

# CIH Scotland response: National Planning Framework 4 position statement

# Submitted 18 February 2021

# Background

The Scottish Government has invited responses to the <u>National Planning Framework 4</u> (<u>NPF4</u>) <u>Position Statement</u> which is based on feedback from consultation and wider Scottish Government commitments to address climate change, improve health and wellbeing and make better use of natural resources. Once complete, NPF4 will set out a new strategy for planning for Scotland in 2050.

# **Consultation response**

#### 1. Do you agree with our current thinking on planning for net-zero emissions?

Planning for net zero emissions is crucial if Scotland is going to showcase practical, innovative policies that could improve people's health and wellbeing, reduce poverty and help to tackle the climate emergency.

However, in practice this may be difficult for landlords to implement due to buildings not lending themselves well for modern day use in terms of their out of date designs, costs involved to convert and longstanding lack of developer interest in retrofit.

To ensure the housing sector contributes towards our net zero ambition we need legislation and targeted investment that catalyses an energy efficiency revolution in Scotland's existing housing stock. Such measures required include:

- An Energy Efficient Scotland Bill including provisions for mandatory standards and a statutory zero carbon homes strategy to attract private investment, support Scotland's homeowners, landlords and supply chains, whilst ensuring fairness and quality.
- Expanded and accelerated Warmer Homes Scotland and Area Based Schemes which ensure the costs of energy efficiency and heat work are fully met for people in fuel poverty.
- An expanded Home Energy Scotland advice service, combined energy and heat fund and expanded programme of incentives to support home-owners and private landlords to meet EPC C by 2030 and zero emissions from heat by 2040.



- A Rural Homes Just Transition Package of engagement to help early adoption in off-gas areas.
- New programmes to meet the challenges of delivering on average 80,000 homes a year for the next 10 years, including not for profit delivery vehicles to deliver retrofit and generate affordable energy for people at risk of fuel poverty and a large scale zero carbon retrofit exemplar programme to pioneer innovation and demonstrate how retrofit can be applied in different house types.
- Training / reskilling a growing workforce, with the creation of an estimated 17,000 skilled jobs in retrofit and renewable heat across Scotland.

#### 2. Do you agree with our current thinking on planning for resilient communities?

While we agree with the objective of planning for resilient communities the position statement may be undermined unless additional money is found to support the next affordable housing supply programme and building at least 53,000 affordable homes.

We welcome the recent Scottish Government decision to increase the overall capital grant for affordable housing by 16 percent from the current programme, but the inability to have this matched with significant FT funds from the UK Government means the AHSP programme will be facing a cash terms cut during the next Parliament. The confirmation of a reduction in the funding available for a new build programme comes as the Scottish Government has made a commitment to work with the sector to consider an appropriate level of affordable home subsidy.

Given the commitment to higher standards on energy efficiency, indoor and outdoor space standards and digital connectivity, it is clear that costs of building affordable homes will increase. However unless there is flexibility from the Scottish Government on the overall capital grant or from the UK Government on the FT funding allocated to Scotland in the March budget, the deliberation of the subsidy working group will be a choice between appropriate grant rates or building the number of affordable homes Scotland needs.

Finally we also note that while we agree with the ambition around the development of 20minute neighbourhoods there will be particular challenges in implementing this in rural and remote communities which have few existing facilities and services. However, where the new affordable housing programme is used to both buy existing homes and build new affordable housing in localities where people use and access services, this will best support the concept of 20 minute neighbourhoods. This includes using the funds to make targeted acquisition of empty shops which can be converted into housing in rural and remote communities.

#### 3. Do you agree with our current thinking on planning for a wellbeing economy?

Yes, and in particular we call on the Scottish Government to prioritise the building of social and affordable housing to create a wellbeing economy. We already know that social



housing generates important economic and social impacts for its residents, communities and for Scotland as well as putting downward

pressure on poverty. In addition, recent findings show the significant contribution that house building makes to job growth and to our economy, for example:

- Each new home built in Scotland supports four jobs across the economy (over 80,000 jobs in total each year).
- Home building in Scotland contributes circa £570m annually to Government finances.

In addition, the cumulative impact of the current 50,000 affordable homes being delivered will raise around £37m in additional council tax revenue and £97m in rents each year once complete and the total of social housing investment in the construction sector over the same five-year period will equal around £11bn.

In total, there are 12,000 more jobs and £1.4bn net economic contribution as a result of the current programme with social housing construction acting as a catalyst for social sector/private sector collaboration and as an anchor of local economic activity.

While planning authorities may wish to give some consideration to other policies and proposals such for example, appropriateness of location, design and materials in housing construction we consider that a prioritisation of wellbeing should incorporate such considerations.

#### 4. Do you agree with our current thinking on planning for better, greener places?

The prioritisation of vacant and brownfield land is a longstanding initiative and should continue to be. However, in practice its development continues to prove difficult to implement due to, for example, demolition costs, conversion costs, contamination. This means many such sites remain undeveloped for a number of years in some cases.

#### 5. Do you have any further suggestions on how we can deliver our strategy?

It is vital there is demonstrable alignment between NPF4, Housing to 2040 and the Scottish Government's Infrastructure Budget. To ensure there is the appropriate implementation of all agreed priorities it will be essential for the Scottish Government to engage with stakeholders through the year to best understand how priorities can be delivered and how much they cost.

# 6. Do you have any comments on the Integrated Impact Assessment Update Report, published alongside this position statement?

No comment.

#### 7. Do you have any other comments on the content of the Position Statement?

No further comments



## About CIH

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