

Shetland Main Issues Report 2022

Spatial
Strategy



Climate
Change



Place &
Environment



People & Our
Communities



Work &
Economy



SHETLAND Local Development Plan



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1. Introduction

What is a Main Issues Report?

We are reviewing our adopted Local Development Plan (LDP1) to ensure that we continue to develop vibrant and thriving communities, support our economy and ensure that we build sustainable and successful places.

A large part of preparing a Local Development Plan (LDP) involves an analysis of the effectiveness of existing policies and evidence gathering to identify changes in legislation, policy and guidance which may lead to changes in LDP policies. This evidence gathering stage requires us to prepare and publish a Monitoring Statement - the results of the Monitoring Statement help us identify any Main Issues that need addressing.

This Main Issues Report (MIR) presents those issues that we think need a fresh approach in our next Local Development Plan (LDP2). Because they examine change, MIRs form an important part of an LDP. They are not however *draft plans* and do not cover all policy areas. Policies that have worked well within LDP1 are not considered in this MIR, as they are expected to be maintained in LDP2.

The Main Issues Report is the **primary consultation document** in the preparation of our next Local Development Plan (LDP2), and it aims to stimulate discussion around the key changes we need to make to our current Local Development Plan (LDP1).

We are inviting comment on the Main Issues Report through a six-week online consultation programme. For full details on how to submit your views to us. Please refer to page? 'How to respond to the Main Issues Report'.

The main issues considered in this report are: -

Main Issue 1: Spatial Strategy

Main Issue 2: Climate Change and Sustainable Development

Main Issue 3: Outdoor Access

Main Issue 4: Green and Blue Networks

Main Issue 5: Enhancing our Town Centre and Village Retail Areas

Main Issue 6: Supporting our Remote and Rural Communities

Main Issue 7: Digital Connectivity

Main Issue 8: Future Mineral Extraction

Main Issue 9: Developer's Obligations

We have identified the main issues through extensive evidence gathering on the success of LDP1 and through

consultation with key agencies and relevant stakeholders. All the evidence to support this report can be viewed in the Monitoring Statement.

For each of the main issues we have identified a series of preferred and, where reasonable, alternative options for change, with a brief indication of the implications of each option.

The preferred and alternative options are not the settled view of the Council on any topic; they are an expression of how we think LDP2 might best respond to changed circumstances, to maximise its effectiveness.

We welcome views on whether our preferred and alternative options are the right options, or whether there are further alternatives that haven't been identified.

We hope this stimulates meaningful engagement with all stakeholders, and particularly communities, to help shape the proposed plan and maximise effectiveness and community ownership of LDP2

How to Respond to the Main Issues Report

As part of the consultation we will:

- Run a 24 hour live interactive 'Virtual Community Hall' online consultation portal where the MIR and all supporting documents will be available to view. Planning Officers will be available at set times via the portal to answer questions and provide presentations on aspects of the MIR.
- Publish a notice in the Local Newspapers (paper and online)
- Have hard copies of the MIR available to view in the Shetland Library, Hillhead, Lerwick (postcode)
- Have hard copies of the MIR available to view at the Council Headquarters, headquarters, 8 North Ness, Lerwick (Postcode)
- Publish the MIR online on the Council's Website
- Notify the following parties of the MIR consultation: key agencies, neighbouring planning authorities,

community councils and all parties on the LDP2 contacts database

- Publish details of the consultation and all consultation events via the Council's Social Media outlets:
[@ShetIslandsCll](#)

Responses should preferably be made electronically using the online response form available by clicking on link below:

[MIR Consultation Form](#)

Paper copies of our consultation form can be sent out on request, please contact the Planning Service at:

Development Plans
Shetland Islands Council
8 North Ness Business Park
Lerwick, Shetland, ZE1 0LZ

Tel: 01595 744293

Email: <mailto:development.plans@shetland.gov.uk>

Context

The Main Issues Report focuses on areas where significant policy changes may be required, including areas where new development should be focused. The MIR sets out the Council's preferred approach to future development, including suggested new development sites, but also by setting out other reasonable alternatives. This is presented within the MIR as our preferred option and an alternative option.

