

# NATIONAL PLANNING FRAMEWORK 4 – CALL FOR IDEAS RESPONSE FROM ORKNEY ISLANDS COUNCIL

## 1. CALL FOR IDEAS

1.1 Orkney Islands Council welcomes the opportunity to provide some initial thoughts/views on the development of National Planning Framework 4 (NPF4) to the Scottish Government in order to ensure the interests of Orkney as a region are fully represented.

1.2 The Council acknowledges and welcomes the approach taken by the Scottish Government in recognising the particular challenges and opportunities for planning arising from the special circumstances of island communities. In this respect the preparation of a voluntary island communities impact assessment as the Planning (Scotland) Act 2019 progressed through its legislative journey is acknowledged as a very valuable exercise. This has provided recommendations which will assist in the review of national planning policies in Scotland and the development of NPF4, as they effect islands authorities such as Orkney.

1.3 It is also worth noting that Orkney already features prominently in the current National Planning Framework 3 with Orkney and Pentland Firth identified as an area of co-ordinated action in respect of marine renewable energy development; recognition made of plans for a transshipment container hub in Scapa Flow which could benefit the opening up of northern trade routes; the role of key coastal and islands hubs such as Kirkwall; the identification of Scapa Flow as a key port; the need to capitalise on world-class environments such as the World Heritage Site; and the inclusion of the Orkney-Scottish Mainland electricity grid connection as a “national development”. All these strategic project opportunities remain relevant, and in fact have greater significance and potential for Scotland particularly in the context of the Climate Emergency and Arctic Strategy policy frameworks established by the Scottish Government within the last year.

1.4 The Council would therefore ask that the Orkney related aspects of NPF3 retain their current status/prominence in NPF4 as it is being developed. We can provide further detailed and up to date information on each project as required.

1.5 In order to seek views in Orkney from key stakeholders on how NPF4 should be developed/call for ideas the Council held two workshops locally facilitated by C2W Consulting. The first workshop held in Kirkwall in 2 March featured key stakeholders from out-with the Council and the second workshop held in Kirkwall on 3 March was attended by Council elected members and officials. The workshops preceded a survey that was sent to all participants as well as members of the Orkney Opinions Panel. Full details of the outcomes from the workshops are attached as Annex 1. The outcomes from the workshops and survey have strongly informed this response. Participants identified the following themes in regard to how Orkney should develop in the period up to 2050:

- Aspirations – sustainability, in both environmental and economic terms, and quality of life came across as very high priorities. Participants identified a broad range of infrastructure and societal support that would be needed to achieve this. There is no single ‘fix’;

- Climate Change – flooding is a considerable concern to Orkney residents and options to move away from the coast are limited. A move towards a low carbon, circular economy which can be promoted as an exemplar of island life would be welcomed by many;
- Housing – there was a distinct desire to see existing housing stock be brought up to standard and for new homes to be designed to be flexible in use and energy efficient. The tradition of self-build is distinct and warrants a localised support mechanism;
- Economy – Orkney has a highly skilled workforce and a desire to be internationally recognised as a centre of excellence, particularly for maritime renewable energy projects. Coastal infrastructure such as piers and harbours will be crucial to supporting this aspiration and the development and execution of a Regional Spatial Strategy for Orkney will be pivotal;
- Special Character – Orkney undoubtedly is unique. Preventing tourism from overwhelming the local character was a key concern for many participants; and
- Engagement – community engagement has the potential to be excellent in this relatively small population, however poor access to information has led to concerns, frustrations and fatigue amongst communities.

1.6 The NPF4 “Call for Ideas” asks all consultees for answers to five questions.

- i. What development will be needed to address climate change?
- ii. How can planning best support our quality of life, health and wellbeing in the future?
- iii. What does planning need to do to enable development and investment in our economy so that it benefits everyone?
- iv. What policies are needed to improve, protect and strengthen the special character of our place?
- v. What infrastructure do we need to build to realise our long-term aspirations?

