SESplan

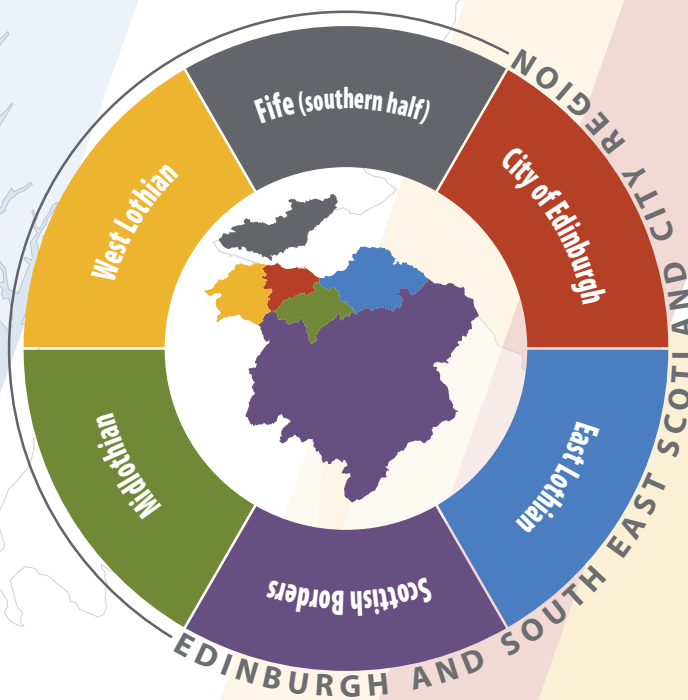**The Strategic Development Planning Authority for Edinburgh and South East Scotland**

Main Issues Report
July 2015

Jobs, Homes and Investment
Where, Why and How?

West Lothian

Fife (southern half)

City of Edinburgh

East Lothian

Scottish Borders

Midlothian

EDINBURGH AND SOUTH EAST SCOTLAND CITY REGION

Jobs, Homes and Investment. Where, Why and How. Main Issues Report **SESplan**

How to Respond

How to Respond

We want to hear from many different people, groups and organisations through the Main Issues Report (MIR) consultation. Responses on the issues will help to inform the next Strategic Development Plan.

You can easily respond to the issues and questions in the MIR through the SESplan Consultation Portal http://sesplan.objective.co.uk/portal. Online responses are encouraged however, if you do not have access to the internet call us on 01506 282883 and ask for a paper copy of the response form. This should be returned to:

SESplan, Civic Centre, Howden South Road, Livingston, West Lothian, EH54 6FF

The MIR can be viewed on the website (www.sesplan.gov.uk), in public libraries, local planning authority offices and at the SESplan office. A range of engagement activities will be undertaken over the consultation period, more information on these events is available on the SESplan website.

Alongside the Main Issues Report several Supporting Documents and Background Technical Notes have been prepared. These are available on the SESplan website:

Monitoring Statement – relevant data and trends that informed issues in the MIR;

Interim Environmental Report – assessing potential environmental impact of the MIR options;

Equalities & Human Rights Impact Assessment – ensures SESplan does not discriminate;

Spatial Strategy Technical Note – background evidence and methodology for the MIR options;

Economy Technical Note – provides context and overview of the SESplan economy;

Minerals Technical Note – background on minerals in the SESplan area;

Waste Technical Note – background on waste in the SESplan area;

Housing Land Technical Note - background to housing need, demand and supply in the area; and

Green Network Technical Note – background information on the green network and walking & cycling MIR options.

For more information contact us on: 01506 282883 or contactus@sesplan.gov.uk

You can also follow us on Twitter @SESplan or like us on Facebook.

How to Respond

Foreword

The success of our area is central to the success of Scotland itself. At its heart is Edinburgh, a leading European city and Scotland's capital. SESplan and its member authorities, West Lothian, Scottish Borders, Midlothian, Fife, East Lothian, and City of Edinburgh Councils have an ambitious vision for the area. The first Strategic Development Plan (SDP), approved in 2013, set this vision alongside a strategy to ensure that the area is recognised internationally as an outstanding place in which to live, work and do business. The six authorities are each preparing Local Development Plans, setting out how the first SDP will be implemented at local level.

To ensure that the plan is up to date, we must review the SDP within four years of its approval, by 2017.   The Main Issues Report (MIR) is the first stage in preparing SDP2. It reflects updated Scottish Planning Policy (SPP) and the National Planning Framework (NPF3) which set policy on nationally important planning matters. The SDP and LDPs also need to be more closely integrated with community planning processes and reflect close working with Community Planning Partnerships. We need to consider how the SDP can best help to deliver the future sought by communities, the local authorities and community planning partners. The MIR is not a draft plan but sets out options for development including where it should and shouldn't be located and invites your comments on these.   Key questions include the scale and direction of development over the next twenty years and beyond and how the infrastructure and services needed to support that development can be provided.

The MIR is the main opportunity for everyone to get involved in the plan preparation process. It is a key stage in influencing the second Strategic Development Plan (SDP2) through a discussion of the main issues and potential solutions. The document is available online via the SESplan Consultation Portal, in all libraries within the region and at all member authorities planning offices. Further information on the consultation is available in the Development Plan Scheme (DPS) Participation Statement and on the SESplan website.

We encourage you to 'have your say', to respond to this MIR and to work with SESplan, its members and partners to help shape the future of Edinburgh and South East Scotland.

Councillor Ian Perry
Convener SESplan Joint Committee

Contents

1 A Vision for Edinburgh and South East Scotland

Edinburgh and South East Scotland is the hub of the Scottish economy and home to 1.25 million of the country's 5.3 million people. NPF3 recognises that the region '*supports many of our most important economic assets*' and that it will be a focus for economic growth and regeneration. The second Strategic Development Plan (SDP2) will help meet the ambitions of NPF3 and deliver the goals of communities and business across SESplan.

1.1 Significant infrastructure investment will be needed to enable sustainable growth and to improve the region's competitiveness nationally and internationally. This is a major challenge. The role of SDP2 is to prioritise limited resources. The plan will also provide a framework within which to align investment plans of the key agencies and others and help to deliver the outcomes sought by community planning partnerships across the area.

Around Edinburgh and South East Scotland

The majority of the SESplan population live in and around Edinburgh, in communities along the M8 corridor or in larger towns in Fife but many live in smaller settlements across the region. More than half of the area is rural in character and rural industries are vital, particularly in the Scottish Borders and East Lothian.

Edinburgh, as Scotland's capital and the core of the region, has a vibrant economy which attracts visitors from around the world. The new Queensferry Crossing is under construction connecting Edinburgh to Fife and beyond to the north and east. The city has seen the introduction of the trams linking Scotland's busiest airport with the city centre.

East Lothian covers the majority of the eastern part of the region, with the A1 and the East Coast Main Line providing linkages to the Scottish Borders and beyond to England. East Lothian has a mixture of historic towns and villages with low unemployment.

In Fife, strategic centres are identified at Dunfermline, Kirkcaldy and Glenrothes. The Fife Energy Corridor including Energy Park Fife and Rosyth will continue to be promoted as centres of excellence in the renewable energy sector.

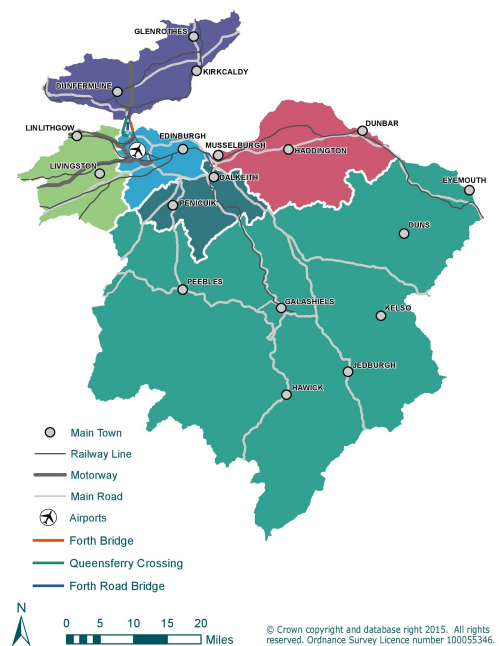
Figure 1.1 The SESplan Region

Midlothian has close links with Edinburgh. The north Midlothian towns are established as attractive and accessible locations for development and the area includes the Midlothian campus of the Edinburgh Science Triangle. The Borders Rail link will further enhance the area's connectivity.

The Scottish Borders experiences the challenges of fewer job opportunities, lower wages and out-migration of young people. The Borders Rail link will improve connectivity and widen the labour market. Further investment is needed to continue to improve transport and digital connectivity in the wider rural area of Scottish Borders.

West Lothian has good transport connections to Glasgow as well as Edinburgh, making the area a prime location for growth. It is highly accessible by road and rail and this is set to be further enhanced with the new rail station at Winchburgh and improved connectivity over the Firth of Forth. The Glasgow - Edinburgh rail route is currently being upgraded to increase capacity. Livingston is identified as a strategic town centre.

Most of the region shares a coast with the Firth of Forth. The ports of the area including Rosyth and Leith attract substantial freight and passenger traffic while there are opportunities for the development of offshore renewable energy.

1 A Vision for Edinburgh and South East Scotland

1.2 The vision of SDP1 is that *'by 2032, the Edinburgh City Region is a healthier, more prosperous and sustainable place which continues to be internationally recognised as an outstanding area in which to live, work and do business.'* The proposed vision for SDP2 (as detailed in Figure 1.2 below) is consistent with this, but aims to be more specific to the area. It also gives an indication of what success would look like under each of three themes which it is proposed shape the plan - A Place to do Business, A Place for Communities and A Better Connected Place. The proposed vision recognises the natural environment as a valued asset which forms the foundation of the spatial strategy and is essential to sustainable economic growth and healthy communities.

Figure 1.2 The SESplan Vision

WHAT SUCCESS LOOKS LIKE...

New development is integrated with existing communities and in accessible locations on transport corridors

Average house build rates meet demand

Walking, cycling and public transport account for an increasing proportion of all journeys.

The Vision for SDP2:

"The south east Scotland region is a thriving, successful and sustainable area in which all forms of deprivation and inequality are reduced and the region is internationally recognised as an outstanding area to live, work and do business. We will build on the strengths of all parts of the region and identify opportunities for growth and development while conserving and enhancing the natural and built environment."

Green networks are delivered in Strategic Development Areas

Energy from renewable sources is exceeding the ambitions in the Climate Change Act

Recycling rates are exceeding national targets

Town centres are vibrant with a range of uses and an expanded evening economy

Employment land take up is high, supporting new investment and jobs

Infrastructure required to support the delivery of the spatial strategy is being delivered

...2037

A Vision for Edinburgh and South East Scotland 1

Issue A

The Vision

Preferred Option

The preferred option for the vision of SDP2 is set out in Figure 1.2 above. The vision aims to build on the strengths of Edinburgh and South East Scotland, address its challenges and set a clear direction for its future growth.

Alternative Option

An alternative option is to maintain the SDP1 vision as set out in paragraph 1.2 above.

Question 1

The Vision

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

2 A Strategy for Edinburgh and South East Scotland

2 A Strategy for Edinburgh and South East Scotland

The spatial strategy will set out to deliver the vision for SDP2. It must support the creation of outstanding and high quality places to do business, places for successful and thriving communities and a better connected place where constraints are addressed and barriers removed. The spatial strategy must also contribute to community planning outcomes.

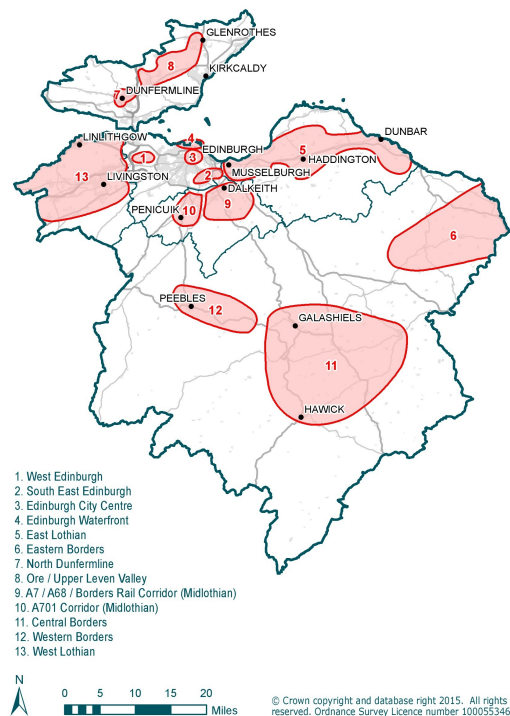### Monitoring SDP1 and the Considerations and Challenges for SDP2

SDP1 was based on unprecedented growth assumptions and identified thirteen Strategic Development Areas (SDA) across Edinburgh and South East Scotland where further growth should be directed. The six Local Development Plans (LDP) currently in preparation are planning to deliver that growth.

Sufficient employment land offering a range and choice of sites is available across the region. The challenge is to ensure that the land is in a serviced state and well connected to infrastructure networks including broadband to increase its attractiveness to investors.

There is also a significant supply of housing land across the SESplan area. Because of economic conditions since 2008 and the challenges these have presented to the development industry, a number of opportunities identified through existing plans remain unrealised. Acknowledging that the SDP1 strategy extends over a 20 year period to 2032 and the commitment made by the public and private sector to the delivery of these existing sites, it is appropriate for SDP2 to give continued support to these. The challenges for SDP2 in setting out an aspirational but deliverable spatial strategy are:

Figure 2.1 Strategic Development Areas as set out in SDP1

1. West Edinburgh
2. South East Edinburgh
3. Edinburgh City Centre
4. Edinburgh Waterfront
5. East Lothian
6. Eastern Borders
7. North Dunfermline
8. Ore / Upper Leven Valley
9. A7 / A68 / Borders Rail Corridor (Midlothian)
10. A701 Corridor (Midlothian)
11. Central Borders
12. Western Borders
13. West Lothian

0 5 10 15 20 Miles

© Crown copyright and database right 2015. All rights reserved. Ordnance Survey Licence number 100055346.

- Facilitating the maintenance of an effective housing land supply;

- Directing investment to areas where there is existing transport, educational and other community infrastructure capacity. There is a legacy of undelivered transport infrastructure and there are severe infrastructure challenges particularly around the city and other main towns. In many cases solutions have been identified but funding remains an issue;

- Maintaining and enhancing the area's high quality environment and quality of life;

- Presenting an ambitious but realistic proposition for the area as a place to invest and to do business. The spatial strategy should be aligned with economic strategies in the city, the towns and the rural areas as well as Scotland's Economic Strategy;

- Avoiding the prejudicing of planned development and infrastructure by identifying a disproportionate number of sites in one area; and

- Promoting a pattern of development that reduces the need for travel and encourages walking, cycling and public transport use.

The Monitoring Statement and Spatial Strategy Technical Note provide further information.

A Strategy for Edinburgh and South East Scotland 2

The Spatial Priorities for SDP2

2.1 All parts of Edinburgh and South East Scotland play a role in the region's success. To achieve the vision, the strategy must realise the potential of the area as a whole. The largest concentrations of economic activity and anticipated growth in employment are in and around Edinburgh. At the same time, the latest assessment of housing need and demand highlights a significant unmet demand for housing generated by the city.   The central issue for SDP2 is therefore the degree to which Edinburgh could or should accommodate its own development needs.

2.2 The approach to development demand within the city will have an impact on the wider region as any demand for land that cannot be met within the city will need to met elsewhere. Both East and West Lothian have travel corridors which can provide good access to the city and the wider region, but there are some capacity issues and limitations. Many parts of east East Lothian have poor accessibility, are rural in character and have a limited scope to accommodate additional strategic levels of development that serves a wider regional market. The west of West Lothian does not currently experience high levels of demand but, following the completion of the Airdrie - Bathgate rail link, has long term growth potential. Much of Midlothian lies within a 60 minute public transport travel time from Edinburgh. However, this area has large areas of land already identified for development and any additional growth around settlements in the area would need to be considered carefully.

2.3 Public transport improvements associated with the Queensferry Crossing will add to the connectivity of Fife. The Borders Rail link will improve accessibility to and from the Central Borders and the proposed commuter service from Berwick to Edinburgh will provide improved accessibility for the Berwickshire area. However, there is limited scope in the short to medium term to provide for major additional development in these areas.

Issue B

A Strategy for Edinburgh and South East Scotland

Three reasonable options for the SDP2 spatial strategy have been identified:

- **Option 1 (Concentrated Growth)** - additional growth is focused in the city and areas adjoining Edinburgh's urban area.

