Appendix 10b

<u>Issue A</u> - A Spatial Strategy for Shetland's housing in the short to medium term

PREFERRED OPTION NOT PURSUED

Question Asked in the MIR

How can planning policy promote a sustainable pattern of development that promotes the vitality and viability of existing settlements whilst meeting housing need in the next five years?

Options

Preferred Option

- Review those areas of Shetland that have current identified housing need and are capable of sustainably delivering large housing developments. This review would include developing a housing, employment and infrastructure capacity model to classify existing settlements.
- Develop a policy to allocate land for housing that is capable of supporting large developments. This will speed up the planning process for bigger schemes and ensure that developments are well planned and provide access to a good range of services and community assets.
- Maintain a current Land Information Survey throughout the life of the plan to appraise how much land on sites over 0.5ha Is available in Shetland, over what timescale and for which proposed uses.
- For smaller developments we intend to retain the current system of zoning that planners and the community have developed over a number of years.
- We feel that an allocations system for larger developments would alleviate some of the pressures and shortfalls of the system, however we do intend to strengthen this by introducing a 'sustainability checklist' which can identify the degree to which a development proposal will contribute to the vitality and viability of the surrounding community.

Alternative Options

- We could continue with the current system of zoning as expressed in Structure Plan Policy HOU 2 as the primary mechanism for ensuring the vibrancy of communities and the delivery of housing demand.
- We could delete the zoning policies currently in operation and replace them with a site allocations policy.

MIR Consultation Response: there was no clear guidance from the responses received.

General indication from responses was also mixed.

SEA Comments

The Preferred Option

 It is thought likely to have broadly positive effects on SEA objectives 2 and 3 (improving quality of life and health). However there was uncertainty since the design and location of any housing would be a factor and these are unknown.

Alternative Options

- uncertain what the affect of this alternative would be on a number of the SEA objectives with a risk that it could be negative or at best a mix of positive and negative effects.
- uncertainty in the precise effect of this alternative with possible positive
 or negative effects depending very much on housing site location and
 the nature of the site allocations policy. Likely to be negative on SEA
 Objective 8 (reducing carbon emissions) due to the greater dispersal of
 housing and a greater use of the car.

Final Option Adopted for Local Development Plan (LDP)

The LDP has opted for an allocations based policy detailed as preferred option 2 because this would provide certainty for developers and be in line with National Planning Policy and the SEA was inconclusive as it depends upon location of the sites.

Issue B - A Spatial Strategy for Shetland

PREFERRED OPTION NOT PURSUED

Question Asked in MIR

Where should new development occur and not occur in Shetland? Which areas would be best to direct new development towards and which should grow at a slower rate or stay the same over the next five to ten years? Would the answers change if we were to ask the question over a longer timescale, for example twenty years?

Options

Preferred Option

The majority of development, especially large development, should take place where services and infrastructure can best supply and strengthen existing communities. We want to ensure that new large development does not become prohibitively expensive for either developers or the tax payer. We also want to ensure that Shetland's crofting way of life is preserved and that new communities have the best access to employment and social amenities possible.

- Develop a policy that encourages larger new development on allocated sites within the **central mainland**. This does not mean that new development cannot occur outside of this area, but it will lend greater certainty to the planning process and direct new development to areas best suited to cater for it.
- Support the roles of Sandwick and Sullom Voe / Brae as secondary hubs with improved facilities and proven development potential, whilst acknowledging in policy the role all settlements throughout Shetland's Mainland and Islands have to play in maintaining the vibrancy of Shetland as a whole.

Alternative Options

- We could seek to decentralise new employment and residential development away from the central area by promoting the creation and development of a series of service hubs and specialist industries across the Islands.
- We could use land allocation policies to focus all significant new development in Lerwick, potentially utilising a physical link to Bressay and bringing key new industry such as decommissioning to the Town.
- We could use an allocations model to reinforce the current settlement pattern.

MIR Consultation Response: against the preferred option.

General indication was that the spatial strategy should not look to centralise.

SEA Comments

The Preferred Option

The preferred policy option is thought likely to have positive effects on SEA Objectives 2 and 3 (improving quality of life and health). The option does have some uncertainty as the nature of the development is unknown. However the SEA viewed this option as mainly positive since development would be directed towards previously developed land.