1.7 In the absence of a current regional spatial plan/regional economic strategy covering Orkney this response is made with reference to a number of key documents covering a variety of sectors including the Orkney Energy Strategy, Orkney Harbours Masterplan, Orkney Tourism Strategy, Orkney Hydrogen Strategy and elements of the emerging Islands Deal proposals which relate to Orkney. The HITRANS Regional Transport Strategy is also an important reference point.

## **1. What development will be needed to address climate change?**

1.8 The ability to develop renewable local energy solutions is essential if we are to allow the islands areas to fully capitalise on the unique opportunities they possess in order to address the climate emergency. The move to a low carbon economy is critical. Renewable energy in Orkney is a continuing success story as a front-runner in the UK renewable energy sector innovation, playing host to the European Marine Energy Centre (EMEC). It is one of the county’s most dynamic and exciting sectors with the potential to make a significant contribution to, not only, Orkney’s future economic prosperity but Scotland’s too. Local production of renewable electricity has

grown and in 2016 Orkney produced 120.5% of its electricity needs. Green hydrogen also has the potential to play an important role in Scotland's low carbon economy continuing the strong tradition of innovation within our islands. Newly published research undertaken in 2019 on Hydrogen's Contribution to Climate Innovation Clusters concluded that the Orkney cluster of innovative hydrogen projects is, at present, the most developed hydrogen innovation cluster in the UK. The development of the Orkney renewable sector has bred "a culture within the culture", a community who understand energy, have an interest in de-carbonisation and out of that have developed a mind set in the way that Orkney works, the way energy works, and more recently, how hydrogen as part of that comes into play. NPF4 should provide support for the continuation of research and development of innovative projects to unleash the potential of renewable energy that help create a path towards the creation of net zero emission islands. The development of an Islands Centre for Zero Carbon as well as further development of the Orkney Research and Innovation Centre are identified as projects of regional significance in Section 2 below.

1.9 The current poor grid connectivity to the islands including Orkney does however prevent the large-scale uptake of renewable energy projects. It is therefore critical that commitments provided in NPF3 to deliver existing proposals for electricity transmission links to mainland Scotland are delivered.

## **2. How can planning best support our quality of life, health and wellbeing in the future?**

1.10 Ensuring sustainable economic growth which increases opportunity for everyone in Orkney while protecting our most important environmental assets is key to ensuring quality of life, health and wellbeing. Orkney regularly features as one of the best places to live in the UK and Scotland according to annual Quality of Life surveys.

1.11 A national policy which provides a supportive environment to encourage economically active people either to stay, return or move to the islands and ensure a healthy balanced population profile is of the utmost importance. It is noted that the Planning (Scotland) Act 2019 requires NPF4 to include a statement on how the long-term development strategy for Scotland will contribute to a number of outcomes, including increasing the population of the rural areas of Scotland.

1.12 The high quality of the natural environment in Orkney places the islands in an excellent position in terms of the wellbeing of the population and providing formal and informal places where residents are able to undertake activities that contribute to their physical and mental well-being. Opportunities which add to this through the development of well-designed settlements providing for active travel opportunities such as walking and cycling routes linking places people live in and wish to visit for work, recreation or other purposes are essential.

1.13 The hosting of the 2023 Islands Games in Orkney provides an ideal opportunity to advance sports development in the islands, and provide a lasting legacy in terms of the benefits of participating in active sport.

## **3. What does planning need to do to enable development and investment in our economy so that it benefits everyone?**

1.14 Orkney is ideally placed to support the forecast rapid growth in shipping around the North West and North East Passages as ice cover recedes in the Northern Arctic waters due to global warming, with Scapa Flow being the largest

natural harbour in the northern hemisphere. Surrounded by a major marine estate and coastline the islands have significant 'Blue Economy' opportunities, including potential expansion of fishing and aquaculture, and new high growth areas such as marine biotechnology and low/zero carbon fuels. There is also the opportunity to support marine low carbon fuel transition through LNG refuelling and hydrogen technology, and through the Orkney Harbours Masterplan establish world class facilities to support the offshore wind industry. Through these developments and our historic and present cultural linkages, Orkney can have a central role in delivering upon the Scottish Government's Arctic Strategy.