- **Option 2 (Distributed Growth)** - a continuation of the approach of SDP1.

- **Option 3 (Growth Corridors)** - focused on the city with additional growth close to Edinburgh's urban area and along corridors with good public transport access.

The three options are illustrated on Figures 2.2, 2.3 and 2.4. For further details see the option assessment in the Interim Environmental Report and the Technical Notes on the Spatial Strategy, Economy and Housing Land.

	Option 1	Option 2	Option 3
Comparison to Approved SDP1 Strategy	- City focused.	- Similar distribution to SDP1.	- More focused on the city and its close vicinity than Option 2.
Strategic Spatial Impact of Option	- Significant green belt releases around the city to accommodate development. - Could lead to significant change to character of Edinburgh.	- Spatial pattern which the current green belt promotes as it restricts development close to the city. - Limited green belt release to the west and south east of the city (includes areas in Midlothian).	- Green belt release focused to the west and south east of the city. - Strategic allocations to settlements within surrounding areas close to Edinburgh's urban area along public transport corridors from strategic employment locations.

2 A Strategy for Edinburgh and South East Scotland

	Option 1	Option 2	Option 3
	- Some small scale allocations required across rest of region although in many places sufficient supply of land will already be available.	- Strategic and local scale allocations to many settlements across the region irrespective of their distance from Edinburgh.	- Some small scale allocations required across rest of region although in many places sufficient supply of land will already be available.
Summary of Assessment	The main impact would be felt in and around Edinburgh. This option is not preferred due to the environmental impact of major green belt loss, which could change the character of the city. It is also unlikely that infrastructure in the Edinburgh area could accommodate such levels of development without significant additional investment.	This option could have a major impact on all parts of the SESplan area. It directs development to areas away from where need and demand is generated, resulting in increased journey times to Edinburgh and less sustainable travel patterns. It does not realise growth potential of the city. Large scale growth would be in areas which do not have the supporting services, creating significant investment requirements. A continuation of this strategy is unlikely to be achievable as demand around the city would be unmet and development to meet that is likely to be pursued outwith a plan led process.	This is a balanced option which looks to bring development close to where need and demand arises. The main impact would be in Edinburgh and the areas closest to the city. This option allows for strategic scale development to be located away from the city but within a proximity that supports more sustainable travel patterns. This would be supported in the wider region by small scale development where required. **THIS IS THE PREFERRED OPTION**

Preferred Option - Option 3 Growth Corridors

The preferred option, as illustrated on Figure 2.4, represents an evolution of the strategy set out in SDP1. It is focused on the city with additional growth located close to Edinburgh's urban area and along corridors with good public transport access. This option allows for ready access to sustainable transport options.
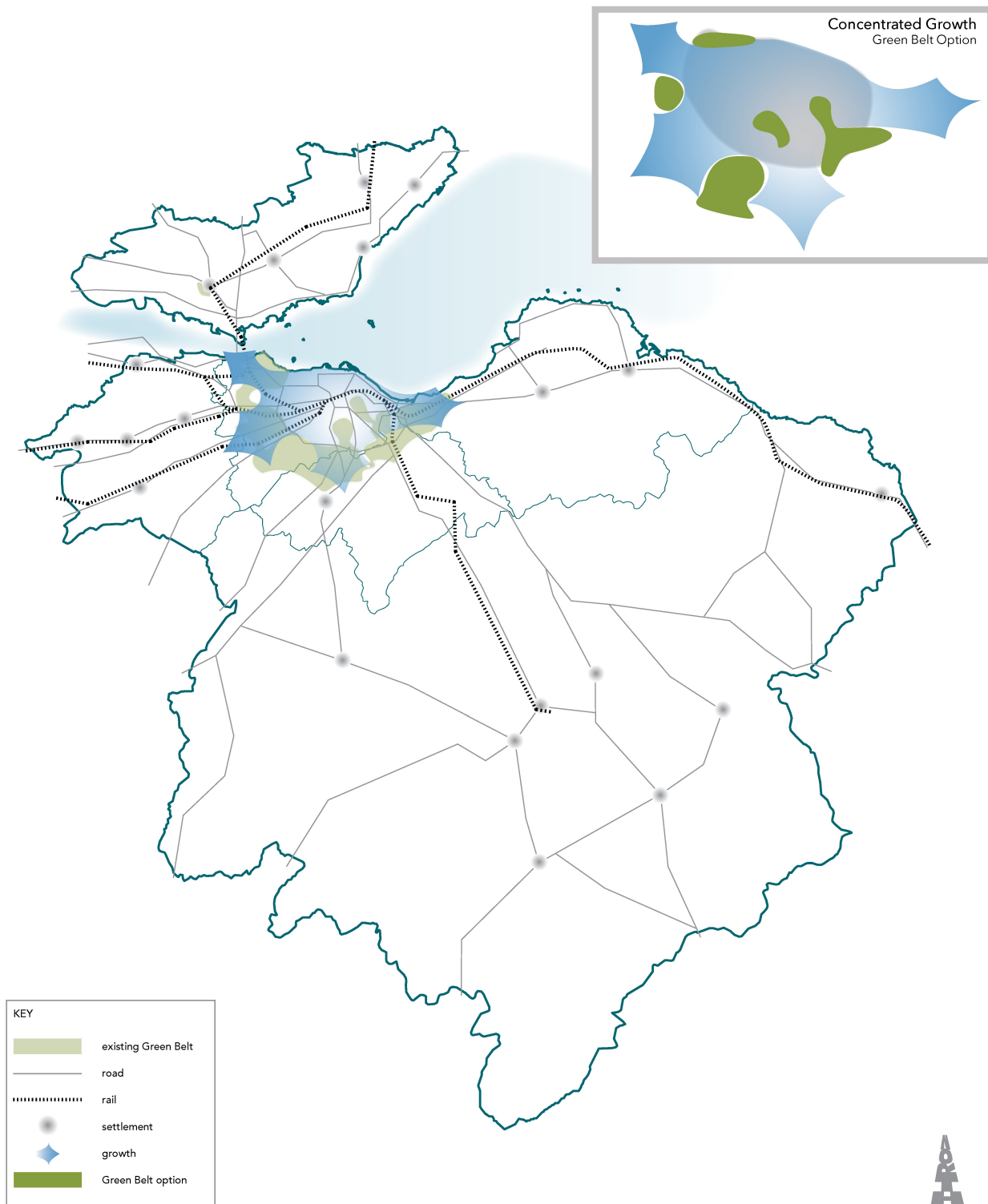
There is already a significant amount of land committed for development within the city and there are limited opportunities for strategic scales of development which have not already been identified. Where there are opportunities, new development will be primarily located on brownfield land, reusing derelict land and supporting regeneration objectives. Even with this, and the delivery of development on areas allocated in current plans, further land will need to be identified outwith the urban area but close to the city. This will mean areas of the Edinburgh green belt being identified for development.

Based on previous landscape assessments, allowing for accessibility to Edinburgh's key, strategic employment areas (city centre and to the west and south east of the city) and taking advantage of existing and planned improvements in public transport infrastructure, the areas that should be the focus of development of strategic scale are to the west and south east of the city. This would require land to be released from the green belt with the remaining areas managed and protected for the longer term. Such development will offer opportunities to add to the strategic green network.

Growth would be focused on public transport corridors which provide good access to the city. Travel by sustainable modes would be encouraged by focusing development on settlements within a 60 minute public transport journey time to key employment areas in and around Edinburgh. This strategy would take into consideration the environmental capacity of these areas, the availability of other forms of infrastructure and existing levels of planned development.
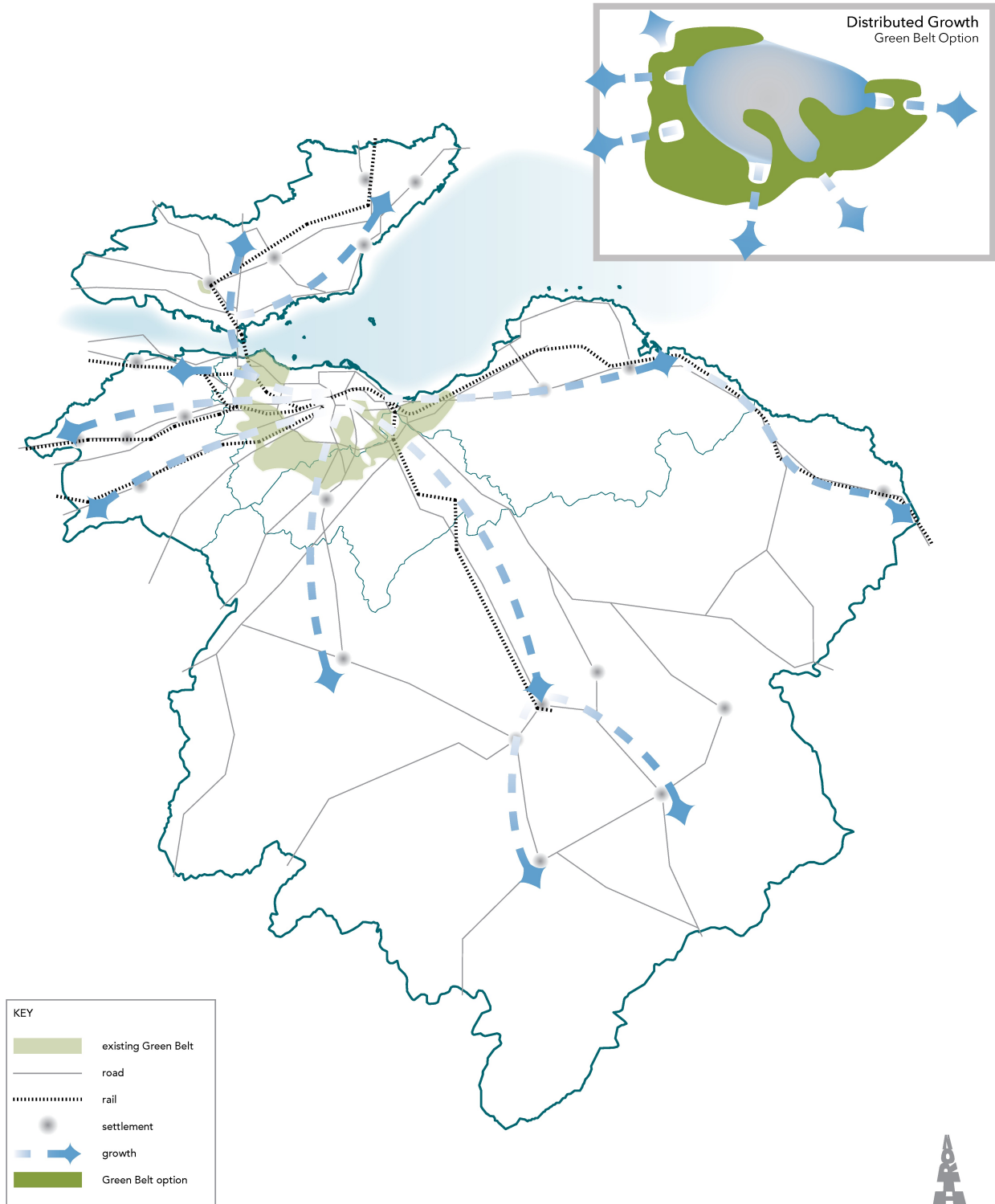
A Strategy for Edinburgh and South East Scotland 2

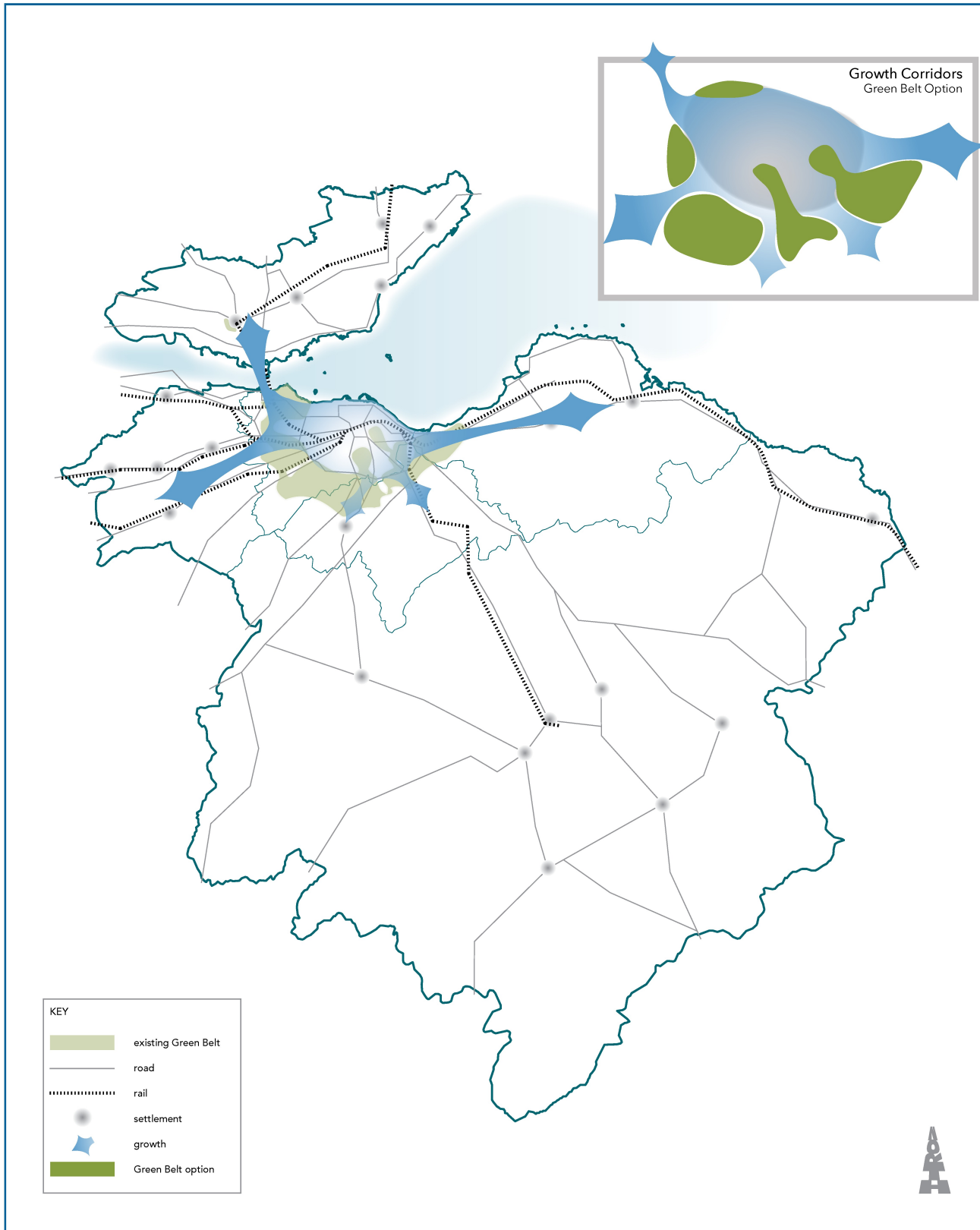**Figure 2.2 Option 1 Concentrated Growth - Alternative Option**

Concentrated Growth
Green Belt Option

KEY

- existing Green Belt
- road
- rail
- settlement
- growth
- Green Belt option

2 A Strategy for Edinburgh and South East Scotland

Figure 2.3 Option 2 Distributed Growth - Alternative Option

KEY

existing Green Belt

road

rail

settlement

growth

Green Belt option

A Strategy for Edinburgh and South East Scotland 2

Figure 2.4 Option 3 Growth Corridors - PREFERRED OPTION

KEY

existing Green Belt

road

rail

settlement

growth

Green Belt option

2 A Strategy for Edinburgh and South East Scotland

Question 2

A Strategy for Edinburgh and South East Scotland

Do you support:

- Alternative Option 1 Concentrated Growth (fig 2.2);
- Alternative Option 2 Distributed Growth (fig 2.3);
- Preferred Option 3 Growth Corridors (fig 2.4); or
- None of the Options.

Please explain your answer. You may also suggest any changes.

Delivering High Quality Places

2.4 The LDPs, which will help to deliver the spatial strategy, will consider a range of issues to determine a site's suitability for development. LDPs will be expected to take a balanced approach, taking into account all SDP policies. It is proposed that LDPs are directed to conform with the principles for development as set out below. LDPs should also ensure that sites are available for delivery within the lifetime of the plan and avoid areas at risk of flooding more often than once in two hundred years.

