

# Response to Scottish Government NPF3 and SPP Consultation

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## NPF3

### A SUCCESSFUL, SUSTAINABLE PLACE

*11. How can we help to consolidate and reinvigorate our existing settlements and support economic growth and investment through sustainable development?*

Special consideration and provision is urgently required to facilitate local- and community access to investment opportunities in renewable development, including in large scale developments that fall under the NPF domain. Such engagement opportunities currently do not exist, and this has long-term consequences on how renewable energy development is and will be perceived, as well as representing an important missed opportunity to facility local socio-economic rejuvenation in communities that are located close to Section 36 projects.

In our view, it is a short-sighted mistake to treat renewable generation in the same way as utility-scale centralised energy provision has been treated in the past. Offering local stakeholders the opportunity to genuinely engage with renewables projects - for instance, through gifted equity or co-investment schemes - is key to instilling a culture supportive of renewable energy at large. By taking a long-term strategic approach that takes account of important positive externalities brought about by local engagement, National Planning Framework policy has a vital role to play here - a role which is currently largely ignored, as all aspects of engagement with local stakeholders are treated solely under the SPP. Experience in other countries with renewables ambitions on par with those in Scotland has unambiguously demonstrated how crucial it is to carefully incorporate local engagement provisions in national planning policy

## SPP

### Sustainable Economic Growth

*Do you think that the measures outlined in paragraphs 15 to 23 are appropriate to ensure that the planning system supports economic recovery and sustainable economic growth?*

*Are there other measures to support sustainable economic growth that you think should be covered in the SPP?*

Although the spirit of the measures is appropriate to the stated objective of 'sustainable economic growth', special consideration and provision is urgently required to facilitate local- and community

access to investment opportunities in the 'green' economy. Planning policy has a vital role to play here - a role which is currently largely ignored.

### Location of New Development – Rural Development

*Do you think the approach to spatial strategies for rural areas outlined in paragraphs 68 to 71 is the appropriate approach?*

Our research into community renewables across Scotland and the wider UK has consistently demonstrated the importance of the relationship between projects and local authorities. For example, we have shown that local authority attitude towards and knowledge of community renewables plays a key role in determining planning success. We therefore applaud the notion that development plans should (para. 71), "support and sustain fragile and dispersed communities through provision for appropriate development, especially housing and COMMUNITY OWNED ENERGY" (emphasis ours).

However, with respect to community energy, local authorities: (i) require more guidance on how to bring this about; (ii) should be given more room and encouragement to act as coordinating bodies and partners in the process.

Some examples of what local authority roles under (ii) might include:

- Coordination of key human resources: legal, financial, technical and project management;
- Facilitate feasibility studies;
- Greater partnership between planning departments and communities in the planning process;
- Local authorities as investors in community renewables projects, for instance by providing low-cost debt finance in the post-planning phase of development

### Heat & Electricity

*With reference to paragraph 218 and subsequent groups, do you think that the proposed increased community separation distance of up to 2.5km is appropriate?*

A separation distance of up to 2.5km as a standard only makes sense if the proposition is a purely commercial one. If the proposition is partly community owned, or the local community is supportive of the development for other reasons, then this separation distance may not be appropriate. We believe that this should be addressed and don't believe that a broad brush planning policy approach is the right one.

*Do you think the SPP could do even more than is drafted in paragraphs 222 to 224 to secure community benefits from renewable energy developments while respecting the principles of impartiality and transparency within the planning system?*

We feel that 'even more' in the above statement is misleading. In fact, current Scottish Government requirements and guidelines on community benefit from, and co-investment in, renewable energy generation are far less community-friendly than those found in, for instance, Denmark and Germany. The Scottish planning system, meanwhile, greatly hinders genuine community engagement in renewables in several ways. One important way is that planning policy as it currently stands dissuades genuine partnership between communities and both/either developers or local authorities. Our research strongly suggests that this is the major reason why

opposition to onshore renewables is growing in Scotland: communities have limited access to the renewables market.

(para. 222) "Opportunities for community investment in schemes, including joint ventures, are also encouraged."

We applaud the fact that the SPP seeks to encourage community investment in renewables, and joint ventures. Our experience and research in other countries clearly shows how important the role of true local buy-in is, in fostering a 'renewables economy'. However, genuinely encouraging community investment in renewables requires several policy innovations to be put in place. As things stand, developers have little incentive to enter into joint venture arrangements with communities, or offer innovative bespoke benefit arrangements. As a result, a large opportunity for job creation and socio-economic rejuvenation is being missed. Not only that, the present situation is fodder to growing opposition to renewables, which is increasingly vocal and organised. This translates into higher risk for renewables developers of all kinds, including community projects.

We propose a suite of policy recommendations to address the forgoing concerns in our forthcoming Green Paper, to be published in August 2013. One of our recommendations is that community-friendly developers that meet minimum 'engagement criteria' should be rewarded for doing so, by allowing these criteria to act as 'material considerations' in planning decisions.