1.15 As indicated previously Orkney has some of the best wind, wave and tidal renewable energy resources in Europe and as highlighted above NPF4 should provide support for the continuation of projects to unleash the potential of renewable energy development in the islands. Proposals for national development projects which will support the "Blue Economy" are detailed in Section 2 below.

#### **4. What policies are needed to improve, protect and strengthen the special character of our place?**

1.16 Orkney is home to one of Scotland's six UNESCO World Heritage sites, the Heart of Neolithic Orkney, as well as 373 scheduled ancient monuments, a National Scenic Area, and extensive areas designated as Special Protection Areas, Special Area of Conservation and Sites of Special Scientific Interest.

1.17 Tourism is one of the most important economic drivers for the Orkney Islands. The islands receive more than 174,000 visits per year from leisure and business visitors, over and above the 140 plus cruise ships that visit the islands in the peak summer months. The key reasons for visiting Orkney cited by leisure visitors were the scenery and landscape (62%) and the history and culture (57%). Although recent rates of annual growth may not necessarily be matched in future years, there is increasing concern that unlimited growth in visitors is likely to be ultimately unsustainable for Orkney.

1.18 Orkney's many sites of national and international importance will require careful monitoring, management and investment if they are to be preserved for future generations to enjoy. It is therefore essential that NPF4 provides a policy framework which protects the region's most important environmental assets. Reference is also made in the Section 2 below to the proposed Orkney World Heritage Site Gateway proposal as a regional scale development.

#### **5. What infrastructure do we need to build to realise our long-term aspirations?**

1.19 Reference has already been made above to the importance of delivering the commitments provided in NPF3 for electricity transmission links to mainland Scotland to allow the development of renewable energy projects.

1.20 Whilst Orkney is a site for one of the U.K.'s 5G testbeds set up to promote and co-ordinate research into 5G technologies and use cases, the islands still experience some of the poorest broadband and mobile phone connectivity speeds in the UK. Improved digital connectivity and investment in digital infrastructure to ensure equal coverage across Scotland should remain as a key objective in NPF4.

1.21 Investment in Orkney's ports and harbours will be fundamental to realising our ambitious plans for the key infrastructure serving our transport and economic activities. The Orkney Harbours Masterplan provides a structured framework for the

physical development and transformation of port facilities over the next 20 years. A number of the infrastructure projects identified in the plan are considered to be of national significance and are referred to further in Section 2 below.

## **2. ORKNEY'S NATIONAL DEVELOPMENTS**

2.1 Certain aspects of NPF3 should be enhanced within NPF4 particularly recognition of Scapa Flow as a strategically significant deep water sheltered anchorage with significant potential for future economic growth and diversification.

### **Scapa Flow Strategic Asset Project – consideration for 'National Development' status:**

2.2 The Orkney Harbours Masterplan Phase 1 was approved by Orkney Islands Council in April 2020. Incorporated in this blueprint for future planning and development are key components of the Scapa Flow Strategic Asset Project. This Project will be transformational for Orkney, creating social and economic benefit; and will also create positive and potentially significant benefits at a regional and national level.

2.3 Further details on the Scapa Flow Strategic Asset Project are included in the OIC Marine Services letter responding to the NPF4 Call for Ideas (Annex 2).

### **Project recognition: Orkney Harbours Masterplan Phase 1:**

2.4 The Orkney Harbours Masterplan Phase 1 sets out a blueprint for the physical development and transformation of Orkney's harbours over a 20-year period – this Plan was formally approved by Orkney Islands Council in April 2020.