The Principles for Development

- Conserve and enhance the natural and built environment.

- Address climate change through mitigation and adaptation.

- Locate new development to maximise accessibility to employment and services.

- Support town centres as the preferred location for uses generating high levels of foot fall.

- Promote the development of brownfield land for appropriate uses.

- Ensure new development is sensitive to the form and layout of existing settlements.

- Optimise the use of existing transport networks and make new development accessible through a range of sustainable modes.

- Optimise the use of existing education, health and other infrastructure.

Question 3

The Principles for Development

Do you support the principles for development? Please explain your answer. You may also suggest any changes, including other principles for development.

A Strategy for Edinburgh and South East Scotland 2

2.5 The creation of high quality places in SDAs and other areas of major change will be dependent on many stakeholders including local authorities, central government, infrastructure providers and the private sector. To support this it is proposed that LDP policies and their implementation through the development management process promote the principles set out below.

The Principles to be promoted through LDP Policies and Development Management

- The shaping of development at an early stage through the use of development frameworks, master plans or design briefs.

- Development which demonstrates good practice in place making.

- Development which incorporates high quality design, energy efficiency and the use of sustainable building materials.

- The delivery of digital connectivity in new development.

Question 4

Do you support the above approach to direct LDPs to deliver high quality places? Please explain your answer. You may also suggest any changes, including other factors to be considered.

3 A Place to do Business

Edinburgh and South East Scotland is at the heart of the Scottish economy and has strengths in all the key growth sectors identified by the Scottish Government. The challenge is to realise the potential that this brings, address inequalities in employment opportunities and support business growth in the city, towns and rural area.   Identifying strategic opportunities for investment, improving connectivity, delivering infrastructure and promoting sustainable places where communities enjoy a high quality environment will support the development of the city region as a growing low carbon economy.

Monitoring SDP1 and the Considerations and Challenges for SDP2

The supply of employment land was a key issue in SDP1 and policy focused on providing a range of sites of a size and quality to meet the needs of growth sectors in identified areas across the SESplan region. In most areas, monitoring shows that the take up of land and job creation has been improving with economic conditions. The preferred spatial strategy aims to promote improved linkages between key employment locations and new development, particularly housing. It is also proposed that LDPs are required to consider accessibility to employment when identifying areas for development. Key considerations are:

- The City of Edinburgh accounts for 51% of all employment in the region and experiences high volumes of in-commuting. Census 2011 indicates that there are around 92,000 journeys into the City of Edinburgh each day. Of these, 72,000, originate in the SESplan area (includes all Fife);

- All Scottish Government employment growth sectors contribute to the regional economy and these include financial and business services, life sciences, tourism, universities and creative industries;

- Fife and West Lothian have seen the greatest amount of employment land take-up in recent years;

- The rate of new business start-ups has been increasing following the recession and the rate in 2013 showed a 22.8% increase on the previous year;

- Energy generation from renewable sources has grown significantly and is progressing towards meeting the ambitions set out in the Climate Change Scotland Act 2009; and

- Recycling rates have grown in the region but, with the exception of Fife, have not achieved interim government targets. Landfill waste has declined slightly, which is positive in the context of the region's growing population.

SDP2 must promote the strengths of the region's economy by supporting growth as well as addressing issues of decline. Key issues and challenges for the regional economy, centre on:

- Enhancing the region's competitiveness by delivering improved quality of place, infrastructure and housing land supply as part of the process of delivering growth in the city region;

- Tackling economic disparities, for example in incomes;

- Addressing climate change through mitigation and adaptation and facilitating the transition to a low carbon economy;

- Meeting Scottish Government's emission targets; and

- Ensuring economic growth is co-ordinated with improved accessibility, infrastructure and housing in accord with the preferred spatial strategy.

The Monitoring Statement and Economy Technical Note provide further information.

Locations for Investment

3.1   SDP2 will be aligned with and support local economic strategies across the region. Consistent themes within these and in the joint Regional Economic Framework (2009) are inward investment, job generation, development and regeneration, competitive place, town centres and sustainable development. Tourism is also supported in all areas. Approaches to these issues and others such as improving digital connectivity, which is critical, particularly in rural areas, will be considered in an updated economic narrative for the region which will inform SDP2.

3.2   SDP2 can support a successful and sustainable regional economy by identifying key employment locations and ensuring that sufficient employment land is provided. The SDP can also assist by providing a framework for the prioritisation of infrastructure improvements, promoting the conservation and enhancement of the natural and built environment and enhancing the 'quality of place'.

3.3   SDP1 requires LDPs to provide a range and choice of marketable employment land. LDPs identify sites that meet the needs of business and industry, including business parks and industrial estates. A large number of sites are already identified in existing plans. LDPs may also identify locations for mixed use development and can promote a town centre first approach to business uses, such as offices, which generate high levels of travel demand.   SDP2 will aim to ensure that sufficient employment land of the right quality and in the right places continues to be provided in all parts of the region.

3.4   In addition, in accord with Scottish Planning Policy (SPP), SDP2 will identify a range of locations for 'significant business clusters'. These are broad locations where similar or complementary uses operate. Consideration will be given to encouraging LDPs to safeguard employment sites which can add to or enhance these clusters. It is proposed that locations for significant business clusters include Enterprise Areas as identified in Scotland's Economic Strategy, sites identified in the National Renewables Infrastructure Plan (NRIP) and groups of businesses in the growth sectors identified by Scottish Enterprise: energy (oil and gas); energy (renewable and low carbon technology); food and drink; life sciences; tourism; creative industries; financial and business services and technology and engineering.

Table 3.1 Locations for Investment

Significant Business Cluster	Growth Sector	Enterprise Area	NRIP
Edinburgh Waterfront - Leith - Cockenzie	Including but not exclusive to Energy (Oil and Gas) and Energy (Renewables and Low Carbon Technologies)	Low Carbon / Renewables	Integrated Manufacturing
Fife Energy Corridor	Including Energy (Oil and Gas) and Energy (Renewables and Low Carbon Technologies)	-	Further Manufacturing
Broxburn / Eliburn, West Lothian	Food and Drink	General Manufacturing / Growth Sectors	-
South East Edinburgh - Dalkeith / Shawfair / Bio-quarter / Midlothian -The Bush, Penicuik / BioCampus / Queen Margaret University	Life Sciences	Life Sciences	-
Borders Rail link (around stations)	Tourism and Business Services	-	-
West Edinburgh - Edinburgh Park, International Business Gateway (including Airport) and Gogarburn	Financial and Business Services	-	-
Edinburgh City Centre	Financial and Business Services	-	-

3 A Place to do Business

Figure 3.1 Significant Business Clusters,Tourism and Recreation

● Significant Business Clusters

● Tourism Recreation Development
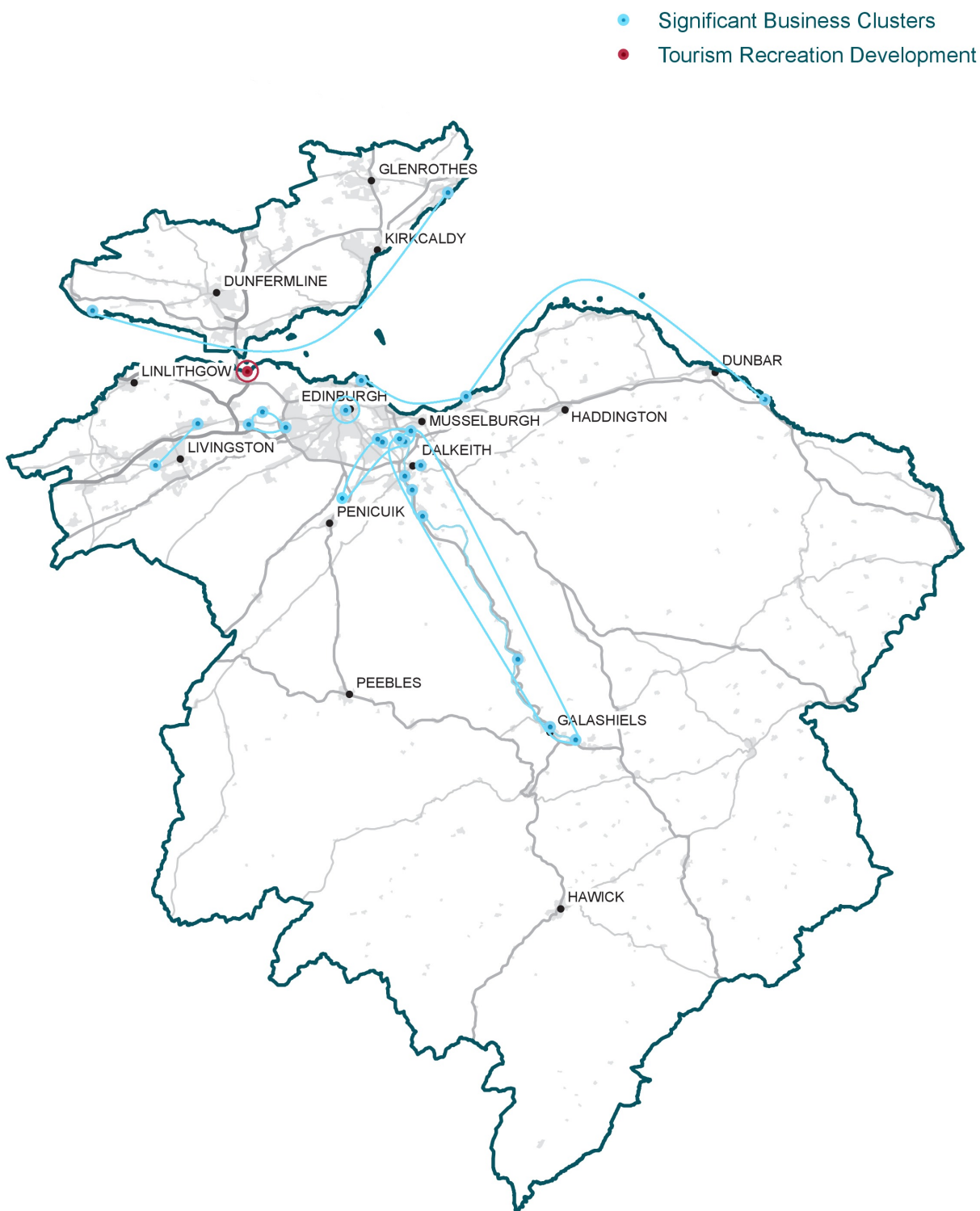
3.5   The region also has strengths outwith the growth sectors. Some of these, such as technology, cross sectors and others, such as textiles, are niche industries, significant in particular areas. In addition, industries such as farming and forestry are integral to the rural economy. Recognising that significant clusters will take a different form in the city, towns and rural area, there is potential to develop criteria appropriate to these areas and identify clusters on that basis.   Such an approach would recognise that priorities vary across the region and acknowledge that what is 'strategic' in the rural area may differ from that in more urban areas. Areas such as Tweed Valley and Central Borders could be identified as strategic tourism and business clusters reflecting their contribution to the rural economy. This is consistent with the encouragement of appropriate rural development which supports prosperous and sustainable communities.

3.6   SPP also requires the identification of locations for nationally and regionally significant tourism and recreational developments. The region has a global profile, strong international links and an exceptional natural, built and cultural heritage. This supports the visitor economy which has a significant role in all parts of the region. The attractions of the area include outdoor activities in the Borders, cultural and built heritage in Edinburgh and golf and coastal activities in East Lothian. The region must also meet changing visitor needs, for example the growth of business related tourism, the 'staycation' market and activity-based tourism. SDP2 will build on these strengths by identifying and safeguarding locations for nationally and regionally significant tourism and recreation developments and promoting infrastructure which will support the visitor economy.

3.7   The National Tourism Development Framework (NTDF) sets out initiatives which will support tourism in Scotland. Several of the initiatives which are of regional significance relate to improved digital connectivity or transport infrastructure.   Enhancements to strategic active travel networks will also add to the attractions of the region.   Issues related to transport and digital connectivity and active travel are discussed in Chapter 5. In addition to these improvements, it is proposed that the Forth Bridge candidate World Heritage Site is identified as a location for tourism related development of national significance.

Issue C

Locations of significant business clusters

Policy 2 (Supply and Location of Employment Land) of the approved SDP1 requires LDPs to maintain the overall employment land supply to ensure the provision of a range and choice of marketable sites. The development of mixed communities (including residential and compatible employment uses) on strategic employment sites may be appropriate provided this is justified through the LDP and the overall supply of employment land is maintained. This approach continues to be appropriate but, to reflect SPP, SDP2 will also identify an appropriate range of locations for significant business clusters.

Preferred Option

The preferred option is to identify significant business clusters using criteria which reflect the differing nature of the economies of the city, towns and rural areas of the region. These will include but will not be limited to the clusters identified in Table 3.1 and Figure 3.1.

Alternative Option

An alternative approach is to identify the significant business clusters as set out in paragraph 3.4 and Table 3.1. This would limit clusters to Enterprise Areas, NRIP sites and groups of industries in the growth sectors identified by Scottish Enterprise.

Both the preferred and alternative approaches would require sites which contribute to the clusters to be identified in LDPs and, together with the provisions of Policy 2 outlined above, would allow for a full range and choice of employment land and mixed uses on sites where opportunities for that are identified through LDPs.

3 A Place to do Business

Question 5

Locations of significant business clusters

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

Issue D

The Visitor Economy

SDP2 can support the visitor economy by protecting and enhancing the assets on which this depends, by setting priorities for infrastructure which support the economy and by identifying and safeguarding locations for new nationally and regionally significant tourism and recreation developments.

Preferred Option

The preferred option is for SDP2 to direct LDPs to safeguard locations for nationally and regionally important tourism and recreation developments and emerging opportunities as shown on Figure 3.1.

Alternative Option

The MIR has not defined a reasonable alternative to the preferred option.

Question 6

The Visitor Economy

Do you support the preferred option? Please explain your answer. You may also suggest any changes.
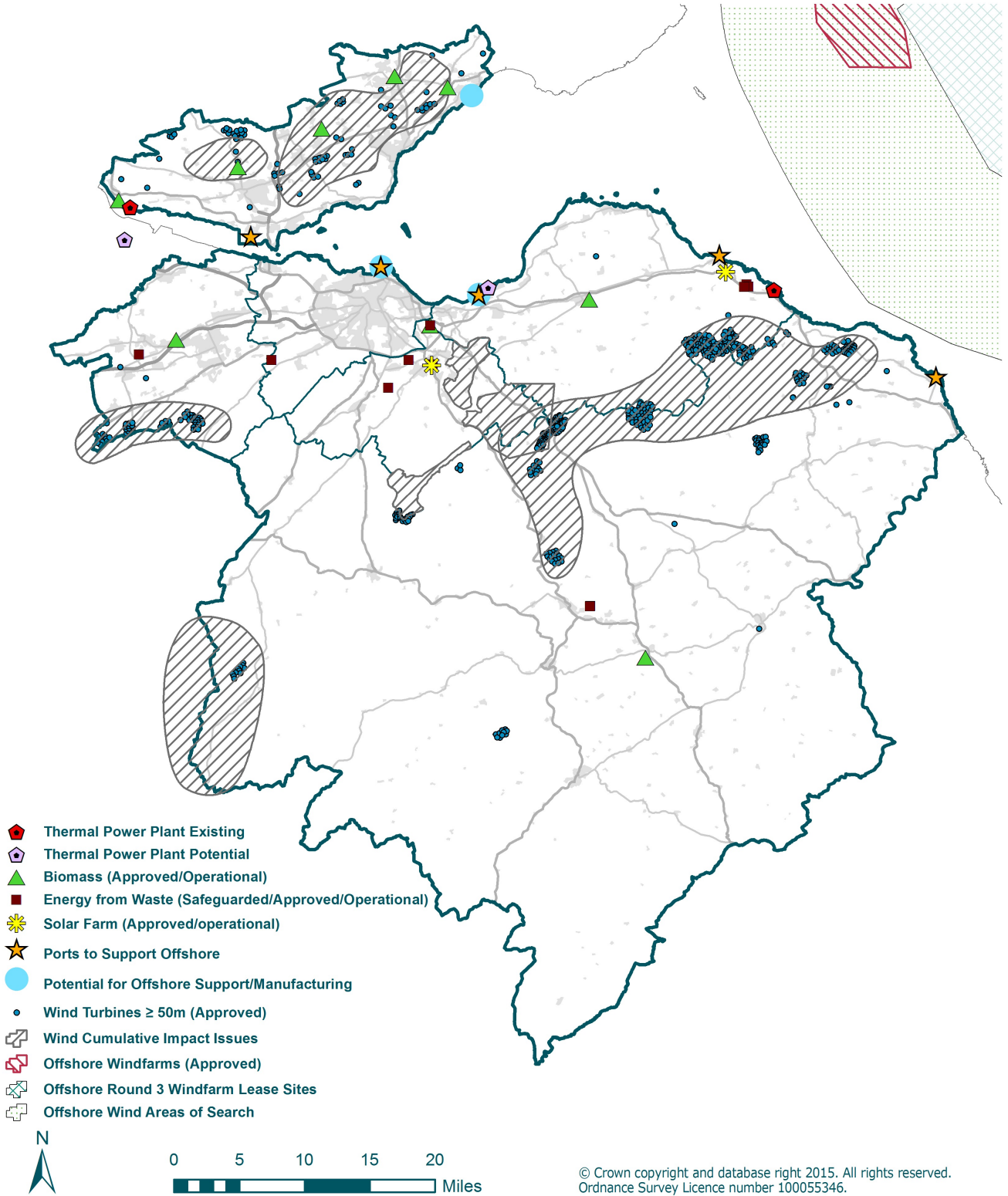
Managing Resources

Energy

3.8   SDP1 promotes the development of energy infrastructure and the encouragement of suitable renewable energy proposals. It is proposed that SDP2 sets this out in more detail, building on the content of NPF3, SPP and the changing energy context. SDP2 can assist in meeting the Scottish Government's carbon reduction and renewable energy targets by: requiring development to be located, designed and constructed to promote energy efficiency; the re-use of energy; maximising the potential for de-centralised energy networks; and enabling the generation of energy through low carbon and renewable technologies.   This can include supporting energy development and supporting infrastructure. Figure 3.2 sets out the regional context for energy development across the SESplan area.