The MIR takes account of:

- Strategic Environmental Assessment Appraisal under The Environmental Assessment (Scotland) Act 2005, along with a draft Environmental Report prepared at the same time, as part of the Strategic Environmental Assessment process.
- Strategic Flood Risk Appraisal (under section 1 of the Flood Risk Management (Scotland) Act 2009).

Council Priorities

The evaluation of our Local Development Plan policies, and the preferred options laid out within the Report, has been undertaken with both the Council priorities set out in Our

Ambition and The Shetland Partnership Plan's shared priorities, in mind.

Our new Local Development Plan will support the Council's Vision:

“Of working together to create a Positive, Confident and Sustainable future for Shetland. A Shetland where the community's Opportunities attract people of all ages to live, work, study and invest in our islands” (Our Ambition 2021 – 26).

In-line with the Council's Vision, the LDP2 policies will support:

- The creation of new affordable housing supply
- COVID-19 – recovery
- Sustainable economic development
- Tackling climate change and our route to Net Zero
- The 'just transition' away from hydrocarbons to low-carbon alternatives
- Digital infrastructure and better connectivity
- Better wellbeing through better design
- Healthy, sustainable, low-carbon travel choices

Our new Local Development Plan will also support The Shetland Partnership Plan's shared Vision of “Shetland is a place where everyone is able to thrive; living well in strong, resilient communities; and where people and communities are able to help plan and deliver solutions to future challenges”

In-line with the Partnership's Vision, the LDP2 policies will support:

- The creation of positive and attractive places to live
- Sustainable economic development
- Tackling climate change and reducing our carbon emissions
- Better wellbeing through better design
- Protecting and improving our outdoor spaces and natural environment

Scottish Government Priorities

Evaluation of planning policy and the inclusion of potential development sites via the Call for Sites process (see Main Issue 1: Spatial Strategy for more information) has been undertaken with reference to the four overriding principles that currently govern the content of Local Development Plans in Scotland:

Paragraph 9, and the following paragraph of Scottish Planning Policy identifies a set of **four specific outcomes** to which development plans must contribute. These are to create:

- Successful sustainable places;
- Low carbon places;
- Natural resilient places; and
- More connected places.

The review of the current LDP policies has also been undertaken against the current National Planning Framework 3 and Scottish Planning Policy.

Scottish Planning Policy

Scottish Planning Policy provides national guidance on all LDP topic areas, grouped within themes of:

- “A successful, sustainable place”;
- “A low carbon place”;
- “A natural, resilient place”; and
- “A more connected place”.

It also introduces the presumption in favour of development that contributes to sustainable development - this presumption is designed to support the Scottish Government's central purpose of enabling sustainable economic growth.

National Planning Framework 3

National Planning Framework 3 (NPF3) is a national spatial strategy for development, which identifies developments that the Scottish Government considers to be of national importance. It also provides an overarching vision for Scotland's regions, highlighting key matters for local-level spatial strategies to consider. NPF3 identifies the following for Shetland:

- Lerwick forms a focus for regeneration and development activity, provides crucial services and acts as a cultural centre for the Shetland Islands. Fishing continues to increase its already significant contribution to the Shetland economy. Tourism and creative sectors are priorities for growth. The town is an important transport hub, with the harbour providing inter-island ferry connections and links to Aberdeen, Orkney and further afield, and benefiting from continuing growth in the cruise market.
- Lerwick has significant potential to support renewable energy development in the waters off Shetland, as recognised in the National Renewables Infrastructure Plan. The development of a grid connection to the mainland will be essential to facilitate this. Existing assets like Sullom Voe and the adjacent TOTAL gas plant, will continue to play an important economic role. Opportunities will arise from the decommissioning of existing offshore oil and gas infrastructure.
- Scottish Ministers recognise the case for further empowering our island communities, and have worked with the island councils of Shetland, Orkney and Eilean Siar, as well as the mainland Councils with islands, to explore how to give this practical effect. In line with this, our spatial strategy reflects the special planning challenges and opportunities for the Northern and Western Isles, including our potential to lead deployment of new offshore renewable technologies,

scope for other sectors including tourism and food and drink, and the importance of digital and transport links to the rest of Scotland.