Alternative Options

- uncertain but likely to create adverse effects.
- a mix of positive and negative effects.
- the preferred policy option is thought likely to have positive effects on SEA Objectives 2 and 3 (improving quality of life and health). The option does have some uncertainty as the nature of the development is unknown. However the SEA viewed this option as mainly positive since development would be directed towards previously developed land. There is more uncertainty with regard to the effect upon water, the historic environment, cultural heritage and landscapes.

Final Option Adopted for Local Development Plan (LDP)

The LDP has developed alternative option 3 whilst incorporating some aspects of option 1 with the development of Areas of Best Fit. This would be in-line with the views determined by the MIR consultation and look to strengthen and enhance existing communities that according to the SEA is likely to have a uncertain as well as positive effects.

<u>Issue C</u> - Future use of key public sites in Lerwick

PREFERRED OPTION PURSUED

Question Asked in the MIR

Land at Staneyhill, the Knab and The Ness of Sound may be available for development within the next five years. What uses should we encourage for these three large publicly owned sites in Lerwick? Should we identify and protect these areas of land for a particular use or uses in the Development Plan?

Options

Preferred option

ask the public

Alternative Options

- allocate all for housing
- let the market decide

•

MIR Consultation Response: there was no clear guidance from the responses received.

General indication is that Staney Hill could provide some housing land AHS site at the Knab could be used for education; housing or left open Ness of Sound the majority view was that this area should be kept undeveloped.

SEA Comments

- Staney Hill would have a broadly positive impact on the SEA objectives.
- AHS Knab site would have a broadly positive impact on the SEA objectives.
- Ness of Sound would have a broadly negative impact on the SEA objectives.

Final Option Adopted for Local Development Plan (LDP)

The LDP, following assessment of submitted sites, has included sites at Staney Hill and the Knab as having Development Potential.

The submitted sites at Ness of Sound were assessed as having No Development Potential at this time.

The preferred option was pursued because the option was to ask the public and we did that in the MIR consultation. The public opinions expressed in the consultation matched the assessment made in the MIR SEA ER.

Issue D - Providing for the Cost of Housing Development

PREFERRED OPTION NOT PURSUED

Question Asked in the MIR

How can we ensure that new development in Shetland is well serviced and connected to existing infrastructure? Also how can we make sure that the cost of providing these services does not fall unduly on the taxpayer whilst not discouraging development in sustainable locations?

Options

Preferred Option

- Develop in consultation with the community and developers, a policy that would create a scale of mandatory development contributions for the development of housing. The charges would be likely to include payments for the provision of education, social care and community facilities.
- Develop a fair, consistent and transparent method for collecting, recording and using these contributions.
- Encourage other services within the council, Hjaltland Housing
 Association, charities and local groups to consider working together to
 create a proposal for one or more 'community land banks' that would
 be allocated within the new Local Development Plan. These land banks
 would have separate communal arrangements for the provision of
 infrastructure and would be exempt from the scale of charges above.
- Continue to require 'Section 75' commitments from developers where the requirement for contributions falls outside of the scope of the scheme of charges envisaged above.
- Continue to require individually tailored 'Section 75' commitments when employment, retail or other non housing uses are developed because development impacts will vary significantly depending on the nature of the scheme.

Alternative Options

- We could continue to react on a case-by-case basis to the need for developer contributions.
- We could decide to implement the scale of changes envisioned in the preferred option, but only apply them to housing developments of three or more homes.

General indication from responses was that the majority disagree with the preferred option.

SEA Comments

The Preferred Option

• Uncertain probably neutral effect

Alternative Options

- Uncertain probably neutral effect
- Some uncertainty and possible negative effects

Final Option Adopted for Local Development Plan (LDP)

On the 11th March 2011 the Scottish Government Chief Planner issued a letter, which stated a change in the emphasis on provision of affordable housing to that in the existing SPP and that Planners should take note of the mention of 'innovative and flexible approaches' and a move away from the more rigid requirement to dictate a % of units. The letter makes it clear that in this current economic climate setting levels of affordable housing requirement which act to stifle overall levels of housing development are likely to be counter-productive.