Thermal Generation

3.9   Despite support for thermal generation at Longannet in NPF3, this is expected to close in 2016. A gas fired thermal generation station with associated pipelines at Cockenzie is a national development and NPF3 supports carbon capture and storage (CCS) facilities here. The East Lothian LDP will continue to support this proposal although the future of Cockenzie is not yet clear. NPF3 also identifies a new coal fired power station with CCS at Grangemouth, just outwith the SESplan area, as a national development.

Figure 3.2 Energy Network

Thermal Power Plant Existing

Thermal Power Plant Potential

Biomass (Approved/Operational)

Energy from Waste (Safeguarded/Approved/Operational)

Solar Farm (Approved/operational)

Ports to Support Offshore

Potential for Offshore Support/Manufacturing

Wind Turbines ≥ 50m (Approved)

Wind Cumulative Impact Issues

Offshore Windfarms (Approved)

Offshore Round 3 Windfarm Lease Sites

Offshore Wind Areas of Search

N

0   5   10   15   20

Miles

3 A Place to do Business

Renewable Generation

3.10   The Scottish Government has set a target of generating the equivalent of 100% gross electricity usage from renewable sources by 2020. At the end of 2014 it was estimated that the 50% interim target for 2015 was close to being achieved. In the SESplan area, SDP2 and LDPs have roles to play in continuing to increase the installed capacity and reduce energy consumption levels. This could be achieved through solutions including energy efficiency measures, onshore and offshore wind, micro renewables, solar farms and tidal.

3.11   There is potential for further onshore wind in the SESplan area but many of the most suitable and least harmful sites to the environment and landscape have already been developed. This has led to a growing concern over the environmental, cumulative and landscape and visual impacts of the numbers of turbines and windfarms in the region. It is proposed that SDP2 requires LDPs to seek to achieve development that maximises energy capacity but steers development away from areas where there would be unacceptable impacts. To achieve this, SESplan and adjoining member authorities are considering areas of landscape, environmental and community sensitivity of cross boundary significance. This includes joint working in particular areas such as through the centre of the region from the Pentlands to the Lammermuirs, the Firth of Forth and around the Scottish Borders' boundaries with Lanarkshire. Opportunities for joint working have also been presented by the revision to the Eskdalemuir exclusion and consultation zone.

3.12   More detailed work will refine the areas of cross-boundary co-ordination and identification of cross boundary cumulative impacts for inclusion in SDP2. This will assist in determining where there is strategic capacity and potential for additional wind turbines. However, areas outside the indicative zones of cumulative impact concern caused by approved and operational large turbines in Figure 3.2[1] may have other landscape and environmental issues to be considered. Informed by

emerging LDPs, SDP2 will include a spatial framework diagram[2] which will set out broad areas where wind turbines may be acceptable subject to detailed LDP policies taking into account other considerations, including relevant landscape capacity studies and supporting information.

3.13   An emerging area for consideration in SDPs and LDPs is wind farm 'repowering'. This is the replacement of wind farms which are at the end of their lifespan with newer turbines. These new turbines may have a much higher power output compared to the older technologies. However, replacement turbines are likely to be considerably larger and, therefore, existing turbine sites will need to be reassessed. Local authorities will work together and with windfarm operators to investigate the potential for re-powering. Energy storage systems may help overcome issues with intermittent generation related to wind farms or other sources of renewable energy but the landscape and environmental impacts of these must be considered.

3.14   There is considerable potential for offshore wind power in the North Sea off the Firth of Forth, much greater than can be accommodated onshore. Areas of potential have already been identified in National Renewables Infrastructure Plan (NRIP) and are shown on Figure 3.2.

3.15   To support the offshore industry, combinations of port facilities, wind turbine engineering and manufacturing potential have already been identified at Leith Docks and along the Fife Energy Corridor (Methil to Rosyth, including smaller ports on the Forth). NPF3 recognises that Cockenzie and the Forth coast extending to Torness is also a potentially important energy hub and identifies this as an area of co-ordinated action. Whilst Cockenzie is safeguarded as a site for future thermal generation, this area may also present significant opportunities for renewable energy related investment. It is expected that SDP2 will reflect aspirations for this high economic potential, low carbon, growth industry.

Question 7

Wind Energy

Do you support the emerging content of SDP2 relating to wind energy? Please explain your answer. You may also suggest any changes.

Should SDP2 identify broad cross-boundary areas where cumulative impacts from wind turbines may happen?

---

1   Informed by local authority landscape studies and supplementary planning guidance.
2   SPP paragraphs 161 to 166.

Networks and Heat

3.16   Energy network infrastructure improvements will be required to support both offshore and onshore renewable energy generation. These include substations and landing points for offshore renewables. Permission in principle has been granted for a substation at Cockenzie to support the offshore industry. Undersea cabling to bring energy supply from Peterhead to Torness to connect to the National Grid may be needed.

3.17   No strategic constraints on transmission or generation infrastructure to support new housing development have been identified but the phasing of development of individual site connections will need to be planned.

3.18   Scotland's Heat Map shows that there is significant potential for the more efficient use of heat in South East Scotland. LDP local heat maps will identify sources of heat and opportunities for heating and cooling networks.   These will inform the   location of development. There are some heat networks already operational or in planning across the SESplan area. Building on this, there is the potential for cross-boundary networks covering whole settlements, growth corridors and areas of significant development e.g. South East Edinburgh / Shawfair / Millerhill. Clusters of engineering, manufacturing industries and office parks also offer opportunities for district heating networks. These could make use of waste heat generated by other processes in these areas.

Marine Planning

3.19   The National Marine Plan was adopted in March 2015. SDP2 will take into account the plan's impact on the marine environment, its users and marine policy objectives. Marine planning authorities will be consulted at key stages in the development of the plan. SDP2 will make provision of the land resources and infrastructure necessary to support the Marine Plan and aim to provide consistency between the two on matters such as renewable energy and climate change.

Resource Extraction

3.20   An adequate supply of minerals is essential to support economic growth, providing materials for construction, manufacturing and the energy sector. SPP requires SDP2 to support the maintenance of a land bank of permitted reserves for construction aggregates of at least 10 years at all times in all market areas, through the identification of areas of search.   The reserves position is constantly changing as new sites are consented and others are depleted. An updated review of aggregate resources (based on either Scottish Government minerals survey data or locally sourced

information) will be carried out to inform SDP2.   The review will identify whether there is a shortfall in the construction aggregates land bank against SPP requirements.   The accompanying Minerals Technical Note provides further details.

3.21   There are extensive coal reserves and several operational open cast coal extraction sites across the region. There will be ongoing demand for coal to serve the energy projects in NPF3, as well as existing users.

3.22   British Geological Survey (BGS) evidence suggests that there may be oil and gas bearing shale formations across SESplan, and there are known to be coal bed methane reserves. Parts of the SESplan area are the subject of Petroleum Exploration and Development Licences (PEDL) issued by the Department of Energy and Climate Change. In January 2015, the Scottish Government announced a moratorium on granting consents for unconventional oil and gas developments across Scotland, whilst further research and public consultation is carried out. Any change in this position will be taken into account in SDP2.

3 A Place to do Business

Issue E

Resource Extraction

Preferred Option

SDP2 will continue the approach of SDP1 and direct LDPs to identify areas of search for aggregate minerals and surface coal mining areas, or, where appropriate, specific sites having regard to national guidance and other SDP2 objectives. SDP2 will not provide any spatial guidance on the location of onshore oil or gas installations.

Alternative Option

The alternative option is for SDP2 to define broad areas of search for aggregate minerals and surface coal mining areas across the region based on common environmental factors. These areas will be further defined in LDPs. LDPs will be encouraged to seek to identify mineral sites with the potential to access rail or water transport or the trunk road network (either directly or with minimal impact on the local road network). SDP2 would also indicate areas that are not supported for the extraction of onshore gas and specify some of the matters that will form the basis of LDP policy for assessing onshore gas applications.

Question 8

Resource Extraction

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

Waste

3.23   NPF3 and SPP reflect the Zero Waste Plan (ZWP). This treats waste as a resource in the 'cyclical economy' and seeks to implement the waste hierarchy (reduce, reuse, recycle, treat to recover residual energy, landfill). Landfill is subject to a cap of 5% by volume by 2025 and some materials are to be banned from landfill altogether. The Scottish Environment Protection Agency (SEPA) publish regional capacity tables which indicate the additional infrastructure required to meet ZWP targets. The approved SDP1 reflects the principles and approach in the ZWP. Limited policy change is required in this area. SDP2 will maintain the approach in the approved SDP1. If necessary, it will require LDPs to safeguard further locations or facilities required to meet ZWP targets. The accompanying Waste Technical Note provides further details.

Question 9

Waste

Do you support the emerging content of SDP2 relating to waste? Please explain your answer. You may also suggest any changes.

4 A Place for Communities

Creating successful, thriving and sustainable places for communities is not just about providing homes. Communities should enjoy a high quality built and natural environment with good access to healthy town centres and well managed greenspace. A planned approach is required to ensure development is located close to strategic employment locations, avoids any impact on protected areas and makes the best use of existing infrastructure including public transport connections.

Monitoring SDP1 and the Considerations and Challenges for SDP2

The SESplan population is growing. Between 2012 and 2037, the population is projected to grow by 18% from 1.25 million to just under 1.5 million, with an additional 140,000 households. Land for additional housing will be required to support this growth. A detailed assessment of housing need and demand, which considered factors such as migration and the economy, has been completed. This assessment found that the majority of the need and demand is for social and below market rent or affordable tenures, rather than private rented or owner occupied homes. The provision of affordable housing is a major challenge across the area. The SDP cannot address this challenge directly but can help set a framework for housing delivery.

The recent economic downturn has presented many challenges to the development industry, particularly restrictions on finance. Completions in 2013 / 2014 across SESplan, at around 4,590 houses, are 26% below the pre-recession average of around 6,160 houses per year (2001 - 2008).

Some town centres in the area have continued to decline over the last few years with rises in retail vacancy rates and declines in footfall. Aspirations for the green network are long term but already there have been major successes such as the John Muir Way.

The challenge is to set out a framework which:

- Facilitates new housing development as close as possible to where need and demand arises, taking into account environmental and infrastructure constraints and resources;

- Sets out a strategy for accommodating need and demand for housing generated by the economic growth and success of the City of Edinburgh, directing any requirement for additional housing development to locations best placed to support the growth of the city for the benefit of the wider region;

- Acknowledges the high levels of need for social and below market rented housing which is not currently being met through existing policies and approaches and seeks to assist in the delivery of affordable housing, where it is needed;

- Provides for a generous housing land supply acknowledging that there is already a substantial amount of housing land identified in approved strategies;

- Delivers balanced, well designed, sustainable communities where people can access high quality amenities and services;

- Supports the principle of 'town centres first' as locations for uses which attract a large number of people and generate the need to travel; and

- Values green infrastructure and protects and enhances that asset for future generations.

The Monitoring Statement, Green Network, Housing Land and Spatial Strategy Technical Notes provide further information.

4 A Place for Communities

Housing

Housing Land

4.1   As required by SPP, SDP2 will identify:

- **The Housing Supply Target** - the policy view of the number of homes SESplan has agreed should be delivered, based on the evidence of the assessment of housing need and demand. The target may be higher or lower than the figures set by the housing need and demand assessment; and

- **The Housing Land Requirement** - the land required to ensure a generous supply of land for housing is provided to enable the housing supply target to be met.

4.2   In deriving these, the Proposed Plan and the final, approved SDP2 will take into account a range of factors including:

- Environmental and social opportunities and constraints;

- Economic factors which may impact on either demand or supply;

- The potential inter-dependency between delivery of market and affordable housing at the local level;

- Capacity within the construction sector;

- The likely pace and scale of delivery based on completion rates;

- Recent development levels;

- Infrastructure capacity; and

- Resources to deliver the strategy[3].

4.3   SDP2 is also required to state the amount and broad locations of land which should be allocated in LDPs to meet the housing land requirement up to Year 12 from the expected date of plan approval[4].

Issue F

Housing Land across the SESplan area

NPF3 indicates that Scottish Government wishes to see SESplan lead a greater and more concerted effort to deliver a generous supply of housing to accommodate growth. **Based on an assessment of housing need and demand three options** [5] **which could form the basis for deriving housing supply targets and housing land requirements within SDP2 have been identified.**

- **Option 1 (Steady Economic Growth)** - Based on a steady upturn in the economy following the recent downturn and lower immigration to the SESplan area than Options 2 and 3.

- **Option 2 (Increasing Economic Activity with more High and Low Skilled Jobs)** - Assumes that wealth is distributed more widely across the SESplan area than Options 1 and 3 with increasing economic activity.

- **Option 3 (Strong Economic Growth)** - Based on much stronger growth than Options 1 and 2 with the SESplan area becoming one of the fastest growing regions of the UK in population terms, drawing in workers from other places.

SPP is clear that the housing supply target should be reasonable, properly reflect the housing need and demand assessment estimate of housing demand in the market sector and be supported by compelling evidence. Where the provision of affordable housing is required, the SDP should state how much of the total housing land requirement this represents.

Following a detailed assessment of the factors set out in paragraph 4.2, the resulting housing supply targets may be lower than Options 1, 2 or 3.

---

3   See accompanying Housing Land and Spatial Strategy Technical Note for further details.
4   SDP2 is expected to be approved in late 2017 with Year 12 being 2029.
5   All three options are based on the latest 2012 based population and household projections.

Table 4.1 Options for basis for deriving Targets and Requirements for Housing Land across the SESplan area

Plan Period	Option 1 (Preferred)		Option 2		Option 3	
	Total	Annual	Total	Annual	Total	Annual
2012[6] - 2029	102,760	5,710	120,260	6,680	138,040	7,670
2030 - 2037	31,830	3,980	43,790	5,470	56,290	7,040

Preferred Option - Option 1 Steady Economic Growth

Over the past ten years (2004 - 2014), across the SESplan area, on average, around 5,080 houses have been completed each year. In that context, Option 1 is considered to be the most appropriate scenario as the basis for deriving housing supply targets and housing land requirements within SDP2, as the increase in average completions of around 11% above the ten year average completion rate appears realistic and achievable.

Alternative Options - Option 2 Increasing Economic Activity and Option 3 Strong Economic Growth

Options 2 and 3 are not considered realistic or credible bases upon which SDP2 should derive the housing supply targets and housing land requirements for the following reasons:

- Completion rates would be required to increase immediately by around 31% - 40%;

- Land is already committed for around 72,270 houses across the SESplan area over the period to 2029[7]. Land for a further 28,320 houses is identified in emerging LDPs, 10,580 houses committed on land which is considered to be constrained and 11,630 houses anticipated as a contribution from windfall sites. Taking into consideration planned demolitions of 1,060 houses, this results in a total net supply of 121,740 houses across the SESplan area over the period to 2029. To allocate additional land for housing could lead to an undermining of the overall strategy. Options 2 and 3 as the basis for deriving the housing supply targets and housing land requirements imply the allocation of additional land for housing at levels which could further reduce the probability of sites in existing plans being delivered and increase uncertainty for infrastructure providers and others. These effects could prejudice the delivery of the existing spatial strategy.

