
**AYRSHIRE JOINT STRUCTURE PLAN AND TRANSPORTATION COMMITTEE
8 MARCH 2002**

Consultation Draft of National Planning Policy Guideline - NPPG2 (Revised 2002)

PURPOSE OF REPORT

- 1 To advise the Committee of a consultation by the Scottish Executive Development Department on a revision to National Planning Policy Guideline, Economic Development, (NPPG2) and to seek the authority for the Chairman and Structure Plan Manager to prepare a joint response by the 10 May 2002.

BACKGROUND

- 2 The draft guidance seeks to build on the Executive's vision, set out in the *Framework for Economic Development in Scotland*, by ensuring that "economic development should raise the quality of life of the Scottish people through increasing economic opportunities for all, on a socially and environmentally sustainable basis."
- 3 The revised NPPG deals with how the planning system can assist in achieving this objective within Scotland while taking account of the wider social and environmental agendas. When finalised this guidance will replace NPPG2: Business & Industry, which was issued in 1993.
- 4 The guidance seeks to address four key objectives. These are to:
 - ensure a portfolio of sites are identified which provide range and choice for new employment opportunity;
 - ensure development will in the future take place in sustainable locations, specifically ensuring that better integration between transport provision and locations for economic investment are made;
 - ensure the environmental resource is adequately protected and also that new development can contribute to environmental quality through a high standard of design; and
 - ensure a positive culture of dialogue between local authorities and business takes place to enhance economic competitiveness.

THE REVIEW

- 5 The need for the review has been prompted by the recognition that the planning system can facilitate economic development in Scotland by responding positively to changing market aspirations and requirements. Specifically there is a recognition in the draft NPPG2 that the planning system needs to adapt to the drivers of this change which are seen as:
- an economy that is increasingly inter-dependant with the rest of the world. While this change presents opportunities it also increases competition with locations which can offer higher productivity or lower labour costs;
 - an economy that is in transition towards a manufacturing sector which will focus on higher value products, skills and research and development and a “knowledge-based” sector which places an increasing emphasis on quality of place and environment;
 - an economy within which the service sector has increased substantially its share of economic output and job growth in recent years and has demanded new locations for investment and new types of property;
 - an economy where companies have shorter lead in times for their investments. This presents a challenge to the planning system to respond quickly in site provision and buildings to ensure Scotland can remain competitive; and
 - an economy where the re-use of land and the development of sites close to city and town centres will continue to play an increasingly important part in meeting the location needs of business.

IMPLICATIONS FOR AYRSHIRE

- 6 The issues highlighted in the draft NPPG are similar to those identified by the recent working group which was established between the three Ayrshire Councils, Scottish Enterprise Ayrshire and members of the Joint Structure Plan Team. The Committee will recall the group had a remit to prepare a future business location strategy for Ayrshire. The findings of the group were presented to the Committee in September 2001. The report was also presented to the Economic Forum members in November 2001.
- 7 Areas of action identified by the working group are currently being taken forward by the respective authorities. Given the experience developed within Ayrshire during the previous study, and the working relationship fostered between the Councils and Scottish Enterprise Ayrshire, it is proposed that before responding to the Scottish Executive the structure plan manager should seek to reconvene this group. This would enable a more informed response from Ayrshire to be prepared.

- 8 However the time-scale within which the consultation is taking place, and the Committee cycle, makes it necessary for the Committee to agree that any correspondence is forwarded under the Chairman's signature, subject to ratification by the Committee at the next meeting.

RECOMMENDATION

- 9 The Committee are asked to note the contents of this report, and agree to the Structure Plan Manager preparing a response on the draft NPPG2 for the Chairman's signature.

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