2.5 The masterplan will enable the Harbour Authority to make informed decisions to meet changing markets, grow new markets, and safeguard Orkney's harbours as essential economic drivers and community assets for future generations. Further diversification and growth in harbour activities will not only safeguard existing jobs at sea and ashore but create many more and in doing so strengthen the viability and sustainability of the local community for the longer term, making Orkney an attractive place to live, work and do business. These projects will have a transformational impact on Orkney's economy and society.

2.6 For further detail on the Orkney Harbour Masterplan Phase 1 please refer to OIC Marine Services letter responding to the NPF4 Call for Ideas (Annex 2).

### **Pentland Firth and Orkney Waters - Area of Coordinated Action:**

2.7 The Pentland Firth and Orkney Waters - Area of Coordinated Action features prominently within NPF3 due to the significant wave and tidal energy opportunities, together with the wider importance as a strategic location for shipping and energy infrastructure, providing significant new opportunities. Orkney should be identified in NPF4 as a hub for renewable energy development and innovation, and a place at the centre of the national transition to a zero-carbon economy. Orkney as a low/zero carbon hub needs to reflect the potential for significant offshore wind, wave and tidal energy development, port and harbour infrastructure investment and low/zero carbon energy supply and distribution including LNG and Hydrogen.

### 3. OTHER PROJECTS OF REGIONAL SIGNIFICANCE

3.1 In addition to the national projects identified above there are other emerging projects which are considered to be more than locally significant and likely to be included in a future Orkney Regional Spatial Strategy. In preparing this list the Council is mindful of the recommendation contained in the Planning Bill Island Communities Impact Assessment that consideration should be given to the scale of impacts of a project when identifying national developments, rather than just the scale of the development itself. The NPF should go further to support regionally important priorities as well as national projects.

3.2 In support of our emerging Regional Spatial Strategy the following key projects should also be made reference to in NPF4:

- i. **Orkney World Heritage Site Gateway** - the Gateway project aims to establish Orkney as a tourism centre of excellence where a strategic and integrated approach is taken to the management and welcoming of visitors to the Island with the provision of an experience that involves linkages to the 'Heart of Neolithic Orkney' UNESCO World Heritage Site and dispersal to include the wide range of other opportunities open to visitors in the Islands. The project would involve investment in new and existing facilities for visitors, infrastructure improvements, the application of the latest digital technologies and addressing the sustainability challenges related to large visitor numbers.
- ii. **Islands Centre for Net Zero Carbon** - This centre will build on Orkney's existing centre of excellence for low carbon research and development at Stromness. Its aim is to accelerate the Islands' transition to net zero carbon and ability to act as UK demonstrators for the associated technologies and provide low carbon expertise to support other Islands Deal projects. It will deliver an Integrated Energy System interlinking electricity, heat and transport networks into one overarching digitally connected low carbon ecosystem. This will capitalise on the Islands' huge renewable energy potential and the current £28million UK Research and Innovation sponsored ReFLEX project to deliver a full decarbonised energy system of the future. A key component of this will be a Hydrogen Hub, which establishes green hydrogen infrastructure allowing for the first demonstration of this clean fuel of the future in ambitious projects such as hydrogen ferries and hydrogen gas networks.
- iii. **Orkney Research and Innovation Campus** – this includes expansion and upgrading of buildings and facilities at the Orkney Research and Innovation Campus (ORIC) in Stromness. ORIC currently hosts the European Marine Energy Centre (EMEC) and Heriot Watt's International Centre for Island Technology, Robert Gordon University and a cluster of renewable energy systems-related businesses which have greatly helped to establish Orkney's reputation as an international centre of excellence for collaborative, ecosystem and energy systems-based research and learning. Orkney has a key strategic ambition to further enhance this reputation and this project will create additional office and student accommodation and facilities on the campus to support the establishment of the Island Centre for Net Zero Carbon and allow for a significant expansion in the number of high-quality Island-based commercial, academic and research and development jobs, undergraduate and postgraduate places and, create space for new start companies.