- Immediate delivery would be required on sites which have already been granted planning permission and which may have stalled due to infrastructure constraints;

- Immediate delivery would be required on sites which have been identified in emerging LDPs and which are still to go through the process of securing planning permission;

- The increased challenges of securing funding for affordable housing provision;

- Uncertainty regarding the capacity of the industry to increase output;

- Home buyers, particularly first time buyers have found it increasingly difficult to access mortgage finance, with lending significantly reduced from pre-recession levels and substantial deposits required, presenting barriers to home ownership; and

- Welfare Reform is likely to lead to reduced disposable incomes limiting the choice of tenures available to many.

---

6   The SDP2 start date will be 2017. SDP1 and the Supplementary Guidance on Housing Land provide the strategy and requirements for housing land up until the approval of SDP2.
7   This includes houses completed in 2011 / 2012, 2012 / 2013 and 2013 / 2014 and effective land supply.

4 A Place for Communities

Question 10

Housing Land across the SESplan Area

As the basis for deriving the housing supply targets and housing land requirements within SDP2, do you support the:

- Preferred Option 1 Steady Economic Growth;
- Alternative Option 2 Increasing Economic Activity with more High and Low Skilled Jobs;
- Alternative Option 3 Strong Economic Growth; or
- None of the Options

Please explain your answer. You may also suggest any changes.

Should SDP2 consider housing land supply targets that are lower than the housing need and demand estimates? Please explain your answer.

Issue G

Housing Land in Edinburgh

Issue F (Housing Land across the SESplan area) sets out that the preferred option for the basis for deriving housing supply targets and housing land requirements is Option 1 (Steady Economic Growth). One of the key challenges would be to accommodate the levels of need and demand generated by the City of Edinburgh under this option. Three reasonable options which are based on the preferred option under Issue F and which could form the basis for deriving housing supply targets and housing land requirements in Edinburgh have been identified.

- **Option 1** - The City of Edinburgh meets **all** of its own housing need and demand.

- **Option 2** - The City of Edinburgh meets **a significant proportion** of its own housing need and demand.

- **Option 3** - The City of Edinburgh meets **a lower level** of its own housing need and demand than Options 1 and 2, similar to that set out in SDP1 and the Supplementary Guidance on Housing Land.

Table 4.2 Options for basis for deriving the Target and Requirement for Housing Land in the City of Edinburgh

Plan Period	Option 1		Option 2 (Preferred)		Option 3	
	Total	Annual	Total	Annual	Total	Annual
2012 - 2029	59,700	3,320	41,790	2,320	36,400	2,020
2030 - 2037	21,800	2,730	15,300	1,910	13,100	1,640

Table 4.3 Options for basis for deriving redistribution of need and demand outwith the City of Edinburgh

Plan Period	Option 1		Option 2 (Preferred)		Option 3	
	Total	Annual	Total	Annual	Total	Annual
2012 - 2029	0	0	17,910	1,000	23,300	1,290
2030 - 2037	0	0	6,500	810	8,700	1,090

Preferred Option - Option 2 the City of Edinburgh meets a significant proportion of its own housing need and demand

The preferred option is to proceed with Option 2 as a basis for deriving housing supply targets and housing land requirements within Edinburgh, with a significant proportion of Edinburgh's need and demand for housing met within the City of Edinburgh administrative area (potentially around 41,790 new homes over the period to 2029 or an average of 2,320 homes per year). There is land already committed for around 18,790 houses over the period to 2029[8], with a further 18,000 houses identified in the emerging LDP, committed on land which is considered to be constrained or which can be expected on windfall sites. Additional housing sites have already been identified in the context of SDP1 and there is limited capacity for additional development. It is not considered that the allocation of additional land will result in the delivery of additional housing. The remaining Edinburgh need and demand of potentially around 17,910 homes / 1,000 homes per year over the period to 2029 will be directed outwith the city in accordance with the preferred spatial strategy.

Alternative Options - Option 1 the City of Edinburgh meets all of its own housing need and demand and Option 3 the City of Edinburgh meets a lower level of its own housing need and demand

Over the past ten years (2004 - 2014), across the City of Edinburgh, around 2,000 homes on average have been completed per year. Completions varied between 2,600 in 2004 / 2005 and 1,040 homes in 2010 / 2011. Option 1 as the basis for deriving housing supply targets and housing land requirements, might require average annual completions of 3,320 homes. This is some 40% higher than the city's ten year average completion rate. Given the level of need and demand generated by the capital, even with a focus on brownfield land, the city cannot reasonably accommodate such a scale of growth without compromising other considerations, most notably the area's environmental assets.

Conversely, the strategy set out in SDP1 and the Supplementary Guidance on Housing Land directed the city to accommodate around 61% of its overall need and demand for housing within its administrative boundaries, redistributing the remaining need and demand across the SESplan area. Option 3, as a basis for deriving housing supply targets and housing land requirements, over the period to 2029 and excluding any allowance for generosity, could require the City of Edinburgh to identify land to accommodate around 36,400 homes or 2,020 homes per year. This is around current rates of housing completions but is not considered to reflect the levels of housing need and demand generated by the city or the requirements of national policy in terms of providing a generous supply.

For these reasons Option 1 and 3 are not supported.

Question 11

Housing Land in Edinburgh

Do you support:

- Alternative Option 1 All Housing Need and Demand;
- Preferred Option 2 Significant Proportion of Need and Demand;
- Alternative Option 3 Lower Level of Need and Demand than Options 1 or 2; or
- None of the Options

Please explain your answer. You may also suggest any changes.

---

8   This includes houses completed in 2011 / 2012, 2012 / 2013 and 2013 / 2014 and effective land supply.

4 A Place for Communities

Issue H

A Generous Supply

SPP states that within the overall housing supply target, plans should indicate the number of homes to be built over the plan period. This figure should be increased by a margin of 10 to 20% allowance to establish the housing land requirement. This is intended to ensure that a generous supply of land for housing is provided.

Preferred Option - Set a 10% Generosity Allowance and provide LDPs with the flexibility to exceed this allowance to recognise local circumstances

SPP indicates that the exact margin of generosity will depend on local circumstances. The preferred option is for SDP2 to set a minimum generosity allowance of 10%. Flexibility would be afforded to LDPs to exceed the overall generosity allowance should it be determined that this is required to meet local needs, for example in rural areas where an oversupply of housing land may be appropriate to provide a range and choice of opportunities or to meet other LDP objectives.

The preferred option for deriving the housing supply targets and housing land requirements for housing land across the SESplan area (Issue F), even before the addition of a generosity allowance, is considered to provide a generous supply as required by national guidance. Setting an allowance above 10% at the SESplan level would anticipate a rate of completions which is likely to be undeliverable.

Alternative Option - Set a Range for the Generosity Allowance

The alternative option is to set a range for the generosity allowance to establish the housing land requirement, at a minimum of 10% and restrict the flexibility afforded to LDPs. This option is not preferred since the exact margin for generosity will depend greatly on the LDP and local area and there may be other reasons such as meeting local needs or other LDP objectives which would necessitate a more generous supply of housing land.

Question 12

A Generous Supply

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

If you support the alternative option, what range should the generosity allowance be set at?

Affordable Housing

4.4   Setting a framework for the delivery of affordable housing is one of the key issues for SESplan to address. Affordable housing is defined broadly as housing of a reasonable quality that is affordable to people on modest incomes and may be provided in the form of social rented accommodation, below market rented accommodation, shared ownership, shared equity, housing sold at a discount including plots for self build and low cost housing without subsidy.

4.5   As set out in Table 4.4 below, under the preferred option for deriving housing supply targets and housing land requirements under Issue F over the period to 2029, across the SESplan area, 52% of the total need and demand is estimated to be for social housing and 12%

for below market rent accommodation. The requirement for these types of housing varies between local authority and market experience suggests significantly greater demand for below market rented accommodation in some areas.

4.6   In the same period, the need and demand for private market or owner occupied housing is estimated to be 24% of the total and private rented accommodation 12% of the total. Demand for these two tenures has varied over time, however, and is dependent on access to mortgage finance and other economic factors.

A Place for Communities 4

4.7 National policy is clear that the housing supply target identified within SDP2 should be separated into affordable and market sectors. The housing supply target should be reasonable, properly reflect the housing need and demand assessment estimate of housing demand in the market sector and be supported by compelling evidence. Where the provision of affordable housing is required, the SDP should state how much of the total housing land requirement this represents. In deriving housing supply targets, recognition of the level of affordable housing that can be reasonably expected to be delivered over the plan period will be critical.

4.8 This MIR recognises that there is a significant gap between the estimated need and demand for affordable housing and the expected provision of affordable housing in the public sector or a reasonable and achievable requirement for the provision of affordable housing on market led sites. SDPs are limited to providing a framework for the delivery of affordable housing within the context of national planning policy. The construction and funding of such accommodation lies with other bodies. The key issue is how and what level of affordable housing SDP2 should seek to deliver.

Issue I

Affordable Housing

Affordable housing completions have over the past five years accounted for around 27% of all completions per year. Completions of affordable housing have ranged from 34% of all completions in 2009 / 2010 to 16% of all completions in 2013 / 2014. The need for affordable housing varies between LDP areas but the delivery of affordable housing is a critical issue for the SESplan area as a whole. It will need to be taken into account in the setting of housing supply targets and requirements so that they are set at a realistic and achievable level.

Preferred Option

SDP2 will direct LDPs that the level of affordable housing required within a market site should, as a minimum, be 25% of the total number of houses. LDPs will have the flexibility to vary the affordable housing requirement, where there is a clear justification to meet local needs.

Alternative Option

An alternative option would be to direct LDPs to seek minimum levels of affordable housing above 25% to meet the identified need. This option is not supported since it does not allow for differing local needs.

Question 13

Affordable Housing

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

What should the minimum provision for affordable housing on market led sites be set at?

What should the requirement for affordable housing be set at within the overall housing supply target? Please explain your answer.

Setting Targets and Requirements

4.9 SPP requires that housing supply targets and housing land requirements are set for the SESplan area, each of the six LDP areas and for each functional housing market area. To inform this process a preliminary assessment of environmental and infrastructure opportunities and constraints across Edinburgh and South East Scotland has been undertaken

(see the accompanying Spatial Strategy Technical Note for further details). A detailed assessment of the considerations listed in paragraph 4.2 including economic factors, capacity within the construction sector, infrastructure capacity and resources will be undertaken at Proposed Plan stage. This will inform the setting of targets and requirements across SESplan ensuring that they are reasonable, achievable and deliverable.

4 A Place for Communities

4.10   A further consideration in setting targets and requirements is the significant amounts of land already identified for housing within approved and emerging strategies. As set out in Table 4.4 below there is already land committed to accommodate around 121,740 houses over the period to 2029.   This comprises recent completions, land identified in emerging LDPs including within existing SDAs such as West Edinburgh, South East Edinburgh, Winchburgh, the A7 / A68 Borders Rail Corridor and North Dunfermline as well as sites with planning permission and an estimate of the contribution from constrained and windfall sites. This compares to an estimated need and demand for housing across the SESplan area under the preferred option for housing land across the SESplan area of 102,760 houses, of which 64% is estimated to be required for social and below market rented tenures.

4.11   The preferred option under Issue G sets out that the basis for deriving housing supply targets and housing land requirements in Edinburgh is Option 2 with the City accommodating a significant proportion of its own need and demand. As a result there will be a requirement to redistribute some need and demand to other areas. Outwith Edinburgh, there is a supply of land comprising recent completions, land identified in emerging LDPs, sites with planning permission and an estimate of the contribution from constrained and windfall sites to accommodate around 85,150 houses. This compares to an estimated need and and demand of 43,070 houses.   Even excluding any contribution from constrained (6,280 houses) or windfall sites (6,430 houses) there is still a significant supply of land (72,440 houses) when compared to the estimated need and demand for housing across the SESplan area outwith Edinburgh.

Table 4.4 Assessment of Housing Need and Demand and Land Supply 2012 - 2029

Authority	Assessment of Housing Need and Demand (Issue F Preferred Option 1 Steady Economic Growth)					Supply[9]	Comparison	Supply / HNDA
	Social Rent	Below Market Rent	Private Rented	Owner Occupied	Total			
City of Edinburgh	30,660	8,100	6,780	14,150	59,690	36,590	-23,100	61%
East Lothian	5,040	1,130	1,030	2,200	9,400	12,650	3,250	135%
Fife[10]	5,840	1,170	1,600	3,320	11,930	24,470	12,540	205%
Midlothian	4,770	720	600	1,420	7,510	15,900	8,390	211%
Scottish Borders	2,060	390	510	930	3,890	11,770	7,880	302%
West Lothian	5,110	1,180	1,450	2,600	10,340	20,360	10,020	197%
SESplan	53,480 (52%)	12,690 (12%)	11,970 (12%)	24,620 (24%)	102,760	121,740	18,980	118%
Total Excluding City of Edinburgh	22,820 (53%)	4,590 (11%)	5,190 (12%)	10,470 (24%)	43,070	85,150	42,080	198%

9   Completions for 2011 / 2012, 2012 / 2013, 2013 / 2014, Effective Land Supply, Emerging LDP, Constrained and Windfall Sites Minus Demolitions.

10   SESplan part of Fife only.

A Place for Communities 4

4.12 It is expected that SDP2 will be approved towards the end of 2017. The housing land supply position across the SESplan area is constantly changing as sites are consented and developed and as LDPs are reviewed and updated. Therefore Issue F identifies options for the basis for deriving housing supply targets and housing land requirements across the SESplan area and Issue G identifies options for the basis for deriving housing supply targets and requirements in Edinburgh only.

Options for the basis for deriving targets and requirements across the remainder of the SESplan area have not been identified in this MIR. This is partly due to the scale of Edinburgh's estimated need and demand relative to estimated need and demand in other areas. Changes in the basis on which the Edinburgh housing supply target and housing land requirement is derived will have a significant impact on those across the rest of the SESplan area.

Question 14

Setting Housing Targets and Requirements

To derive the housing supply target and housing requirements across the SESplan area, SDP2 will consider a range of factors including economic, environmental and infrastructure opportunities and constraints.

- What factors should SDP2 consider and why? Is there another approach that SDP2 should consider?

SPP requires that housing supply targets and requirements are set for the SESplan area, each of the six LDP areas and for each functional housing market area. An assessment of housing market areas identified that the influence of the City of Edinburgh in terms of house sales extended well beyond its administrative boundaries. The functional housing market area was therefore defined as the SESplan area in its entirety, with fifteen 'sub housing markets' operating within it.

- Should SDP2 set housing supply targets at the level

  - Directed by SPP; or
  - Directed by SPP and the Sub-housing Market Area level?

Please explain your response. You may also suggest any changes, including alternative approaches.

Specialist Provision

4.13 The assessment of need and demand for housing also considered the need for sites for Gypsy / Travellers and Travelling Showpeople. The assessment recognised that there is a requirement to improve existing sites and for local authorities to work across boundaries to meet mobile lifestyles. Applications for site accommodation and fair provision are dealt with on an individual basis and there are no accommodation needs identified which cannot be addressed via existing arrangements for temporary accommodation. A separate Equalities Report and Impact Assessment has been produced. This addresses the requirements of the Equality Act (2010) and mainstreams equalities within the housing need and demand assessment preparation process.

4 A Place for Communities

Town Centres

4.14   Town centres across South East Scotland make a significant contribution to the region as places to do business and to live and as focuses for civic, civil, social and cultural activity.   The Town Centre Action Plan promotes an expanded town centre first principle whereby uses which attract large numbers of people such as retail, commercial leisure, offices, community and cultural facilities should be located in town centres first. It also promotes residential uses within town centres to encourage diverse areas that support the vibrancy, vitality and viability of town centres throughout the day and into the evening. LDP policy will support town centres and identify a network of centres that include a diverse mix of uses, have a high level of accessibility and qualities of character and identity which create a sense of place.   Reassessment of town centre boundaries could be encouraged to allow for a flexible approach to recognise the changing shape of town centres and other uses which attract large numbers of people to be considered.

