

Strategic Development Plan for South East Scotland (SESplan) Update

Report by Ian Johnson, Head of Communities and Economy

1 Purpose of Report

- 1.1** The purpose of this report is to seek ratification of the decision of the Strategic Development Planning Authority for Edinburgh and South East Scotland (SESplan) Joint Committee to approve a modification to the *Supplementary Guidance - Housing Land* as directed by Scottish Ministers and subsequently to adopt the Guidance, as modified by Ministers, as Council policy.

2 Background

- 2.1** Members are reminded that, in approving the Strategic Development Plan for South East Scotland in June 2013, Scottish Ministers modified the Plan, requiring that Supplementary Guidance be prepared to provide further detailed information for Local Development Plans as to how much of the overall housing land requirement should be met in each of the six Member Authority areas.
- 2.2** At its meeting on 5 November 2013, Council ratified, for consultative purposes, the draft *Supplementary Guidance - Housing Land* which had been prepared as required by Scottish Ministers. The implication of the draft Guidance for Midlothian was that the forthcoming Midlothian Local Development Plan would be required to accommodate an additional 100 houses over and above the 2,450 houses stipulated in the Plan as presented to Scottish Ministers for approval.
- 2.3** The draft Guidance was subsequently published for consultation in November-December 2013. On 10 March 2014, the SESplan Joint Committee considered the issues raised in the consultation and agreed some minor editorial changes to the draft Guidance in response to the responses received.
- 2.4** At its meeting on 25 March 2014, Council noted the approval by the SESplan Joint Committee of the *Supplementary Guidance - Housing Land* and accompanying documents, and ratified the proposed changes. It also ratified the decision of the Joint Committee to submit the Supplementary Guidance to Scottish Ministers; and agreed to adopt the Guidance following the expiration of the 28-day Ministerial period for consideration, unless Scottish Ministers directed otherwise. It was expected that the Guidance would be adopted around 13 June 2014, at which point it would form part of the Development Plan.
- 2.5** The Supplementary Guidance was submitted to Scottish Ministers on 21 May 2014 and the 28-day period for Ministerial consideration ran until 18 June. However, comments on the Guidance were submitted directly to the Scottish Government by Homes for Scotland, outwith the

formal consultation period when representations could be sent to SESplan. The Scottish Government then sought clarification from SESplan on matters raised by Homes for Scotland in respect of the calculation of the five-year housing land supply, which SESplan duly supplied.

- 2.6** The Scottish Government issued a Ministerial determination on 18 June 2014, giving notice that, before the Supplementary Guidance is adopted, it must be modified to remove the second sentence of paragraph 3.13, which states:
'Member Authorities will base their calculation of the five year land supply on the period 2009-24 taking into consideration housing completions.'
The Ministerial determination letter is provided as Appendix 1 to this report.
- 2.7** The reasoning for this determination is that, while the sentence may be considered to provide useful further information or detail, it may also introduce an inconsistency between the approved Strategic Development Plan and the Supplementary Guidance. For a matter to be included in the Supplementary Guidance, it must be expressly identified in a statement contained in the Plan itself as matters which are to be dealt with in Supplementary Guidance.
- 2.8** This determination and the reasoning behind it are contrary to the approach to this matter which SESplan and the Member Authorities considered reasonable, pragmatic and consistent with the Strategic Development Plan. However, at its meeting on 30 June, the SESplan Joint Committee agreed to modify the Supplementary Guidance as directed by Scottish Ministers and requested that the Member Authorities ratify this decision and adopt the modified Supplementary Guidance as Council policy. The reason for this is to avoid further uncertainty and significant delay to the preparation of Local Development Plans and the second Strategic Development Plan, currently in progress. The Minute of the SESplan Joint Committee of 30 June 2014 is appended to this report (Appendix 2).
- 2.9** The implications of the modification to the Supplementary Guidance are, however, worth noting. In making this change, Scottish Ministers have not provided guidance on how the land supply would be calculated for a five-year period, as required by Scottish Planning Policy. The Supplementary Guidance only sets housing requirements for the periods 2009-19 and 2019-24 (and new allocations for the combined 2009-24 period), and does not now indicate the basis for the land supply calculation, creating some uncertainty in the process. SESplan and the Member Authorities will therefore have to investigate the development of a consistent approach to this calculation which is required for Local Development Plan purposes also.
- 2.10** It is expected that the Supplementary Guidance will be formally adopted by all Member Authorities around the end of September 2014.

3 Report Implications

3.1 Resource

There are no resource implications arising directly from this report.

3.2 Risk

Once adopted, the *Supplementary Guidance - Housing Land* will form part of the Development Plan. Its adoption completes the provision of an up-to-date strategic planning policy context, without which there are risks for the timeous progression of the Midlothian Local Development Plan.

3.3 Single Midlothian Plan and Business Transformation

The report is relevant to the following themes:

- ☐ Community safety
- ☒ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☒ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

3.4 Key priorities within the Single Midlothian Plan

As part of the Development Plan, the Supplementary Guidance will contribute to the business growth and positive destinations priorities by promoting sustainable economic growth. The Guidance relates to boosting the volume and rate of housing construction in the SESplan area, providing for growth in jobs in the construction sector.

3.5 Impact on Performance and Outcomes

This report contributes to the priority of concluding the preparation of the Strategic Development Plan for South East Scotland (SDP1) in partnership with the five other Member Councils, and commencing preparation of SDP2, by 31 March 2014. It also assists in taking forward the preparation of the Midlothian Local Development Plan to Proposed Plan stage.

3.6 Adopting a Preventative Approach

The SDP provides strategic guidance and forward planning for investment in future growth and development in the wider city region, including Midlothian, over the period to 2032. Together with the Midlothian Local Development Plan, it will help to inform the future spending priorities of the Council and its community planning partners as well as other public, private and voluntary sector bodies.

3.7 Involving Communities and Other Stakeholders

In addition to the consultation undertaken in connection with the Strategic Development Plan, the *Supplementary Guidance - Housing Land* report was subject to consultation over a six-week statutory period ending on 23 December 2013.

3.8 Ensuring Equalities

The SDP Main Issues Report and Proposed Plan were the subject of an Equalities and Human Rights Impact Assessment, approved by the SESplan Joint Committee and ratified by the Member Councils.

3.9 Supporting Sustainable Development

The SDP was subject to Strategic Environment Assessment. An Interim Environmental Report accompanied the Main Issues Report and an Updated Environmental Report (and Addendum) accompanied the

Proposed Plan. The Guidance has been the subject of a further update to the Environmental Report, as reported to the SESplan Joint Committee on 10 March 2014.

3.10 IT Issues

There are no IT issues arising from this report.

4 Recommendations

4.1 It is recommended that the Council:

- (a) notes and ratifies the approval by the SESplan Joint Committee of the modification to the *Supplementary Guidance - Housing Land* as directed by Scottish Ministers; and
- (b) agrees to adopt the *Supplementary Guidance - Housing Land* as modified by Scottish Ministers.

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Background Papers:

Strategic Development Plan for Edinburgh and South East Scotland, June 2013;

Supplementary Guidance - Housing Land, as submitted to Scottish Ministers, May 2014.