In order to ensure sufficient reference to the requirement for affordable housing was included in the plan, whilst being mindful of the information contained in the letter from the SG it was decided to proceed with a policy which was supportive of the need for affordable housing and makes a commitment to ensure adequate provision but through working in partnership with housing developers and providers rather setting mandatory contributions.

Conclusion:

Whilst neither the preferred option nor any of the alternative options were followed we took note of the responses from the MIR consultation and the letter from the Scottish Government and responded with a policy which was still supportive of the need for affordable housing but took into account the changes in the current economic climate. Policy H4 allows the planning team to work with developers and housing providers to obtain the best end result appropriate to each individual development site and the current economic situation we find ourselves in.

Issue E - Parking Provision for New Development

PREFERRED OPTION PURSUED

Question Asked in the MIR

Should we set maximum numbers for parking spaces to be provided on new development sites to encourage other forms of transport use and avoid over or under provision of parking, especially in larger settlements?

Options

Preferred Option

Develop both Min and Max standards esp. for Con. Areas

Alternative

Set only minimum standards for all new development

MIR Consultation Response: Clear support for preferred option, additional comments were made about the need to improve public transport

SEA Comments

The MIR SEA supported the preferred option.

Final Option Adopted for Local Development Plan (LDP)

The Parking Standards SGs implements the preferred option by including;

Added flexibility for redevelopment projects for historic buildings and in Conservation Areas.

Consideration of impact and appearance of parking

Use of Travel Plans

Relaxation of the standards to encourage well designed car-free housing developments

Conclusion

The preferred option was pursued because there was clear support from the public, consultees and assessed as the preferred option in the SEA process.

<u>Issue F</u> – Protection and Enhancement of Economic Growth and Development Opportunities

PREFERRED OPTION PURSUED

Question Asked in the MIR

How can planning policy promote a sustainable pattern of development that promotes the vitality and viability of existing settlements, meeting housing

need, but also developing employment opportunities and protecting existing businesses?

Options

Preferred Option

 Develop a policy to allocate land for employment, retail, commercial, or tourism use.

Alternative Option

 We could simply follow national policy and only allocate land for 'Employment' uses, which in legislation relate only to class '4, 5 and 6' uses in the Use Classes Order 1997.

MIR Consultation Response: Majority favour the preferred option

SEA Comments

The Preferred Option

 Analysis of the preferred option uncertain. However, it is thought that this option could have a broadly positive effect in the long term in conjunction with other overarching environmental policies.

Alternative Options

 Analysis of the alternative option is uncertain. It is thought that pursuing this option would never produce more than a neutral or uncertain negative, minor positive effect.

Final Option Adopted for Local Development Plan (LDP)

Policy ED1, ED2 and ED3 within the local plan are in line with the preferred option as are the policies contained within Supplementary Guidance – Business and Industry.

The sites that have been allocated within for business and industrial development within the supplementary guidance have come forward from the 'call for sites' process. These sites have been assessed in relation to the future uses provided by the submitter (e.g. industry, employment).

<u>Issue G</u> – Protection of Existing Employment and Retail Sites against change of use

PREFERRED OPTION PARTIALLY PURSUED

Question Asked in the MIR

Should we protect key existing and proposed employment and retail sites in the plan by refusing proposals for significant change of use unless supported by strong economic evidence?

Options

Preferred Option

- Monitor retail and employment uses throughout the life of the Plan to assess flows and trends
- Protect strategic employment and retail sites through restricting change of Use
- Progress supplementary guidance to protect retail shop frontages and limiting the number of charity shops, particularly in Lerwick, to ensure a balanced and varied retail offer.

Alternative Options

- We could decide not to attempt to control changes of use on employment and retail sites further than is already in place in national policy.
- This would mean that the market would be free to determine these issues and would allow greater entrepreneurship; however it might lead to a loss of retail and employment diversity in Lerwick, especially if the economic climate worsens or improves.

MIR Consultation Response: Majority favour the preferred option.

SEA Comments

The Preferred Option

• Analysis of the preferred option Overall the effects of this preferred policy option are considered to be uncertain but could be either neutral or could lead to broadly positive effects on a number of the SEA objectives. This is because the protection of existing strategic employment and retail sites, and the encouragement of re-using existing buildings and previously developed land should mean that the development of new sites elsewhere, where there could be threats towards a number of the objectives, is discouraged. Protecting the vitality of the town centre should indirectly help to prevent urban sprawl that could in turn, depending on the location of the 'sprawl', pose a threat towards a number of the objectives.

