RSLs) through the evidence gathering process. Both groups expressed concern at the implications of raising affordable housing requirements of 25% from market housing site allocations. This concern was based upon a higher affordable housing requirement potentially making sites less viable and therefore

potentially less likely to come forward. The RSL concern was based them not getting land for sites if sites did not come forward through the planning system.

Homelessness

Council planning officers engaged with Council homelessness officers and Shelter Scotland. Key points of this engagement are:

- There was a sharp increase in number of homeless applications in 2022/2023. Most of this increase has been applications from males who are single parents with access to children. Due to changes in the Unsuitable Accommodation Order (UAO) that group can no longer be provided with any form of shared accommodation for more than 7 days.
- Reduction in open homeless cases continues a 45% reduction since March 2018. The proportion
 of people seeking temporary accommodation remains relatively high. Therefore the reduction in
 temporary accommodation usage has not been to the same extent a 20% reduction in number of
 households in temporary accommodation since March 2018)
- 55% reduction in the number of homeless cases open for 2+ years since March 2020 (data was not collected before this time); and
- Recent legislation on limitations on evictions currently in place may have stopped the impact of the full impact of cost of living increase becoming evident.

Second Homes and Vacant Housing Stock

Data for 2022 indicates there are approximately 43,231 homes in Midlothian. Of these less than 1% are long term empty dwellings, approximately 360 homes. There are also nearly 390 homes that are unoccupied and unfurnished for less than six months a year. Around 57, or 0.13%, of the total 43,231 homes are second homes (furnished, lived in for at least 25 days a year but are not someone's main residence). The data on these matters has been relatively static over the past five years.

The number of short-term lets (less than 6 months) is less clear, with 136 available on listings of a major operator.

Houses in Multiple (HMOs)
The latest data, from 2021, indicates there are 46 HMO properties in Midlothian and there has been little change in the past decade. While the number is comparatively small, they do require management to help avoid localised issues.
Housing Need for Students and those in High Education
As required by the Planning (Scotland) Act 2019 engagement has occurred with higher and further education institutions in Midlothian. Information from the institutions themselves indicated there was little demand from younger students for student accommodation in Midlothian. Anecdotally, information was collected from student representative bodies that indicated the cost of private rented accommodation in Midlothian was a barrier to living in Midlothian as a student.
Older and Disabled People
As required by the Planning (Scotland) Act 2019 engagement has occurred with these groups and needs to be reflected in the Proposed Plan. Engagement with disabled groups has indicated a shortage of truly accessible homes, homes that are accessible throughout the house and garden. Anecdotal evidence indicates demand to stay in homes or purchase private homes, but there are not sufficient numbers of accessible homes available for purchase, and owners have to undertake accessibility improvements. Work is being undertake to see what data may be available on demand for retirement housing and bungalow accommodation.
Gypsy/Travellers and Travelling Showpeople
Site at the former Smeaton Colliery closed in recent years and no provision is made in Midlothian for Gypsy/Travellers and Travelling Showpeople. There is a shortage of information available on these communities and is hard to obtain, partly due to the transient nature of these communities. Engagement work is continuing with people in this area to identify information.

Transport	 Information has been collected on national policy requirements for transport and summarised for a Midlothian context to be set out in the Transport Evidence Report(s). Planning officers have engaged with Transport Scotland, SEStran, Sustrans, and bus operators to, respectively, identify national policy issues and issues for MLDP2. Active Travel Engagement feedback has been for more foot path networks and active routes in existing and new development.
	Public Transport
	 Recurring comments and opportunities were received during public engagement: bus services need to be more frequent, direct, and reliable.
	 prioritise public transport and active travel in new developments and include in the early stages of development; develop public transport hub areas;
	 link Midlothian towns and villages via a circular bus route service. Develop east-west routes; link and connect rural villages and provide community buses and short distance services; provide more bus services to Edinburgh, including express services;
	 provide bus services to Edinburgh Royal Infirmary, retail parks and Country Park locations; provide bus links and shuttle services to Borders Rail stations;
	 improve pedestrian access to bus stops, improve lighting and the condition of bus stops; and consider tram and rail links to west Midlothian.
	Electric Vehicles (EV)
	National policy information has been collected on electric vehicles and will be used to inform MLDP2.
	The current EV charging infrastructure in Midlothian includes a series of charge points in and around the towns with 10,000 or more residents. Gaps in the current EV charging infrastructure are evident in the settlements below 10,000 residents, including the more rural towns and villages. Approximately one quarter (17no.) of the total publicly available charging devices (72no.) in Midlothian are rapid charging.