- Strengthening the electricity grid will be essential in unlocking renewable resources, both onshore and offshore. Interconnectors to the Western Isles, Orkney and Shetland and onshore connections for offshore renewables on other parts of the coast are all required to fully realise the potential for diverse and widely distributed renewable energy development.
- Outdoor recreation is important throughout the coastal and marine area, with the West Highlands being a particular asset. Cruise activity is also expected to develop. This will bring opportunities for ports from Lerwick and Orkney, to Portree and Greenock, and may require further investment to accommodate larger vessels in the future. The Crinan and Caledonian canals are important assets, as are the World Heritage Sites in Orkney and St Kilda – and those included on the tentative list of sites for nomination in Caithness and Shetland.
- Several deep water assets, including at Scapa Flow, Stornoway, Shetland and in the Moray Firth, may present opportunities for new or expanded ports to take advantage of this and of wider opportunities, including for tourism development.

Emerging National Planning Framework 4 (NPF4) - Position Statement

The Scottish Government are preparing a new spatial plan for Scotland that will look ahead to 2050, and will set out where future development can bring benefits for people, the economy and environment. The fourth National Planning Framework (NPF4) will show what Scotland, as a place, could and should look like in 2050. It will include national planning policies, providing a clear and coherent plan for our future development. And it will have the status of development plan, informing day to day planning decisions.

NPF4 will embed the UN Sustainable Development Goals and Scotland's national outcomes. The Place Principle will be a key driver for ensuring that planning focuses on our places, and is supported by a much wider range of interests to ensure that proposals and policies are delivered on the ground.

We currently expect that NPF4 will focus on achieving four key outcomes:

- Net-Zero Emissions
- A Wellbeing Economy
- Resilient Communities
- Better, Greener Places"

Our next LDP2 will be prepared and delivered towards the current adopted NPF3, as the proposed NPF4 is in draft format and holds no weight at this time. However, we are

mindful of its intensions and its emerging themes, as outlined within the NPF4 Position Statement (Nov 2020) above.

Background Papers

This Main Issues Report is supported by a number of technical reports and a large amount of background information that has fed into, or supported the preparation of the Main Issues Report. These documents include:

- The Monitoring Report
- National Planning Framework 3
- Scottish Planning Policy
- SEA Draft Environmental Report
- The Local Housing Strategy
- The Housing Need and Demand Assessment
- The Housing Land Audit
- The Employment Land Audit
- Shetland Island's Corporate Plan – Our Ambition – 2021-26
- Shetland Partnership Plan 2018-2028
- The National Islands Plan 2018-2028
- Shetland Islands Council Economic Development Strategy 2018 – 2022
- The Place Standard 2017
- Update to the Climate Change Plan 2018-2032 – Securing a Green Recovery on a Path to Net Zero

Please refer to the [Monitoring Statement Report](#) to view the full Local Development Plan policy review.

The next Local Development Plan Timeline



2. Our Vision

“Shetland continues to be a place with a rich and varied natural environment; high quality cultural environments; vibrant thriving communities; a place to live, work, study and invest; that supports economic growth; where we continue to deliver fairer and greener development, and help build sustainable, resilient, and successful places now and for future generations”

Our Vision for Shetland’s new Local Development Plan 2 has been developed through analysis of:

- the Scottish Government’s National Planning Framework 3 (NPF3)
- NPF3 - sixteen National Outcomes, including the four National Planning Outcomes.
- It is also mindful of the aims and objectives currently being proposed within the draft National Planning Framework 4 (NPF4).

