

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE: 13 MARCH 2002

DRAFT REVISION OF NATIONAL PLANNING POLICY GUIDELINE 2: ECONOMIC DEVELOPMENT

Report by the Director of Development Services

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise the Committee of the contents of the Consultative Draft revision of National Planning Policy Guideline (NPPG) 2: Economic Development: NPPG's provide statements of Scottish Executive policy on nationally important land use and other planning matters. The report will outline how this new guidance compliments the recently revised Ayrshire Business Location Strategy and the main differences between this revised guidance and the previous guidance will also be highlighted.

2. BACKGROUND

- 2.1 In October 1993 the Scottish Office published NPPG 2: Business and Industry which focussed on providing a choice and range of sites for business and industry in terms of quality, size and location whilst protecting the environment from unacceptable damage. The new draft NPPG 2 also concentrates on these aspects but updates guidance in response to changes which have taken place in the economy since 1993. Once finalised, this revised NPPG 2 will replace the previous guidance.
- 2.2 The title of NPPG 2 has been changed from 'Business and Industry' to 'Economic Development' to reflect the significant contribution made to the economy by non-manufacturing sectors such as construction, retailing and tourism. However, specific guidance on retailing and town centre issues and tourism is given in NPPG 8 and 15 respectively.

3. CONTEXT AND GENERAL PRINCIPLES OF DRAFT REVISED NPPG 2

- 3.1 This draft guidance is set within the context of the Scottish Executive document "Framework for Economic Development in Scotland" published in June 2000. The focus is on creating a successful, increasingly knowledge-based economy that can meet the challenges of a highly competitive global environment. This will not mean traditional forms of inward investment or locally driven economic activity will be given any less recognition.
- 3.2 The guidance states that the planning system should provide strong support for both new and expanding businesses where it is consistent with other national and local policies such as the promotion of social justice and sustainable development.

- 3.3 It is recognised that many sectors of the Scottish economy have experienced changes in response to the global economy. The guidance seeks to ensure that the planning system can respond positively to market requirements and be flexible enough to respond to new challenges and unpredictable demands.
- 3.4 Though the provision of sites and premises remains essential, the draft guidance highlights the fact that the changing market context means it is only one of a number of considerations. For example many more businesses now seek a high quality environment, good transport links and a skilled labour force and these will be influential in determining business locations for new and expanding enterprises. The guidance recognises the increasing use being made of Information and Communications Technology (ICT) and the need to ensure that employment opportunities are accessible to all.

4. CONTENTS OF DRAFT REVISED NPPG 2

- 4.1 The guidance focuses on 4 main objectives:
- Providing a range of development opportunities,
 - Securing new development in sustainable locations,
 - Safeguarding the environment, and
 - Promoting a dialogue between councils and business.
- 4.2 Planning Authorities are required to provide a range and choice of marketable and quality sites to meet a diverse range of developments. These should be in accessible locations and should meet future employment requirements of the area.
- 4.3 The guidance contains a section on High Amenity Sites and identifies Mossie, North Kilmarnock as a safeguarded single user site for high technology inward investment. It is stated that, to ensure the supply is responsive to market conditions, provision will be kept under review. The Council's efforts in identifying and safeguarding the single user site at North Kilmarnock have been recognised in this draft revision of NPPG2.
- 4.4 It is stated that planning authorities should support the development of clusters (similar industries such as biotechnology, food and drink and electronics forming "clusters" by locating in the same area) and science parks, respond positively to firm proposals for corporate headquarters, provide positive support for existing and new small businesses, and support development in small towns and, where appropriate, rural areas.
- 4.5 The revised NPPG 2 requires Planning Authorities to secure sites for economic development in sustainable locations easily accessible by a choice of transport modes. Where appropriate, brownfield land and buildings should be developed in preference to greenfield locations. Developments in ICT mean that office locations can be far more flexible allowing those unable to travel to work from home or in satellite offices thereby reducing the need to travel.

- 4.6 With regard to the objective of safeguarding the environment, Planning Authorities should ensure that new development is of a high design quality and that the natural and built heritage are protected.
- 4.7 The revised NPPG 2 encourages greater dialogue between Planning Authorities, private sector investors and local business community in order to promote a strong, diverse and competitive economy. It is recognised that this already takes place at Local Economic Forums but suggests that this be developed further.

5. REVISED AYRSHIRE BUSINESS LOCATION STRATEGY

- 5.1 In consultation with representatives from the private sector, the three Ayrshire Councils, the Ayrshire Joint Structure Plan Team and Scottish Enterprise Ayrshire are undertaking a review of the strategic sites and premises strategy for industry and business in Ayrshire. The central focus of this strategy is "Meeting people's needs and meeting the needs of business in a socially inclusive and environmentally responsible way". The review process recognises the importance of increasing ICT use and the need for a high quality environment to attract new and expanding technologies. Dialogue with the private sector is an important part of this process. It is considered that the emerging Ayrshire Business Location Strategy therefore complies with the revised NPPG 2: Economic Development.

6. CONCLUSIONS

- 6.1 The draft revised NPPG 2: Economic Development recognises the growing importance of ICT, social inclusion, workforce skills and training and a high quality environment to achieve a globally competitive economy. Ayrshire is already embracing these concepts in the emerging revised Business Location Strategy, and a proactive approach is already reflected in East Ayrshire's Local Plan and in the Planning and Building Control Division's approach to planning applications.

7. RECOMMENDATIONS

7.1 It is recommended that Committee:

- (i) **Note the contents of this report and agree that a copy be sent to the Scottish Executive as the Committee response to the draft consultation paper.**

Stephen Chorley
Director of Development Services

28 February 2002 (ED/SA)

LIST OF BACKGROUND PAPERS

- 1. National Planning Policy Guidelines (NPPG 2): Business and Industry 1993; Economic Development (Draft Revision 2002)**

For further information on the contents of this report, please contact Emma Daly, Policy and Projects Section (01563) 576756.

Implementation Officer: Alan Neish

AGENDA