Forecasts suggest that by 2026, there may be 4,500 electric vehicles in Midlothian, which will require up to 700 publicly accessible charging points. By 2030, there could be as many of 15,000 electric vehicles in Midlothian, potentially needing over 2,200 publicly accessible charging points.

Parking

Public engagement outlined a significant volume of negative responses regarding the topic of traffic and parking. Recurring comments and opportunities received were:

- issues with parked cars blocking roads;
- need for park and ride facilities;
- lack of appropriate parking (including in town centres);
- inappropriate parking at junctions, side streets, pavements, verges, etc., leading to traffic congestion; and
- larger parking bays required for car parking.

Roads

National policy information has been collected on road matters and the strategic transport network and will be used to inform MLDP2.

Public engagement outlined a significant volume of negative responses regarding roads and traffic. Recurring comments and opportunities received were:

Opportunities / Investment

- concerns in relation to the timescale and the delivery of the proposed Sheriffhall grade separation development;
- need to divert HGV traffic away from towns and between trunk roads; and
- need to develop roads infrastructure before new build housing.

Constraints / Capacity

- traffic increased due to new build housing sites;
- too many cars for the present infrastructure;

	 current infrastructure not built for current amount of housing; traffic capacity issues, especially in areas closer to Edinburgh; capacity issues at the Eskbank Toll and Sheriffhall roundabouts and Straiton, Hillend and City Bypass junctions. Condition road infrastructure needs to be upgraded; and roads, car parks, pavements, potholes need repaired. Safety / Speed need for speed restrictions in residential areas, including physical solutions, traffic calming and 20mph limits; and speed limits (20mph) not being enforced.
Economy	Planning officers have sought to engage with partners, including Midlothian and East Lothian Chambers of Commerce, Midlothian Science Zone and Midlothian Council Economic Development colleagues to gather information for Evidence Reports to inform MLDP2 production.
	General Economic Trends in Midlothian
	 According to Office of National Statistics data Midlothian has one of Scotland's fastest growing economies.
	 Higher proportions of Midlothian's population are economically active and in employment than the Scottish average. Unemployment is lower than Scotland overall.
	 Average earnings are lower in Midlothian than the Scottish average.
	 Planning officers are continuing engagement to understand future economic trends and demands in Midlothian.
	Economic Land Supply and Demand for Economic Land
	 Midlothian has generally seen quite slow take-up at its economic sites, and at the take up rate of the last 10 years there is an excess of 30 years land supply at the immediately available sites. Part of

 this is the shortage of serviced sites, i.e. with economic sites with infrastructure and built business units available. One reason for slow take up may be the higher land values associated with housing uses compared to economic, creating a disincentive for landowners to release land for economic uses. The cost of servicing sites, and making sites suitable (which can be high in the Midlothian context of former mineworkings) may also be a contributory factor. Evidence from the Council's Economic development and Estates colleagues indicates strong demand for industrial units in Midlothian and that Midlothian is seen as a good location, due to its location to Edinburgh and the strategic road network.
 Gross Value Added (GVA) Data Gross Value Added (GVA) per Capita in Midlothian was £18,536 in 2020, ranked 25th out of 32 Scottish local authorities. This represented a climb in the ranking from 30th out of 32 in 1998. Data indicates Midlothian is becoming more integrated with the regional economy with more workers travelling into Midlothian than previously. In 2001 there were nearly 3 workers (2.7) leaving the district for work, for every one that came in. By 2011 this ratio had fallen to less than 2 (1.9). However, Gross Value Added (GVA) data is workplace based and perhaps highlighted out migration for work lowers GVA levels for Midlothian, as those workers travelling out of Midlothian are contributing to GVA in another location than Midlothian.
 Midlothian Science Zone (MSZ) Planning and economic development officers have met with representatives of the Midlothian Science Zone (MSZ) forum members as part of MLDP2 engagement. MSZ forum highlighted the importance of the site to the local, regional and national economy and the word class nature of what occurs in this location – and the range of potential growth opportunities for Midlothian. MSZ Forum members wished to stress that the site was the largest concentration of animal science research in Scotland and supported over 3,000 high quality jobs. The MSZ forum said investment is available, and sufficient land is allocated, but infrastructure constraints are limiting further investment.
Community Wealth Building