Alternative Option

Analysis of the alternative Overall the effects of this alternative policy
option are considered to be uncertain but considered likely to have, at
best, a neutral effect, on most of the SEA objectives. If new
employment or retail sites were to be developed as a result of a
change in use of a previous site (resulting from having let the market
decide) then depending on the new location, there could be negative
effects on several of the SEA objectives.

Final Option Adopted for Local Development Plan (LDP)

Policy ED3 supports development which will promote the future vibrancy, vitality and sustainability of the area.

Supplementary Guidance – Lerwick Town Centre will outline priorities for the Town Centre and provide detailed guidance on town centre developments. Supplementary Guidance – Business and Industry contains policy on the sequential approach to be used within Lerwick in order to protect and enhance the viability of the Town Centre.

In addition there are policy mechanisms in place within this guidance to protect the viability of rural settlements through Policy ED2 and within supplementary guidance.

Issue H - Shetland's Agricultural Land

PREFERRED OPTION NOT PURSUED

Question Asked in the MIR

How can we develop planning policy to protect Shetland's crofting and farming way of life whilst utilising the most appropriate land for housing and employment development?

Options

Preferred Option

- Maintain protection for this land through the current policy with some changes detailed below.
- We should grant exemptions only for single dwelling sites, where housing need has been identified and the applicant could demonstrate that development couldn't be sited nearby on worse grade land.
- If approved, single dwellings on good agricultural land should be approved on large plots to preserve as much of the land as possible, with permitted development rights removed.
- A density calculation policy will need to be developed to ensure that any subsequently approved single dwellings do not increase the density of existing plots.
- We would exempt allocated housing sites from this policy, because retention of agricultural land would already have been considered during the allocation process.

Alternative Options

- We could delete the policy protecting this type of agricultural land.
- We could redraft the policy to distinguish between arable and grazing land, with a view to protecting the most economically viable crofts and farms.
- We could require all planning applications for new development to be assessed as to agricultural land quality and use this as a component of the decision making process.

MIR Consultation Response: there was no clear guidance from the responses received.

General indication was that the comments were split between protecting the land and allowing it to be developed.

SEA Comments

Preferred Option

• Overall this preferred policy option is considered to bring a mix of either neutral or broadly positive effects on the SEA objectives.

Alternative Options

- Overall the effects of this alternative policy option are considered to be uncertain but removing the protection afforded to agricultural land could leave the land at risk from other forms of development that could impact negatively on many of the SEA objectives.
- Overall this preferred policy option is considered to bring a mix of either neutral or broadly positive effects on the SEA objectives. Uncertainty surrounds the effects on biodiversity and water quality.
- Overall this preferred policy option is considered to bring a mix of either neutral or broadly positive effects on the SEA objectives. Uncertainty surrounds the effects on biodiversity and water quality.

Final Option Adopted for Local Development Plan (LDP)

The LDP has followed alternative option 1 and deleted the agricultural protection policy, because National Policy did not support maintaining such a policy and the SEA was inconclusive.

Issue I - Furthering the Conservation of Biodiversity

PREFERRED OPTION PURSUED

Question Asked in the MIR

How can we develop planning policy to further protect and where appropriate enhance Shetland's rich Biodiversity?

Options

Preferred Options

- Retain existing policy in the local plan on this issue (and)
- Provide a link both in planning policy and at planning application stage to the relevant national policy and legislation that provides more detailed guidance on these issues
- Develop a policy to encourage a positive and holistic approach to biodiversity by:
- Asking all developers to make a statement identifying and addressing any known species, habitat and geodiversity impacts of

- their development at planning application stage, both on and adjoining the development site
- Making sure that reasonable mitigation of any identified impacts is built into proposals if required
- Ensuring that opportunities to enhance biodiversity and geodiversity are also included where appropriate.
- For smaller developments measures would need to be designed that were not too complicated or onerous but effective in addressing any directly related biodiversity and geodiversity issues.