4.15   SDP1 identifies a network of centres comprising Edinburgh as the regional centre alongside Livingston, Kirkcaldy, Dunfermline and Glenrothes as strategic town centres. LDPs are directed to identify a network of other town and commercial centres which are of local significance. The preferred approach for SDP2 is to maintain this network of centres with member authorities designating other town centres or commercial centres through LDPs. LDPs can also designate new town centres or sub regional centres where the opportunity arises such as in new settlements or SDAs.

Figure 4.1 Strategic Centres
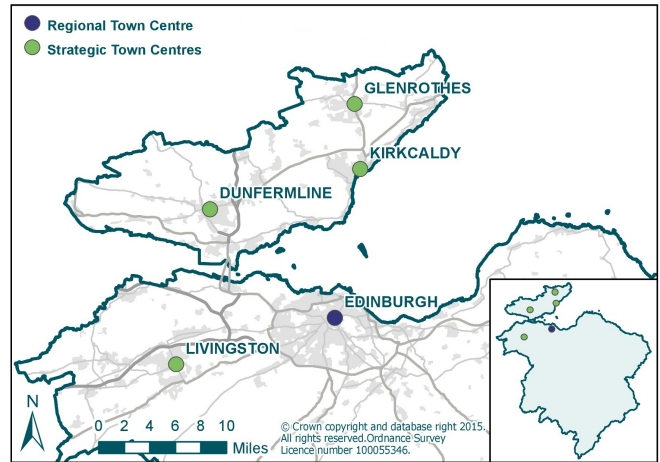
4.16   SDP2 will support town centres and all of their uses rather than focusing on retailing, setting out a strong presumption in favour of the principle of locating uses which attract large numbers of people within town centres. A sequential approach will be taken for the location of large footfall generating developments giving preference to:

1.   Town Centre;

2.   Edge of Centre;

3.   Other defined Commercial Centres; and

4.   Out of Centre locations that are, or can be made easily accessible by public transport and will not have an adverse effect on the town centre.

Question 15

Town Centres

Are there specific actions that SESplan should take to support strategic centres and Edinburgh city centre?

Are there other centres that SDP2 should identify as strategic town centres?

Should SDP2 seek to identify a hierarchy below strategic town centres?

Strategic Green Networks

4.17   A diverse range of green spaces, natural landscapes, woodlands, coastline, waterways and outdoor recreation space contribute to the success of the city region. Together, they help define the character of the area, contribute to communities' quality of life and sense of place and provide the setting within which high quality, sustainable growth can occur. Developing new networks of these spaces through strategic development opportunities and protecting and enhancing existing networks is essential.

4.18   Covering all of the city region other than Scottish Borders, the Central Scotland Green Network (CSGN) is a national project to 2050 with a broad purpose to deliver green network improvements and transformational change. It is proposed that SDP2 sets the regional strategy to achieve the aims and vision of CSGN and the delivery of a strategic green network across the region. In SDP1 consideration of green network policies and actions was largely directed to LDPs. The SESplan member authorities and key agencies have identified ways in which SDP2 could add value to the action taken under SDP1. SDP2 could do this by establishing priority themes and aims which green networks in the area should achieve as follows:

- Improving quality of place;

- Providing for higher levels of active travel;

- Enabling biodiversity to flourish;

- Facilitating people to lead healthier lives;

- Improving landscape character;

- Enabling climate change adaptation;

- Attracting inward investment;

- Improving vacant and derelict land; and

- Delivering action in disadvantaged communities.

4.19   The SDP could also add value through the identification of:

- Spatial priority areas where green network safeguarding and enhancement is needed,while recognising that LDPs need to show the detail;

- Cross-boundary areas where collaboration and co-ordination is needed between local authorities to ensure planning and delivery of strategic green network opportunities; and

- The green network assets and the strategic green network needs within areas of significant growth to an appropriate level of detail.
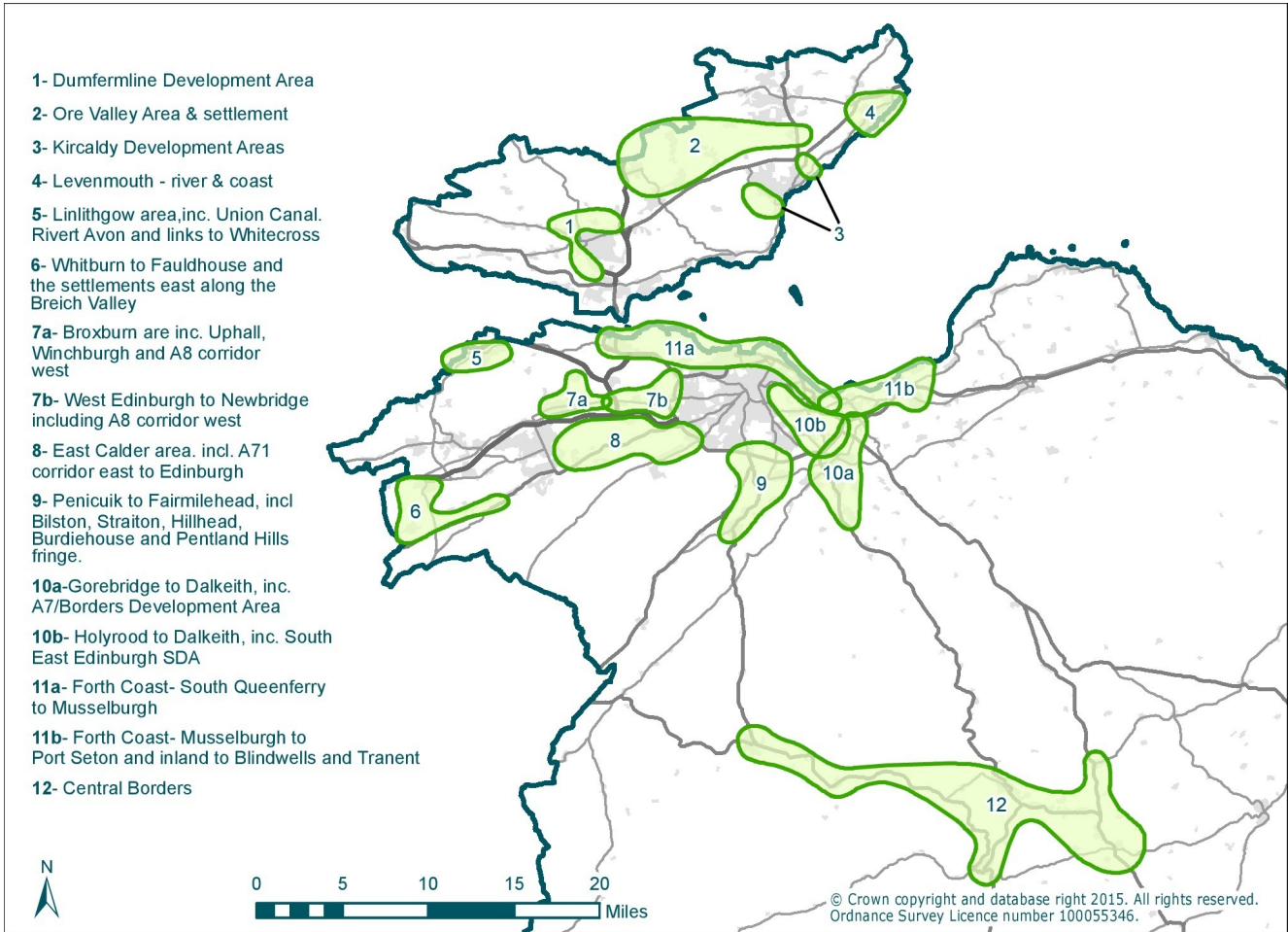
4.20   These areas of work align with the priorities set in NPF3 and SPP. The preferred approach will seek to ensure that strategic green network connectivity is safeguarded and enhanced. The aims and multiple benefits that green networks provide will be delivered within the priority areas. This will require the integration of green network functions within land use and management in these areas.

4.21   In areas identified for significant development, including SDAs, the preferred approach is to set a vision for green network development integral to placemaking principles established for these areas. SDP2 will illustrate the strategic connections and principles for green network development. LDPs will set out more detailed plans and proposals for sites within the areas of strategic development, as well as identifying more local green network priorities, as appropriate. Initial spatial priorities and areas requiring cross-boundary working at the SESplan level are identified in Figure 4.2. These are key areas of change where development presents opportunities to deliver green networks. The accompanying Green Network Technical Note sets out how these areas have been identified, the green network aims they meet, the actions which are required to deliver them and the cross boundary working needed.

4.22   The priority areas will be updated taking into consideration responses to the MIR and will reflect the final approach to growth areas identified in SDP2. This will have to take account of any alterations to the Edinburgh Green Belt and the increased protection and enhancement required for any green wedges included in the spatial strategy.

4 A Place for Communities

Figure 4.2 Regional Green Network Priority Areas

1- Dumfermline Development Area

2- Ore Valley Area & settlement

3- Kircaldy Development Areas

4- Levenmouth - river & coast

5- Linlithgow area,inc. Union Canal. Rivert Avon and links to Whitecross

6- Whitburn to Fauldhouse and the settlements east along the Breich Valley

7a- Broxburn are inc. Uphall, Winchburgh and A8 corridor west

7b- West Edinburgh to Newbridge including A8 corridor west

8- East Calder area. incl. A71 corridor east to Edinburgh

9- Penicuik to Fairmilehead, incl Bilston, Straiton, Hillhead, Burdiehouse and Pentland Hills fringe.

10a-Gorebridge to Dalkeith, inc. A7/Borders Development Area

10b- Holyrood to Dalkeith, inc. South East Edinburgh SDA

11a- Forth Coast- South Queenferry to Musselburgh

11b- Forth Coast- Musselburgh to Port Seton and inland to Blindwells and Tranent

12- Central Borders

© Crown copyright and database right 2015. All rights reserved.
Ordnance Survey Licence number 100055346.

Issue J

Strategic Green Networks

Preferred Option

SDP2 will identify spatial priority areas for green network safeguarding, enhancement and creation and key areas of cross-boundary working identified at the regional level. LDPs will be required to reflect the green network priorities identified, add detail as appropriate on local level green network priorities and work towards delivery through LDP action programmes.

Alternative Option

Retain the same policy framework as SDP1. SDP2 will support a strategic green network but with the identification, prioritisation and development being undertaken by LDPs.

Question 16

Strategic Green Networks

Do you support the preferred option, the alternative option or none of the options? Please explain your answer. You may also suggest any changes.

Do the SESplan green network themes and aims capture the key issues for green network development in the area?

Does the map of proposed regional green network priority areas identify the appropriate areas to focus on? Are any priority areas missing from Figure 4.2? If so, which areas should be added and why?

5 A Better Connected Place

5 A Better Connected Place

Improving connectivity, addressing network constraints and removing barriers will support a low carbon South East Scotland as a place to do business and a place for communities. While parts of the region enjoy good access to transport, infrastructure and digital networks, others are less well served and there are significant constraints and major issues to be addressed. In order to deliver the preferred spatial strategy and achieve the Vision, these networks need to be improved to increase connectivity.

Monitoring SDP1 and the Challenges and Considerations for SDP2

Across SESplan:

- Half of all journeys to work in the region are made to, from or within Edinburgh;

- Rail usage has increased by 50% over the 2001 to 2011 census period, mainly on journeys to and from Edinburgh;

- Car ownership has increased in all SESplan authorities except Edinburgh but traffic volumes have remained level since 2008;

- Walking and cycling to work has increased but this is mostly in journeys within Edinburgh; and

- The proportion of journeys to work by car decreased in journeys to, from and within Edinburgh but increased in all journeys outside of Edinburgh.

The Transport Appraisal of SDP1 and the Supplementary Guidance on Housing Land forecast increases in congestion and delays on the region's road network. More detailed local level assessments are available through emerging LDP transport appraisals. This is particularly apparent on the strategic intercity road network, the M8 / 9 / 90 - A720 - A1, which experience significant congestion during peak periods. Some services on the region's rail network are also forecast to exceed capacity. Congested transport networks limit economic potential including the development of key, nationally significant growth sectors in the city region.

The number of air quality management areas in the region has increased since the preparation of SDP1. To minimise impacts on air quality and climate change, SDP2 will need to direct LDPs to require development to minimise increases in traffic levels, and therefore congestion, encourage further modal shift away from cars and towards public transport, walking and cycling and increase the accessibility of rural and deprived areas.

More details of recent regional travel and transport trends are available in the refreshed Regional Transport Strategy (RTS). The Monitoring Statement, Green Network, Housing Land and Spatial Strategy Technical Notes provide further information.


Transport

5.1   The principle of following a transport hierarchy will be carried forward from SDP1 and the RTS. This seeks to reduce the need to travel, encourage and support travel by walking, cycling and public transport and, only when travel needs cannot be met through these modes, accommodate car use. The preferred spatial strategy supports decarbonising transport, public transport and increasing walking and cycling activity. Successful delivery of SDP2 and the RTS together should help reduce the need for car use.

5.2   The preferred spatial strategy will help to minimise the need to travel and the length of journeys. Longer commutes are known to have detrimental impacts on human physical and mental health as well as leaving less time to spend with families and for recreation (see ONS for further details). Public transport is more efficient at moving large numbers of people than the private car. Whilst some may choose to have longer journeys to work, the preferred strategy seeks to ensure that choice is not driven by the lack of housing options. Shorter journeys are more likely to be made by walking, cycling or public transport.

A Better Connected Place **5**

Figure 5.1 SESplan Transport Network
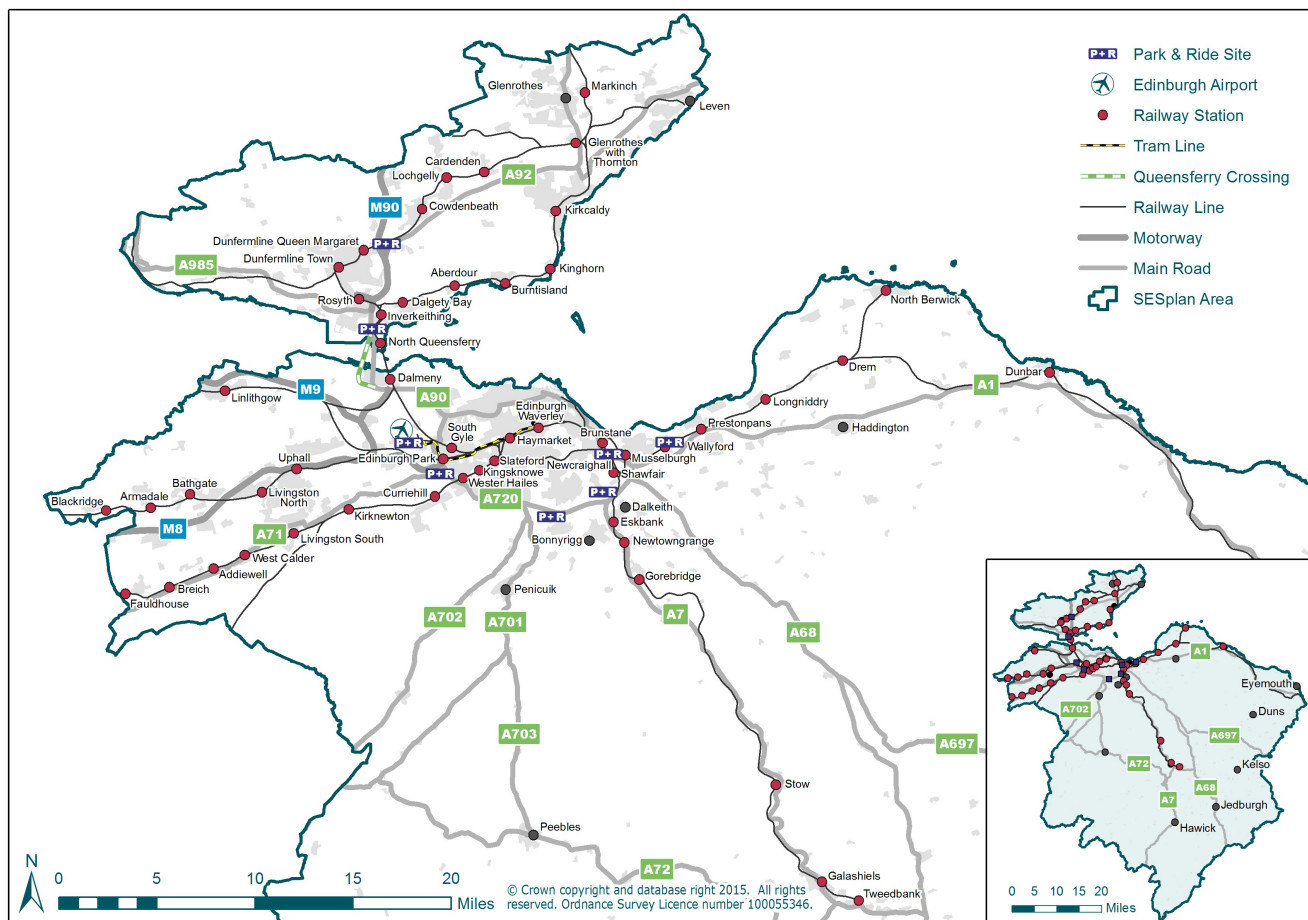
5.3   Increased rail passenger capacity is being created on the Edinburgh - Glasgow line and the electrification of the Shotts line will improve journey times and the level of service along this route. The Borders Railway will open up development potential along the A7 corridor but many opportunities have already been planned for in the emerging Scottish Borders and Midlothian LDPs. Other parts of the rail network are forecast to exceed passenger capacity in the long term, particularly the lines to Edinburgh from East Lothian and Fife. Details of rail capacity are available in Scotland's Rail Utilisation Strategy.