	 This is a concept tMLDP2 will need to examine to help maintain and increase spend and decision making on investment in Midlothian. Midlothian Council expects to produce a draft Community Wealth Building (CWB) Action Plan in March/April 2024, aimed at this retaining and increasing of spend, investment and decision making in Midlothian and the Midlothian economy. The Council plans to set up sub-groups for interested stakeholders in October/November 2023, under the 5 pillars of CWB.
Tourism	 Engagement with the Midlothian Tourist Forum and operators has provided views and information on issues and opportunities for tourism in Midlothian. A summary of issues raised are: there is a data shortage in sector which limits knowledge on what the issues are; need better facilities for disabled access at many sites; need for better public transport and active links to encourage visitors; need better car parking for sites dependent upon private cars for access; more hotel provision is required and quality, not just quantity; the planning system can be barrier to diversification of businesses, particularly in rural areas. many town centres are unattractive; huge opportunities exist to join up small scale tourist attractions; need for electric car charging points in car parking facilities; future development should not impinge upon the quality of life and environment of existing residents; and balance required between tourism and existing uses (e.g. aims of protecting the Pentland Regional Park so that farming and other land uses can co-exist).
Culture and Creativity	 In line with NPF4 requirements, evidence has been collected on the heritage and assets across the Council area. It is a subjective area, but evidence gathered included: the Dalkeith Arts Centre is valued; there is a good variety of clubs and social events; craft spaces for self-employed with stalls are needed; not every community has a village hall and this is needed;

	 in smaller rural communities, it was felt that there was a lack of social spaces outwith those provided by church halls; a lack of recording and performing spaces, such as recording studios and theatres was highlighted; it was suggested that council buildings could be used in the evenings and at weekends for theatre schools and live music; empty buildings could host Edinburgh Fringe and Film Festival events; a cinema is needed; and public transport provision can be a barrier to people accessing venues.
	culture. This relates to information in other Evidence Reports, including in the Historic Assets and Place Evidence Report chapter and the Inventory of Buildings at Risk in the Brownfield, Vacant and Derelict Land and Empty Buildings Evidence Report chapter.
Developer Contributions	Work is ongoing to identify mechanisms for an approach for MLDP2 to secure developer contributions where it is able to do so in line with planning legislation. This will feed into MLDP2 production.
Town, Local and Commercial Centres and Retail	Information has been collected from national retail policy, and its implications for MLDP2, to support town centres, local centres and retailing. MLDP2 will also need to consider how it supports future uses of town centres if/when their nature and purpose changes.
	Information on matters such as the proportion of retail spend online and the impact of that on spend in shops will also need to be considered. Midlothian's last survey data of Midlothian residents dates from 2012. It indicated that internet shopping had reached 8.2% of sales in the comparison sector (in that year internet sales were 9.3% of total at UK level). By 2020 the UK internet spend was 16.5%. Covid affected internet shopping. By the 4 fourth quarter of 2020, 36% of retail spend was on the internet. That fell back to 27.5% by quarter 4 of 2022. The future trends are unknown, particularly with the UK having the highest proportionate online retail spend levels and no forerunner examples to compare against.

Centre	Number of shops	Other premises identified as falling within 2023 UCO class 1A definition*	Cafes/restaurants	Hot food takeaways and Betting Shops	Vacancy rate**
Bonnyrigg town centre	40	5	3	8	0%
Dalkeith town centre	86	19	7	8	9%
Gorebridge town centre	5	4	0	3	n/a
Mayfield town centre	13	4	1	2	n/a
Loanhead town centre	19	3	2	5	8%
Newtongrange town centre	18	7	2	3	n/a
Penicuik town centre	31	13	7	8	23%