## **4. EARLY ENGAGEMENT ON POLICY MATTERS**

4.1 Following on from the decision that Scottish Planning Policy will be incorporated into NPF4 we have provided some reflections in Annex 3 on the policy topics that will need to be taken into account when preparing the draft NPF4. Our comments are based on whether or not we use the existing Scottish Planning Policy approach within our existing adopted Local Development Plan, or have an alternative, together with an indication of any implementation issues that we have encountered.

4.2 Given the importance of the coastal zone in Orkney we have provided some more detailed thoughts on coastal planning/coastal development in Annex 4. Essentially, a one size fits all national approach to coastal planning policy would be detrimental to sustainable island development. It is therefore recommended that a more tailored approach be taken forward by Island planning authorities to safeguard the special qualities of our coast whilst enabling coastal development in appropriate locations.

4.3 In terms of highlighting particular key issues we note the reference in the Planning Bill Island Communities Impact Assessment to the way housing need is currently assessed through local authority Housing Need and Demand Assessments which may not always pick-up on specific local issues. Although the goal of the next National Planning Framework is to set targets for the use of land for housing, we note the recommendation from the assessment which advocated some areas such as islands should set targets locally based on their distinct development context and demand profile.

## **5. CONCLUSION**

5.1 The Council notes the findings of the Rural Planning Policy to 2050: research commissioned by the Scottish Government to inform preparation of the next version of Scotland's National Planning Framework and highlights the following recommendations which are supported and require consideration in the development of NPF4:

- i. Recommendation 2: Island and Sparsely Populated Areas should be represented as distinct types of rural area in the picture of rural Scotland used in the preparation of NPF4;
- ii. Recommendation 4: Planning should rely more on fine-grained approaches in rural areas which can identify untapped housing demand, and place less reliance in these areas on traditional measures of need and demand;
- iii. Recommendation 5: Planning should also recognise and develop housing policies suited to rural areas, where housing is perceived as a transformational form of development in relation to the wider rural economy and societal needs;
- iv. Recommendation 8: Development of the digital fibre network was designated a national development in NPF3. NPF4 should continue to support its ongoing national roll-out and enhanced telecommunications infrastructure. This can help to achieve the 'death of distance' made possible by such developments in remote connectivity;

- v. Recommendation 9: NPF4 should provide a clear steer on planning policy in regard to new waves of renewable energy development, in particular in relation to areas that are identified as having significance in terms of their landscape, biodiversity and/or carbon sequestration values (e.g. National Scenic Areas, 'Wild land Areas', peatlands); and
- vi. Recommendation 10: In preparing NPF4, consideration should be given to how best to provide guidance to local authorities on supporting and managing the development of tourism facilities and infrastructure, and on balancing the need for tourist accommodation with the need to ensure there is adequate and appropriate housing for rural populations.

5.2 In conclusion we request that in the drafting of NPF4, the Scottish Government take into consideration the unique character and setting of Orkney as an islands authority and a distinct region of Scotland. The specific circumstances of island communities have already been recognised by the Islands (Scotland) Act 2018 which introduced a new duty for relevant authorities to have regard to island communities in carrying out their duties, including through the preparation of an island communities impact assessment. This will include "islands proofing" NPF4.

5.3 Strategic Objective 2 in the National Islands Plan indicates that to improve and promote sustainable economic development the Scottish Government will reflect the National Islands Plan and relevant regional perspectives in the review of the National Planning Framework and preparation of National Planning Framework 4. We support this direction of travel.

5.4 We also note that delivery of the National Islands Plan will build on and align with relevant policies and strategies including the National Planning Framework, the National Marine Plan, Local Development Plans and Regional Marine Plans for the islands to ensure change and growth happens in a responsible manner. The preparation of Regional Spatial Strategies to help deliver the wider aims of the National Islands Plan is also noted, and in this respect the Council will prepare an Orkney Regional Spatial Strategy in due course.

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