5.4   Development locations need to be carefully considered and a balance reached between accessibility and the capacity of the public transport network to accommodate further development. Areas with network capacity are often not suitable for environmental reasons. They may be in locations where development is not required or further away from employment and services which implies increased journey times to these.

There needs to be significant further investment in public transport capacity in and around Edinburgh, along with investment in walking and cycling. Development potentially impacting on congested parts of the networks has to be carefully master planned and designed to minimise additional traffic, maximise sustainable transport and active travel potential, provide public transport services and prevent impacts on road safety. The accompanying Spatial Strategy Technical Note sets out information on transport network capacities and an updated Public Transport Accessibility Analysis.

5.5   A transport appraisal of the spatial strategy and alternatives will be undertaken to inform SDP2. The appraisal will take into consideration outputs from the study described in paragraph 6.4 and will be objective based, in accordance with Transport Scotland guidance on development plans. Alongside other studies, this will provide information on the impacts of the strategy options and the transport infrastructure improvements that will be required.

5 A Better Connected Place

Issue K

LDP Transport Policy Direction

Parts a, c and g of Policy 8 (Transportation) of the approved SDP1 state that LDPs will:

a.   Ensure that development likely to generate significant travel demand is directed to locations that support travel by public transport, foot and cycle;

c.   Relate density and type of development to public transport accessibility; and

g.   Ensure that the design and layout of new development demonstrably promotes non-car modes of travel.

Preferred Option

The preferred option is for parts a, c and g of Policy 8 of the approved SDP1 to be amended to better direct development to accessible locations and to promote travel by walking, cycling and public transport over private car journeys. LDPs will:

- Ensure that large scale housing development is located in areas that are shown to be, or can be made, highly accessible to town centres and employment by public transport, foot and cycle;

- Ensure that development that generates significant travel demand (e.g. offices, retail, leisure facilities, colleges etc) is directed to centres, or areas which are, or can be made, highly accessible by public transport, walking and cycling;

- Ensure that the density, uses and layouts of new development demonstrate how they will reduce the need to travel, increase and promote public transport accessibility and encourage walking and cycling. Where possible, these must include clear and direct linkages to public transport nodes and interchanges; and

- Ensure that development in accessible locations is at higher densities.

Alternative Option

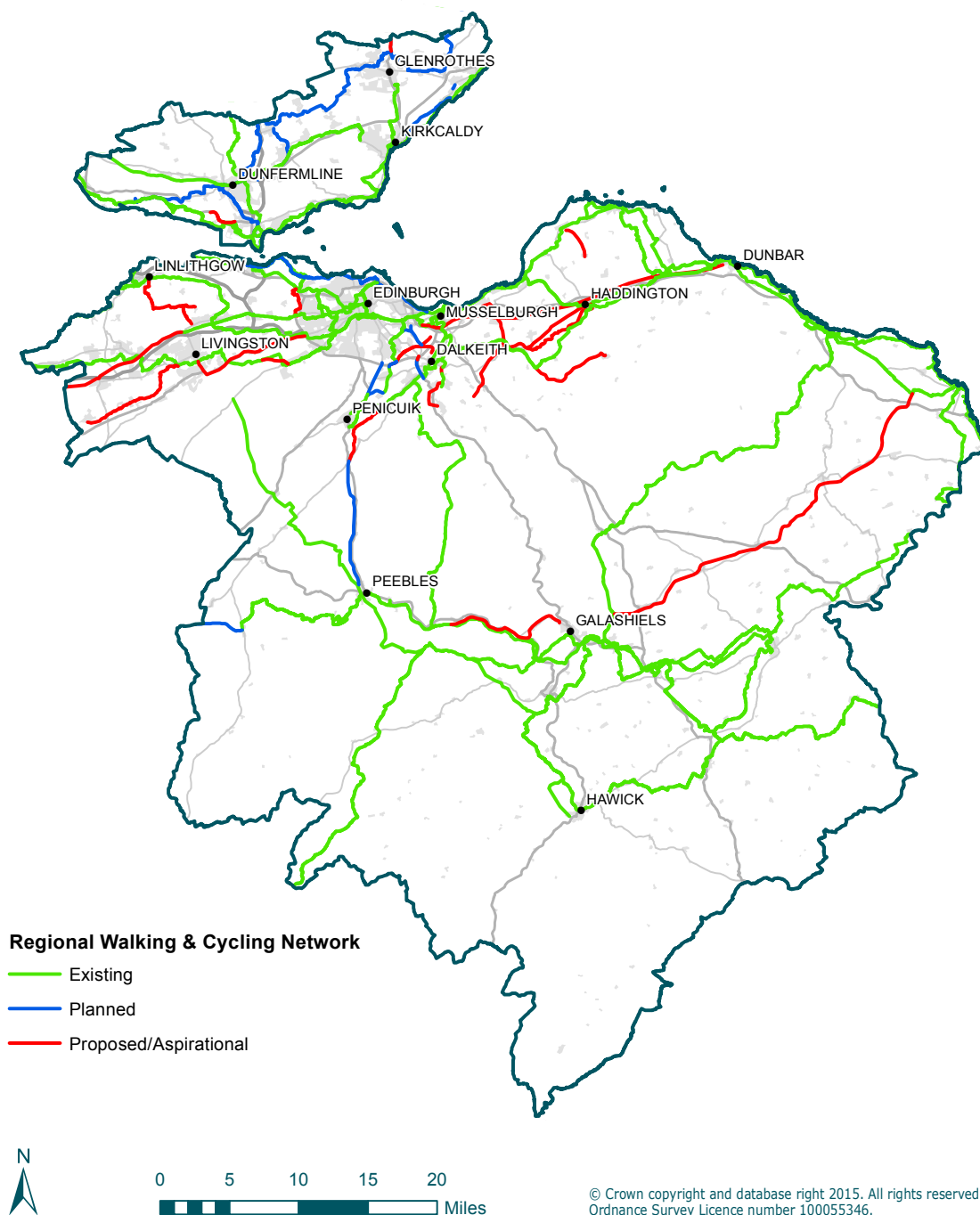SDP2 to retain SDP1 Policy 8 parts a, c and g in their current form.

Question 17

LDP Transport Policy Direction

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

Should SDP2 set out housing density requirements for large developments to promote sustainable transport, walking and cycling?

A Better Connected Place 5

Figure 5.2 SESplan Walking and Cycling Network

Regional Walking & Cycling Network

— Existing
— Planned
— Proposed/Aspirational

N

0   5   10   15   20
Miles

Regional Walking and Cycling Network

5.6   SESplan is working with Scottish Natural Heritage (SNH), SEStran, SUSTRANS and member authorities to identify blockages and missing links on the strategic active travel network. SEStran is undertaking a detailed study with a focus on cycle routes between local authority areas which will inform SDP2. The completion of links and removal of barriers to cycling will allow the creation of a regional walking and cycling network with direct routes between urban areas, work places and town centres. Such city region cycle and walking networks are being developed in comparable European city regions. Development of these networks will support a significant increase in journeys being undertaken by walking and cycling to help meet the Scottish Government's Vision for Active Travel and the target that 10% of all journeys are made by bike.

5 A Better Connected Place

5.7   NPF3 places an emphasis on building on the success of long distance recreational routes to link tourist locations and on these as tourist assets themselves. The region has a number of these trails, such as the Southern Upland Way, Fife Coastal Path and the recently completed John Muir Way. Potential routes and trails have been identified which could form part of the national long distance walking and cycling network [11] and increase walking and cycling based tourism's contribution to the regional economy.

5.8   Figure 5.2 seeks to combine these two elements and shows existing, planned and proposed or aspirational regionally important walking and cycling routes in the SESplan area. Descriptions of each route are available in the Green Network Technical Note.

Question 18

Regional Walking & Cycling Network

Have the correct routes to be developed as regional routes been identified in Figure 5.2 (Regional Walking & Cycling Network)?

Are any routes missing? Should routes be removed? If so, please indicate which routes and why they should be included or removed.

Prioritising   Strategic   Transport Infrastructure

5.9   Building on NPF3, SESplan supports increased connectivity to the rest of Scotland, UK and further afield. The development of High Speed Rail to Glasgow and England will support this and is identified as a national development. Increased connectivity along the East Coast strategic transport corridor is vital to the economy of that part of the region. Edinburgh Airport plays a vital role in the attractiveness and the success of the economy in the region and Scotland as a whole. Edinburgh Airport Expansion and access requirements associated with that will remain safeguarded in SDP2.

5.10   LDPs will support the role of ports and freight infrastructure. SDP2 will expand on NPF3 national development requirements for additional freight capacity on the Forth when these are clarified. SESplan's ports and rail network play significant roles in the movement of freight.   The East Coast Rail Line and road improvements, including A801 upgrades, will be required to enhance this. Ports, including smaller ports on the Forth and North Sea coasts, will play a significant role in the offshore renewables industry.

5.11   Since the preparation of SDP1, the following strategic transport infrastructure interventions have started construction or have been completed:

- Airdrie - Bathgate Rail Link (opened December 2010)

- Waverley and Haymarket Station Improvements (completed)

- Borders Railway and Galashiels Transport Interchange (opening September 2015)

- Queensferry Crossing (completion late 2016)

- Edinburgh Gateway Rail Station (opening late 2016)

- Edinburgh - Glasgow Rail Improvements Programme (ongoing to 2019)

5.12   These interventions will help create new development opportunities, increase accessibility and improve network performance.   However, further interventions will be required to release economic growth potential, increase access to jobs, encourage modal shift and support development.

---

11   Identified as a national development in NPF3.

A Better Connected Place 5

5.13 SDP1 set out a number of strategic transport interventions. Not all of these projects currently have government support, a fully refined evidence base or committed funding. Based on development needs, its transport impacts and sustainable economic growth requirements, it is proposed that SDP2 prioritises the strategic transport infrastructure requirements. The initial list of priorities in Table 5.1 will be refined through the SDP2 Transport Appraisal, projects on infrastructure funding, development impact studies and feedback on the MIR. This process will take into consideration other interventions identified in SDP1 including further improvements to the A92. Further details can be found in the RTS, SDP1 Action Programme and SDP1 Strategic Infrastructure Diagram.

Table 5.1 Strategic Transport Interventions

Intervention	Purpose
A720 Improvements - including Junction Upgrades, Ramp Metering and Intelligent Transport Systems / Managed Motorways	Minimise additional delay of the strategic road network around Edinburgh
East Linton Rail Station, Reston Rail Station and East Lothian Line Improvements	Improve access and capacity, support future development opportunities and rail freight movement
Edinburgh Orbital Bus with associated Park & Ride Facilities	Promote sustainable travel on A720 journeys and minimise worsening of the strategic road network
Edinburgh Tram Network - Extensions to Leith, Granton, Dalkeith, Musselburgh and Newbridge	Promote sustainable travel and support existing and planned development
Edinburgh Waverley Improvements	Increase capacity of station to accept more and longer trains
Fully Dualled A1 Between Edinburgh and Newcastle	Increase access, safety and economic growth on strategic east coast transport corridor connecting two major UK cities
Levenmouth Rail Link and Stations - Fife Circle to Levenmouth	Support planned development and improve access to jobs and opportunities from a higher deprivation area
Strategic network of walking and cycling routes along key corridors and between settlements	Support sustainable travel, minimise additional traffic, increase physical activity
Winchburgh Rail Station and M9 junction	Required by planned and future development (funded by development)

Issue L

Prioritising Strategic Transport Infrastructure

Preferred Option

Through its accompanying Action Programme and the Transport Appraisal to be undertaken to inform the Proposed Plan, SDP2 seeks to prioritise already identified and emerging strategic transport infrastructure to ensure delivery of key projects to maximise economic potential, enable planned development and increase accessibility by sustainable transport networks.

Alternative Option

SDP2 will maintain the SDP1 approach and identify a 'long list' of strategic transport infrastructure requirements without any prioritisation in its accompanying Action Programme.

5 A Better Connected Place

Question 19

Prioritising Strategic Transport Infrastructure

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

What transport priorities should be identified and how should transport infrastructure be prioritised? Please indicate any other strategic interventions which you consider should be included in Table 5.1.

Digital Connectivity and Utilities Infrastructure

5.14   Digital connectivity is of critical importance to the way people shop, work, run businesses, socialise and access services. Slow internet and data connections leave areas disadvantaged and failing to attract investment and contribute to an increased need to travel. The impact of online and creative business, particularly in rural areas, has already grown and will continue to expand as speeds and connections are improved. The Scottish Government programme Step Change seeks to ensure 96% of properties in Scotland are covered by high speed broadband networks by 2019, including through commercial operations.

5.15   Some rural areas, particularly in the Scottish Borders and East Lothian, will still be without a high speed connection after the Step Change programme. Local Authorities are to work with affected communities and Community Broadband Scotland to seek solutions to improving connections to these areas. A Scottish Government study into mobile phone coverage has also indicated that signal, 2G and 3G coverage is very poor in the Scottish Borders and some parts of East Lothian compared to the rest of the region.

5.16   Locations without connections to high speed broadband networks would not be suitable for large scale development, particularly housing. This could contribute to economic disadvantage and isolation and increase the need to travel. LDPs will direct development toward areas accessible to high speed broadband networks or to areas where development can identify and deliver a solution acceptable to the planning authority.

5.17   Scottish Water have a rolling investment programme which prioritises investment in water and sewerage infrastructure. This is linked to development plans and development that is due to be started. Whilst there are constraints in the water and sewerage network that will need to be addressed for some development locations in the short term, these could be overcome with planned investment and should not affect long term strategic locations for development.

5.18   There are no strategic constraints on the gas distribution network, although further enhancement to the major gas connection to the Central Borders could be required if significant additional development were identified there.

6 Delivery

Development either cumulatively or individually will impact on available infrastructure capacity. The approach to delivery and how sites are delivered on the ground is key to achieving the overall vision and spatial strategy of SDP2.

Monitoring SDP1 and the Considerations and Challenges for SDP2

Key challenges facing SDP2 in setting a framework for delivery are:

- The delivery of the SDP1 strategy is being restricted by the availability of supporting infrastructure and capital funding;

- The difficulties in funding infrastructure have become even more stark as capital budgets of local authorities, Scottish Government, the Regional Transport Partnership and the NHS come under pressure;

- The lack of mechanisms including public sector funding to deliver affordable housing; and

- The establishment of an Action Programme which is supported by all of the agencies and organisations whose engagement is needed to deliver the strategy.

Infrastructure Delivery and Funding

6.1   Optimising transport connectivity and providing additional capacity to support growth is a key issue for SDP2. New education facilities at primary and secondary level and an appropriate provision of health and social care services will also be required. Providing new and improved 'green infrastructure' is similarly an essential part of the strategy.

6.2   National guidance states that the development sector must pay a proportionate amount towards the delivery of additional infrastructure capacity. Developers will be required to bear the cost of providing the necessary site infrastructure in line with the provisions of Circular 3/2012 (Planning Obligations and Good Neighbour Agreements). Local authorities, collectively or individually, will need to develop funding mechanisms such as Tax Increment Financing (TIF) or City Deal to enable strategic development, particularly where infrastructure provision is required across a SDA and multiple sites. The key is to gather planning obligations at a proportionate level and from the right developments. Analysis of the impacts of development on the transport network is underway and this can be used as a starting point to quantify the impact of new development on infrastructure capacity.