** vacancy rate calculated from separate CoStar dataset,
The condition of town centres has been a subject of concern at engagement events and on the 'citizen space' feedback system. A lack of variety and quality of retail facilities has been raised, with some respondents stating that they rarely use their nearest Midlothian town centre. This qualitative data reflects the previous findings of the 2012 Midlothian retail study which found that convenience expenditure was mostly at large supermarkets, only some of which are located in town centres. Further that comparison expenditure was mostly directed to commercial centres or centres outwith Midlothian (in order of spending: Newcraighall/Fort Kinnaird, Straiton, Edinburgh City Centre, then Dalkeith town centre). From public engagement there does appear to be interest in using the town centre to host a wider variety of uses beyond retailing, and uses that will pull people into the town centres.
<u>Local Centres</u> These form an important part of the network of centres and contribute to the local living / 20 minute neighbourhood concept being promoted by Scottish Government. The adopted plan identified local centres and these are identified in the draft Evidence Report.
As a rapidly growing area, Midlothian is forming new neighbourhoods and settlements. In some of these growth areas, the development plan identifies new neighbourhood hubs and in the case of Shawfair, a new town centre. There have been challenges in delivering these. Provision of new retail facilities in new developments has been raised at engagement events to help support local living.
Other Uses Other issues for MLDP2 to consider are the location of betting shops, hot food take aways, drive through restaurants and pay day loan or "high-cost short-term credit" premises. Details on the location and numbers of such uses are in the draft Evidence Report.
<u>Commercial Centre</u> NPF4 requires local development plans to support proposals for improving the sustainability of existing commercial centres where appropriate. MLDP2 will need to consider the future of Straiton and the wider area (including site Ec3), its land uses and its connectivity by means other than the private car. This point

	on accessibility of Straiton arose in public engagement for MLDP2. The environment for pedestrian access
	and public transport connections, particularly and east west across Midlothian, will need to be considered.

Evidence Report Topic/Chapter	Summary of Evidence Collected		
Natural Places and Landscape			
Natural Places and Landscape (inc. natural heritage and landscape designations)	Information has been collected MLDP2 production on the number and location of natural heritage designations in Midlothian: (Special Areas of Conservation (SAC), Special Protection Areas (SPA), Sites of Special Scientific Interest (SSSI), Local Nature Reserves, Local Biodiversity Sites, Local Geodiversity Sites and Special Landscape Area (SLAs). These cover a significant land coverage of Midlothian and are very important to its character, nature and landscape.		
	These designations will be considered to identify how they will inform production of MLDP2, in terms of development strategy and the policies in NPF4 on natural heritage. These designations, in themselves, have not generated significant, issues during engagement. It is care for the natural environment that the designations seek to help protect that has generated input and issues, i.e. concern for the environment and desire to protect the environment.		
Built Environment			
Historic assets and places	Information has been collected on the number and location of listed buildings, conservation areas, scheduled monuments, gardens and designed landscapes, buildings at risk. Information collected on inbuilt carbon in the historic environment and implications of climate change on the historic environment have been collected. These will be considered to identify how they will inform production of MLDP2, in terms of development strategy and the policies in NPF4 on built heritage.		
	The stage for consideration of changes to the boundaries of designations, such as conservation areas, is at the MLDP2 Proposed Plan production stage of 2024/2025.		
Brownfield, vacant and derelict land	Public engagement, along with national planning policy, supports use of brownfield land first before greenfield development.		

Appendix A - Part 2: Summary of Headline Issues for MLDP2 Evidence Reports

and empty buildings	Information collected through MLDP2 Evidence Report production indicates there are not significant quantities of brownfield or vacant and derelict land in Midlothian on which to base the Local Housing Land Requirement for MLDP2. Such sites though will be reviewed as part of the production of the Proposed Plan for MLDP2. MLDP2 will need to consider uses and the future for such sites. An internally produced urban capacity study is being prepared to help inform the Evidence Reports and MLDP2.
Coalescence and	Settlement Coalescence
Green Belt	Settlement Coalescence was raised as a strong concern in public engagement in 2023 as part of evidence gathering for Evidence Report production.
	A significant number of locations in Midlothian, much of the built-up area, are or are perceived to be experiencing or being under threat from coalescence. The following areas can be identified as such:
	 Dalkeith and Easthouses Mayfield and Newtongrange Gorebridge and Newtongrange Eskbank and Bonnyrigg Roslin, Bilston and Loanhead Loanhead and Lasswade/Kevock The A701 Corridor Shawfair and Cauldcoats
	The Newbattle Strategic Greenspace Safeguard has been considered by Council officers and some others outside of the Council to have bene a success in carrying out its purpose. This tool could be examined further in MLDP2.
	Green Belt A formal Green Belt Review has not been undertaken at Evidence Report stage. It is likely any formal review of the Green Belt would have to be undertaken as part of a wider cross-boundary review with neighbouring planning authorities.