Alternative Options

- We could continue with the policy in the existing Local Plan (NE13) unchanged. This has been successful in addressing impacts from development on sensitive species, but may not be as effective in addressing wider questions of habitat and species loss. It seems likely that NE13 would meet minimum national standards for furthering biodiversity conservation. We have also restated the need for a commitment to biodiversity in projects in the Interim Planning Policy Document: Towards Sustainable Construction and Better Design in Shetland which will have the status of Supplementary Guidance in the new Local Development Plan
- We could commission a number of wide ranging surveys across Shetland to identify and investigate key habitats for the most pressured species. This would allow us to designate areas of high biodiversity and protect them from harmful development. Whilst this might initially produce good biodiversity outcomes it would be very expensive and resource intensive. Also it could suffer from being too broad a survey to be meaningful at site level and go out of date too quickly. Our preferred approach would put the emphasis on the developer to assess biodiversity impacts and mitigate or eliminate them and would highlight the extent of national legislation on this issue. We would also be retaining the requirement for more in-depth surveys for some sites funded by the developer as stated in Local Plan Policy NE13

MIR Consultation Response: mostly agreed with the preferred option

General indications from responses were broadly supportive for the preferred option.

SEA Comments

The Preferred Option

 The preferred policy option will have very strong positive effects on the biodiversity SEA objective and is considered to be broadly supportive of the objectives that deal with soil, water quality and landscape protection. For all the other SEA objectives this option was considered to be broadly neutral with no discernible effect being detected.

Alternative Options

- This alternative option was deemed to be broadly positive towards biodiversity but less so than the preferred option. It too was found to be broadly supportive towards the objectives dealing with soil, water and landscape quality.
- As with the preferred option this alternative option will have very strong
 positive effects on the biodiversity SEA objective and is considered to
 be broadly supportive of the objectives that deal with soil, water quality
 and landscape protection. For all the other SEA objectives this option
 was considered to be broadly neutral with
- Local Development Plan Policy: Policy NH 2 seeks to further the conservation of biodiversity under the Nature Conservation (Scotland) Act 2004.

Final Option Adopted for Local Development Plan (LDP)

Policy NH 3 pursues the furthering of biodiversity through Supplementary Guidance - Local Nature Conservation Sites and Supplementary Guidance - Local Landscape Areas

Issue J - Planning for an Ageing Population

PREFERRED OPTION PURSUED

Question Asked in the MIR

Older People play a crucial role in Shetland's society and economy and are likely to make up an increasing proportion of the Islands' population. How can we use planning policy to improve the built environment and services to better meet their needs?

Options

Preferred Option

- Identify the need for housing suitable for older people with other services and agencies including the NHS and through the Local Housing Strategy.
- Develop a policy that will identify housing sites in locations that are particularly appropriate for accessibly designed housing schemes and encourage developers to build for this use.

Alternative Option

- We could rely on current planning policy advocating accessibility to deliver further homes for older people
- We already have a policy (Structure Plan GDS3) which we intend to
 preserve into the new Local Development Plan advocating accessibility
 in new housing and promoting developments that make a positive
 contribution to the social wellbeing of the whole community. However
 since the number of people of pension age has increased rapidly, we
 may need to consider their needs as a separate group. Also currently

the policy may not be proactive enough in encouraging this form of use in the right places so that it can be most effective.

MIR Consultation Response: most agreed with the preferred option

General indications from responses were broadly supportive of the preferred option.

SEA Comments

Preferred Option

 The preferred policy option focuses on formulating a development policy that will address the housing needs of an ageing population and thus will have strong positive effects on the two SEA objectives that deal with population and health. Overall it generates a neutral effect on all of the other SEA objectives with no discernible effect, either positive or negative, being identified.

Alternative Option

 This alternative option is also considered to generate positive effects on the two SEA objectives that deal with population and health, and again in overall terms it is seen to generate a neutral effect on all of the other SEA objectives.

Final Option Adopted for Local Development Plan (LDP)

Policy H 2 has identified Areas of Best Fit throughout Shetland. Policy H 3 encourages development in sustainable locations to strengthen existing communities and avoid ineffectual scattering of scarce resources and provide access services and amenities to all members of the community. This will enable individuals to stay longer in their own homes.