6.3   The establishment of a City Deal for Edinburgh and South East Scotland is being explored by the SESplan member authorities. City Deals have been effective in other city regions in facilitating the delivery of infrastructure through a combination of funding by central and local government, based on the improved performance of the regional economy, and the private sector. City Deals may include a range of types of infrastructure and action on issues such as skills development to support the city region's economy. Subject to the development of a City Deal, SESplan and member authorities will work to ensure the co-ordination of any City Deal programme with priorities identified through the SDP.

6 Delivery

Issue M

Infrastructure Delivery

The current approach to funding infrastructure has not always delivered the measures needed to support the development strategies of previous plans. It is particularly difficult to deliver new infrastructure at the strategic scale as the legislation focuses on mitigating the local, direct impacts of new development. Without a fresh approach, there is a serious risk that whichever development strategy is adopted, it will not be implemented on the ground.

Preferred Option

The preferred option is to investigate the establishment of a strategic infrastructure fund. In such funds, contributions and risks are shared among councils, between councils and central government and across public and private sectors. The funds generally feature a mix of public sector forward funding, private sources of finance and a clear system of region wide developer contributions, to produce a continually replenished 'revolving' fund.

Alternative Option

The alternative option is to maintain the current approach to infrastructure funding.

Question 20

Infrastructure Delivery

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

Should such a fund be established at the SESplan level, to maximise economies of scale and leverage, or piloted first in an individual SDA or growth corridor?

Where should the balance lie between public funding and contributions from development and how can risks be equitably shared between sectors?

Should a new system of developer contributions be introduced which, within the current legislation, enables contributions to fund measures which are needed to implement the strategy but may not be directly related to an individual development's impact.

6.4 SESplan is taking forward an action in the SDP1 Action Programme to explore cumulative and cross border impacts and mechanisms for funding infrastructure enhancements including an examination of the principles and potential of cross border developer funding. This involves working with national agencies and SESplan member authorities on a study of the impacts arising from SDP1. This is examining transport network 'hot spots' and what multi modal interventions could be required as a result of planned development, with a particular focus on cross-boundary traffic impacts. The study will provide detailed information helping to prioritise interventions to support delivery and improve linkages between land use and transport planning. The transport implications of SDP2 will be considered in the Transport Appraisal to be undertaken at Proposed Plan stage.

Delivery 6

Issue N

Funding Transport Infrastructure - Developer Obligations

The regional transport study will be used to inform what development should contribute towards the transport interventions required as a result of development. There are options for collecting contributions.

Preferred Option

In compliance with Circular 3/2012, SESplan and member authorities will work towards developing sub-regional development contributions frameworks which will pool contributions towards funding multi modal transport infrastructure (given the scale of the SESplan region, one contributions mechanism covering the whole region would not be compatible with the Circular). Contributions will be required to mitigate impacts on the transport network, including cumulative impacts, where they cannot be accommodated satisfactorily within existing capacity. Contributions may be required from developments in local authority areas other than where the transport infrastructure improvement is located.

Alternative Option

Maintain the current position and use information from the study to seek developer contributions on a case by case basis for transport infrastructure.

Question 21

Funding Transport Infrastructure - Developer Obligations

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

Should financial contributions be sought from development towards improvements on the trunk road network? Given the lack of capital funding available to deliver transport infrastructure, are there any alternative solutions?

Assessing the Five Year Effective Housing Land Supply

6.5 SDP2 will set housing land requirements across SESplan. LDPs should allocate a range of sites which are effective or expected to become effective in the plan period to meet the housing land requirement and should provide for a minimum of five years' effective land supply at all times. Each of the SESplan member authorities monitors effective land supply through the annual housing land audit process in accordance with national policy and the criteria set out in PAN 2/2010 Affordable Housing and Housing Land Audits.

6.6 SPP does not specify how the five year land supply should be measured, but in general terms the starting point for the calculation is the latest housing land audit compared with the five year requirement set out in the approved development plan. Whilst undertaking the calculation on this basis in times of economic stability is entirely reasonable, in times of recession, the calculation is not sufficiently robust to reflect lower levels of demand or that there will be higher levels of land constrained on the basis of financial or marketability criteria only. In turn, this means that despite there being a sufficient supply of land in any given area which on a strict application of ownership, physical or other such planning criteria is effective and able to be developed, additional land is required to be brought forward to meet an artificial shortfall created by an increase in land classed as constrained on a demand or financial / market basis. Bringing forward additional land when there is already a more than adequate supply of land risks undermining the overarching strategy of the SDP and the operation of a plan led system. It may also compromise the delivery of necessary infrastructure.

6 Delivery

6.7   Furthermore, calculating the five year housing land supply on an all tenure basis does not take account of the fact that the majority of housing need and demand is for affordable rather than market led housing. Should a shortfall in supply be identified, bringing forward additional land which is market led, does not address the need and demand for affordable housing. Again this approach undermines existing development plan strategies and leads to an over allocation of market led housing land.

6.8   Notwithstanding that across SESplan there is considered to be a generous supply of housing land, the current economic climate means that sites are not coming forward for development as envisaged by the approved SDP. There have been considerable delays in bringing forward sites since 2009 as a result of the economic downturn.

Issue O

Assessing the Five Year Effective Land Supply

Preferred Option

SDP2 will direct LDPs to calculate the five year housing land supply using a common set of measures across Edinburgh and South East Scotland. SDP2 would recognise the starting point for calculating the five year housing land supply is the housing land audit compared with the five year requirement set out in the approved development plan. The guidance would also direct LDPs to consider other factors including:

- Need and demand in relation to both market and affordable housing;

- Completions of both market and affordable housing;

- Funding mechanisms and programmes which support affordable housing provision;

- Demand in relation to house sales (transactions), mortgage interest rates, mortgage advances, secured lending and interest payments as a percentage of income; and

- Data on past performance and growth prospects in relation to Gross Value Added (GVA), construction sector capacity, houses prices and the labour market.

Alternative Option

The alternative option is to maintain the current approach with no guidance prepared.

Question 22

Assessing the Five Year Effective Land Supply

Do you support the preferred option, alternative option or none of the options? Please explain your answer. You may also suggest any changes.

Jobs, Homes and Investment. Where, Why and How. Main Issues Report **SESplan** | 47

Are there any other Issues to consider? 7

7 Are there any other Issues to consider?

Question 23

Climate Change Adaptation

Do you think SDP2 could do more to help the area adapt to climate change? Please explain your answer.

Question 24

Development Planning and Community Planning

Do you consider that development planning and community planning in Edinburgh and South East Scotland could be better aligned? If so, please suggest ways in which this could be achieved.

Question 25

Strategic Environmental Assessment

The Interim Environmental Report is produced alongside the MIR. It assesses the impacts of the options on environmental objectives and recommends ways in which the impacts can be avoided and mitigated. Do you have any comments on it?

Question 26

Other Issues

Are there any other issues which SDP2 should address?
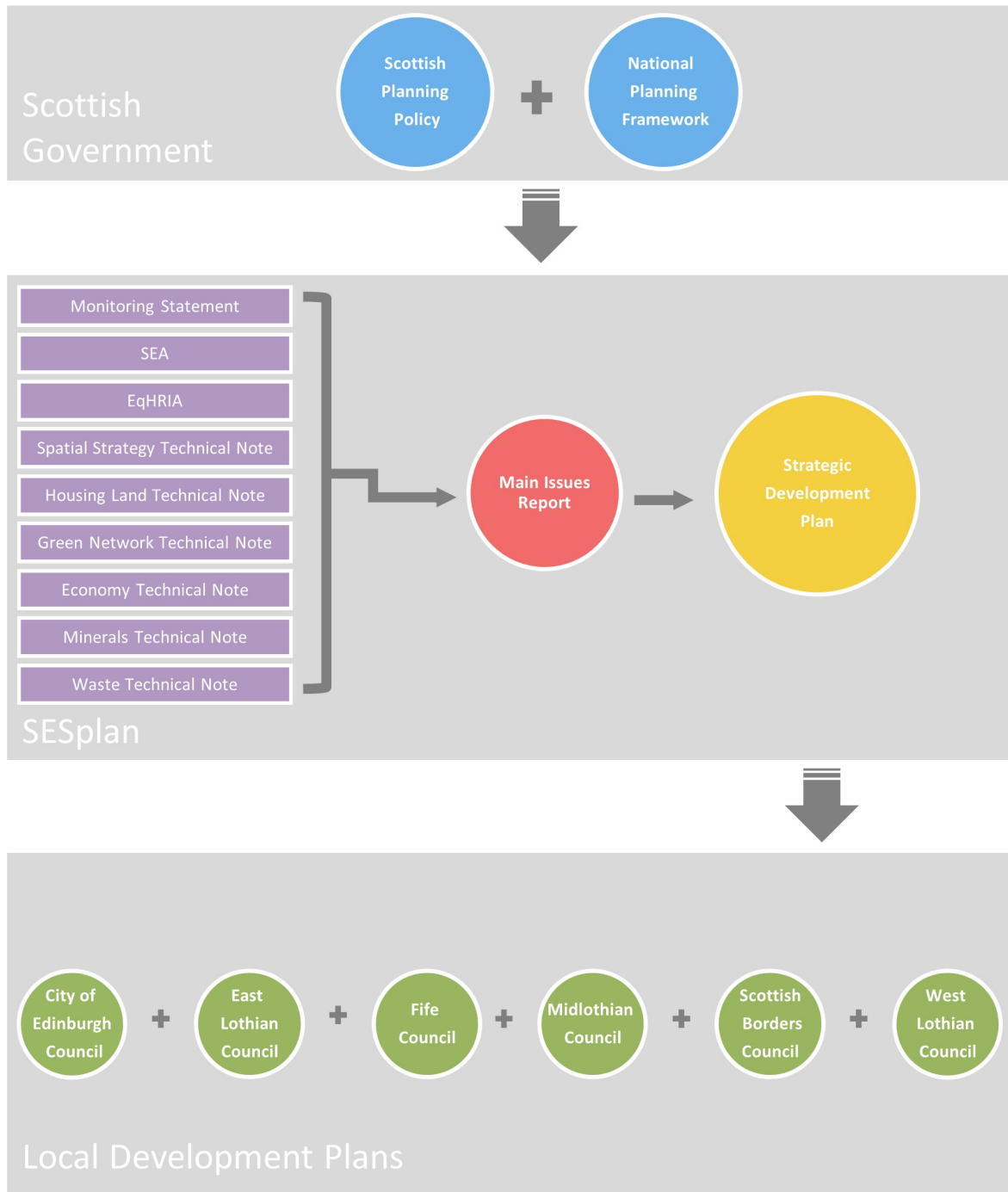
Question 27

How to Get Involved

Are there any other forms of communication you would like SESplan to use during consultations?

8 The Strategic Development Plan Process

8 The Strategic Development Plan Process

Figure 8.1 Plan Hierarchy

The Strategic Development Plan Process 8

Figure 8.2

9 Abbreviations / Glossary

9 Abbreviations / Glossary

Table 9.1 Glossary

Term	Description
Action Programme	Accompanies the Strategic Development Plan and identifies the how when and by who of delivery of the plan.
Affordable Housing	Housing of reasonable quality that is affordable to people on modest incomes.
Allocation	Land identified in a local development plan for a particular use.
Brownfield Land	Land which has previously been developed.
City Deal	Funding mechanism in which contributions and risks are shared between councils and central government and across sectors, based on the improved performance of the regional economy.
Climate Change Adaptation	The adjustment in economic, social or natural systems in response to actual or expected climate change.
Commercial Centre	Examples include out-of-centre shopping centres, commercial leisure developments, factory outlet centres, retail parks or clusters of larger mixed retail units and leisure units.
Committed Development	Housing, economic development and infrastructure projects which are either allocated in previous development plans or have received Council support through subsequent planning permissions.
Community Planning Partnerships	Partnership where local authorities initiate, maintain and facilitate a process by which public services are planned and provided in the local authority area. There is a Community Planning Partnership in each of the 32 local authorities in Scotland.
Development Plan	A document setting out how places should change and what they could be like in the future. It stipulates what type of development should take place and where should not be developed.
Effective Land Supply	The part of the established housing land supply which is free or expected to be free of development constraints in the period under consideration.
Established Land Supply	The total housing land supply Including the effective housing land supply plus remaining capacity for sites under construction, sites with planning consent, sites in adopted local development plans and where appropriate other buildings and land with agreed potential for housing development.
Green Belt	Area of countryside around cities or towns which aims to prevent urban sprawl and inappropriate development.
Greenfield Land	Land in a settlement or rural area which has never been developed, or where traces of any previous development are now such that the land appears undeveloped.
Green Network	A network of woodland and other habitats, active travel routes, greenspace links, watercourses and waterways to provide an enhanced setting for development and other land uses.

Abbreviations / Glossary 9

Term	Description
Healthy Town Centre	The health of a town centre is measured through the indicators included in Annex A of SPP.
Heat Map	Map showing heat demand and supply of heat used for buildings.
High Speed Rail	Type of rail transport that operates significantly faster than normal trains, typically over 125mph in the UK.
Housing Need and Demand Assessment (HNDA)	The evidence used as a basis for identifying future housing requirements to ensure suitable land is allocated through development plans.
Housing Market Area	Geographical space in which people will search for housing and within which they are willing to move while maintaining existing economic and social relationships.
Infrastructure	Public transport, roads, sewerage, water supply, schools, gas, electricity, telecommunications etc. which are needed to allow developments to take place.
Moratorium	The delay or suspension of an activity or law.
National Records for Scotland	Provides statistical releases on behalf of the Scottish Government.
Prudential Borrowing	The set of rules governing local authority borrowing.
Sequential Approach	An approach which establishes a sequence of sites selection for retail, commercial, leisure, office, community and cultural uses.
Significant Business Cluster	Broad areas where similar or complementary uses operate.
Strategic Development Areas	Areas identified under SDP1 of being capable of accommodating strategic growth.
Sustainable Economic Growth	Building a dynamic and growing economy that will provide prosperity and opportunities for all, while ensuring that future generations can enjoy a better quality of life too.
Sustainable Transport	Any means of transport with low impact on the environment, including walking, cycling, public transport, car share.
Tax Incremental Funding	A public financing method which funds public sector investment in infrastructure and unlocks regeneration in an area, which may otherwise be unaffordable to local authorities.
Thermal Generation	Steam driven power supply.
Windfall	A site which becomes available for development during the plan period which was not anticipated to be available when the plan was being prepared
World Heritage Site	Designation by UNESCO for special cultural or physical significance.

9 Abbreviations / Glossary

Table 9.2 Abbreviations

Acronym	Expanded
AMRI	Annual Mineral Raised Enquiry
BRT	Bus Rapid Transit
BGS	British Geological Survey
CCS	Carbon Capture Storage
CSGN	Central Scotland Green Network
DPS	Development Plan Scheme
ECML	East Coast Main Line
HNDA	Housing Need and Demand Assessment
HMA	Housing Market Area
IBG	International Business Gateway
LDP	Local Development Plan
LPA	Local Planning Authority
MIR	Main Issues Report
MS	Monitoring Statement
NPF3	National Planning Framework 3
NRIP	National Renewable Infrastructure Plan
NTDF	National Tourism Development Framework
PEDL	Petroleum Exploration and Development Licence
RTS	Regional Transport Strategy
SBS	Scottish Biodiversity Strategy
SDA	Strategic Development Area
SDP	Strategic Development Plan
SDPA	Strategic Development Plan Authority
SEA	Strategic Environmental Assessment
SEPA	Scottish Environment Protection Agency
SESTRAN	South East Scotland Transport Partnership
SFS	Scottish Forestry Strategy
SNH	Scottish Natural Heritage

Abbreviations / Glossary 9

Acronym	Expanded
SPP	Scottish Planning Policy
STPR	Scottish Transport Projects Review
TIF	Tax Incremental Funding
WETA	West Edinburgh Transport Appraisal
ZWP	Zero Waste Plan

SESplan

The Strategic Development Planning Authority for Edinburgh and South East Scotland

HAPPY TO **TRANSLATE**

ترجمے کے لئے حاضر   আপনাদের সঙ্গে অনুবাদ করব

يسعدنا توفير الترجمة   MOŻEMY **PRZETŁUMACZYĆ**   很樂意翻譯

You can get this document on tape, in Braille, large print and various computer formats if you ask us. Please contact Interpretation and Translation Service (ITS) on 0131 242 8181 and quote reference number 15-0451. ITS can also give information on community language translations. You can get more copies of this document by calling 0131 529 3500.