	It is anticipated that this might take place during the next Local Development Plan cycle (MLDP3) and therefore has no implications upon MLDP2. However, any decisions on boundary changes or land releases from the existing Green Belt will be made on a site-by-site basis at MLDP2 Proposed Plan stage. A whole Green Belt review was undertaken by Lothian local authorities over 10 years ago and this informed production of the currently adopted MLDP (2017).
Renewable Energy Generation	
Wind, Solar, Geothermal and other types of renewable energy generation	National policy has been collected on different sources renewable energy generation. Engagement still on going. Consideration will need to be given in MLDP2 preparation on the role of the 2012 wind energy landscape capacity study commissioned by Midlothian Council in MLDP2, especially in the context of NPF4 and the Council's 2019 Climate Emergency declaration. MLDP2 will need to continue support for renewable, low-carbon and zero emissions technologies and seek to realise Midlothian's full potential for electricity and heat.
Infrastructure (Excluding Health, Education and Roads)	
Energý Infrastructure	Engagement is on going with service providers about supply issues in Midlothian. Significant cost for electricity grid connection, for power from key substations for new development, has been raised with the Council by power providers and those promoting development.

	Engagement has been had with gas suppliers which indicates: demand for gas remains steady, the high pressure gas network mains will remain with some reinforcement in the future, and potential in the future for developing heat networks and hydrogen supply. The Scottish Government's Vision for Scotland's Electricity and Gas Networks sets out aspirations for electricity supplies to meet power requirements for low carbon transport and heating, and a gas distribution network that considers a blend of increasing quantities of low carbon gases with natural gas, including hydrogen, biomethane, and bio-synthetic natural gas.
Zero Waste	 Data has been collected on waste and recycling in Midlothian. Consideration of this will be needed on how it is reflected in the strategy and policy framework of MLDP2. Household waste data outlines a reduction in landfilled waste in Midlothian from 44.1% to 12.4% between 2017 and 2021. Evidence outlines that landfill sites are currently operational at Drummond Moor and Middleton Quarry. The anticipated dates for ceasing landfill at these sites are 2025 and 2030 respectively. Household waste data outlines a steady level of waste recycling in Midlothian between 2017 (51.6%) and 2021 (47.4%), which are below the national target of 70% by 2025. Household waste data outlines an increase in waste diverted from landfill (e.g. treated by incineration, biological and heat treatment) between 2017 and 2021 from 1,819 to 17,651 tonnes. The reduction in landfilled waste reflects the incineration of waste now occurring at the Millerhill Recycling and Energy Recovery Centre (RERC). It is hoped that the RERC and the Millerhill Anaerobic Digester facilities will help Midlothian Council contribute to the national recycling targets of 70% by 2025, and only 5% of waste going to landfill by 2025.
Digital	Data has been collected on mobile phone and broadband issues and coverage for consideration in the MLDP2 development strategy. Engagement is still on going for business and domestic users.

	Mobile signal coverage (4G quality) data per mobile network operator outlines a range of coverage across the Midlothian towns from average to very good. Roslin, Loanhead, Dalkeith and Lasswade rated highest, and Penicuik rated lowest in terms of overall mobile signal coverage across the four main operators. This is reflected in mast location data, which confirms a fewer number of masts within 7km of Penicuik, Gorebridge and Pathhead.
	The Employment Land Audit outlines mobile phone coverage (4G and non-4G) and broadband coverage at the employment land sites throughout Midlothian. Mobile phone coverage is excellent throughout many sites, but is lower in parts of Dalkeith, Rosewell, Roslin and Midlothian Science Zone.
	The Employment Land Audit outlines broadband coverage across the Midlothian employment land sites. Standard availability is good across all sites, however standard speed (maximum 11Mbps) is variable across all sites and is highest at Midlothian Science Zone (MSZ). Superfast availability ranges from average to good across the sites, but there are some sites in Dalkeith, Shawfair and MSZ with no availability. Superfast speed (maximum 50Mbps) is variable across all sites and lowest in parts of Roslin, Shawfair and Midlothian Science Zone.
Heating and	Information from and on national policy is being collected to inform MLDP2 production.
Cooling	MLDP2 will be required develop policy and proposals, which:
	 encourage and support the requirement for heat networks within developments;
	 require developments in specific areas or within an identifiable heat network zone to connect to an existing heat network where available;
	 provide within the site an independent network and plant capable of connecting to the wider network in the future;
	 provide heating/ cooling system within any building capable of connecting in a future date; and heat and cool the building through a renewable form of energy produced on site.
	The Local Heat and Energy Efficiency Statement (LHEES) Strategy and Delivery Plan will inform the MLDP2 spatial strategy and policy, including the identification of potential Heat Network Zones.

	The Midlothian Energy Ltd evidence outlines a series of planned heat network infrastructure (the Shawfair and Little France Spines and transmission pipework), which will inform the MLDP2 spatial strategy. The evidence also notes that it is unlikely that the Shawfair network will connect to Dalkeith in the short to medium term.
Water and Drainage	Engagement has been on going with Scottish Water since the adoption of the current MLDP in 2017 to keep them informed of development progress on sites. This engagement has continued during production of Evidence Reports for MLDP2.
	Scottish Water need to be informed of development locations and development programming/phasing to help guide their capital investment decisions and help support efficient use of resources.
	Enhanced SUDS will be required in MLDP2 for removing surface water from the mains drainage system, to help reduce loss/take up of drainage capacity.
	Work is underway to identify existing blue green infrastructure assets and potential gaps in this network. Other workstreams to be delivered over the life of MLDP2 such as the Surface Water Management Plans for Midlothian will contribute to this.
	Consideration as part of preparation of MLDP2 for protection of strategic aqueducts, and also strategic water supply assets along the A701 corridor, should be had.
Blue and Green Infrastructure	
Blue and Green	Information is being collected on this to identify in the MLDP2 blue and green networks and
Infrastructure (inc. Blue Green	opportunities for increased connectivity.
Network, Open Space, Play and Sport and Allotments and	Open space, play facilities, and blue green networks are being mapped to inform the development strategy and policy framework of MLDP2. The location of core paths and active travel routes will also inform MLDP2 production. Provision of allotments and growing spaces will need to be considered in production of MLDP2.

Food Growing, Burial and Cremation)	Burial and Cremation Information collected indicates that Midlothian has a surplus of land for burials, more than sufficient for MLDP2 to meet statutory requirements. In some locations consideration may be required for MLDP3. Proportionately cremations are increasing and levels of burial are decreasing. Evidence indicates that a crematory in Midlothian would not be sustainable, particularly with the crematory proposed for Old Craighall in East Lothian.
Flood Risk and Water Management	
Flood Risk and Surface Water Management	Flood Risk Flood risk in Midlothian is primarily from surface water flooding. The Rivers North Esk, South Esk and Tyne are deeply incised as they pass though Midlothian, and traditionally flooding has been less of a concern in the county. However, climate change is projected to increase rainfall and frequency of major down pours.
	Some of the smaller streams flowing off the Pentland Hills, particularly around Bilston and Penicuik give concern. There are two flood prevention schemes in Midlothian (Polton Road Bridge Relief and Rullion Road Flood Prevention Scheme).
	The Esk and Tyne rivers flow to East Lothian where the settlements are on flatter adjoining land. Flooding is a cross boundary issue, and there is potential for works in Midlothian to contribute to alleviating downstream flood risk in East Lothian and City of Edinburgh. Cross border working will be required through MLDP2.
	It will be important to ensure that Midlothian's high growth rate does not result in properties being put at risk of flood hazard. Avoidance of flood risk will need to be an important consideration in selection of sites for development in MLDP2.

Design, maintenance and adoption of SUDS will be an important consideration for MLDP2 to help manage surface water run-off and improve water quality.
Water Quality While water quality is not found by SEPA to be bad or poor at any Midlothian surface water body, only moderate status has been found on significant sections of the North and South Esk.
Midlothian's water environment is for the most part classified as poor quality by the SEPA Water Environment Hub. The primary reason for this is lack of fish access. This may require development to remove or ameliorate weirs (which in some cases are part of listed buildings).
<u>Waste Water</u> Scottish Water has been expanding the capacity of the waste water system in Midlothian to handle new development.

Appendix B - 28 November 2023 Planning Committee Report

Draft Schedule of Evidence Reports being produced for Midlothian Local Development Plan 2 "Gate Check" – format and structure may be subject to change

NPF4 Theme:		Sustainable Places
	No.	Evidence Report
Evidence Report Topic Number and Title:		Climate Change Mitigation and Adaptation
Evidence Report Chapter Number and Title:		Climate Change Mitigation and Adaptation
	2	
Evidence Report Topic Number and Title:		Biodiversity
Evidence Report Chapter Number and Title:	2.1	Biodiversity (inc. Nature Networks, Securing Positive Effects for
		Biodiversity, Soils in Midlothian)
	2.2	Forestry, Woodland and Trees
Evidence Report Topic Number and Title:	3	Natural Places and Landscape
Evidence Report Chapter Number and Title:	3.1	Natural Places and Landscape (inc. natural heritage and landscape
		designations)
Evidence Report Topic Number and Title:		Built Environment
Evidence Report Chapter Number and Title:		Historic assets and places
	4.2	Brownfield, vacant and derelict land and empty buildings
	4.3	Coalescence and Green Belt
Evidence Report Topic Number and Title:	5	Transport
Evidence Report Chapter Number and Title:	5.1	Active Travel
	5.2	Public Transport
	5.3	Electric Vehicle Charging
	5.4	Parking Standards
	5.5	Roads

Evidence Report Topic Number and Title:		Renewable Energy Generation
Evidence Report Chapter Number and Title:		Wind
	6.2	Solar
	6.3	Geothermal
	6.4	Other Types of Renewable Energy
NPF4 Theme:		Liveable Places
Evidence Report Topic Number and Title:		Infrastructure First
Evidence Report Chapter Number and Title:		Energy Infrastructure
	7.1	Zero Waste
	7.3	Digital
	7.4	Heating and Cooling
	7.5	Education
	7.6	Health (inc. Healthier Places, Health and Social Care Services, Emergency
		Services, Health and Safety)
	7.7	Developer Contributions
	7.8	Water and Drainage
		Roads are listed in chapter 5.5
Evidence Report Topic Number and Title:		Blue and Green Infrastructure
Evidence Report Chapter Number and Title:	8 8.1	Blue and Green Infrastructure (inc. Blue Green Network, Open Space, Play
		and Sport and Allotments and Food Growing, Burial and Cremation)
Evidence Report Topic Number and Title:	9	Flood Risk and Water Management
Evidence Report Chapter Number and Title:	9.1	Flood Risk and Surface Water Management
Evidence Report Topic Number and Title:		Housing
Evidence Report Chapter Number and Title:		Housing (inc. Housing Need and Demand, Local Housing Land Requirement, Affordable Housing, Specific Needs/Adapted Housing,

		Gypsy/Travellers and Travelling Showpeople. Rural Homes is in Rural
		Development Evidence Report)
Evidence Report Topic Number and Title:		Quality of Place
Evidence Report Chapter Number and Title:	11.1	Local Living and 20 Minute Neighbourhoods
	11.2	Design, quality and place
	11.3	Local Place Plans
NPF4 Theme:		Productive Places
Evidence Report Topic Number and Title:		Economy
Evidence Report Chapter Number and Title:	12.1	Business, Industry and Community Wealth Building
	12.2	Rural Development (inc. Rural Housing)
	12.3	Tourism
	12.4	Culture and Creativity
	12.5	Minerals
Evidence Report Topic Number and Title:		Town, Local and Commercial Centres and Retail
Evidence Report Chapter Number and Title:	13.1	Town, Local and Commercial Centres and Retail