Our new updated Vision shares the aims and visions set out within:

- the Council’s Our Ambition 2021-2026 and
- Shetland Partnership Plan 2018-2028.

The proposed Local Development Plan 2 creates the framework that will deliver new development that retains and protect Shetland’s unique and valued characteristics, and which balances economic growth with the urgent challenges

of sustainable development and the need to address the climate and biodiversity crisis.

To help realise this Vision, our next Local Development Plan 2 will be supported by a series of policy aims and objectives. These aims and objectives are as follows:

- Ensure that we build high quality, low carbon places, which meet the challenges of climate change and help secure a green recovery on our path to net zero;
- Apply a placemaking or place-based approach to development to create sustainable, welcoming, well connected and distinctive places that are safe, promote wellbeing and are inclusive;
- Promote sustainable development that reduces the need to travel, reduces reliance on private cars and promotes safe and convenient active travel opportunities;
- Help deliver enough land for well-designed, well-built, and well-located homes and ensure that there are increased opportunities to access local affordable housing;
- Ensure that our natural, marine, cultural and built heritage are protected and enhanced, and where we recognise the multiple benefits of outdoor access, local green spaces and networks, as integral components of successful Placemaking;

- Create places that attract new, and support existing business and industry, by ensuring that there is a strong, diverse, and sustainable economy;
- Support our rural communities and help them thrive, by promoting and supporting new appropriate developments and business opportunities;
- Ensure our town centre and Conservation Areas are protected and enhanced, and that our towns are vibrant cultural, social, and economic hubs; and
- Promote Shetland as a welcoming and desirable place to visit, by promoting high quality sustainable developments that enhance our natural and built environments, and which build on the unique characteristics that will ensure Shetland remains a key Scottish tourist destination.

Question: We think we have covered the land use aspects of Shetland's aspirations in Our Vision, if you think we have missed anything, please let us know?

Policy Review Summary

Policy monitoring, analysis, and review, are a major part in the preparation of any new LDP. It is a process that enables us to identify any emerging issues that should be addressed within our next LDP2, and lies at the heart of the evidence base that feeds into the development of its associated policies.

It is essential that we understand how the current LDP policies have performed. To do this we must assess how current and relevant each policy is in terms of any changes at a national and local level – that is changes that have happened since the adoption of the current LDP in 2014. We must also assess how successfully these policies have been used to meet the overall aims and objectives of the current LDP at a regulatory level i.e. during the planning application stage.

The policy review summary Table 1 below, provides a quick reference to the current 43 policies contained within the current LDP, and the outcome of the detailed policy review undertaken during the monitoring process. The policies that have been colour highlighted, are the policies that have been referenced to within a particular Main Issue. A more detailed policy chapter summary is given in Section 8 Local Development Plan Policy Review. For the full detailed policy review, please refer to the Monitoring Statement.

POLICY	ACTION	SECTION	MAIN ISSUE
GP1	delete	Spatial Strategy, Climate Change, Place and Environment	1, 2, 3
GP2	delete	Spatial Strategy, Climate Change, Place and Environment, Work and Economy	1, 2, 3, 4, 6, 9
GP3	delete	Spatial Strategy Climate Change, Work and Economy	1, 2, 9
NH1	Major change	Climate Change	1
NH2	Minor change		
NH3	Major Change	Climate Change, Place and environment	2, 3
NH4	Minor change		
NH5	Major change	Climate Change, Place and environment	2, 3
NH6	Minor change	Climate Change	2
NH7	Minor change	Place and Environment	4
HE1	Minor change		
HE2	Minor change		
HE3	Major change	Place and environment, People and our Communities	5
HE4	Minor change		
HE5	Minor change		
HE6	Minor change		
CST1	Minor change		
H1	Minor change	Spatial Strategy	1

H2	Delete	Spatial Strategy	1
H3	Major change	Spatial Strategy	1
H4	Major change	Work and Economy	1, 9
H5	Major change	People and Communities, Work and Economy	6, 9
H6	Minor change		
H7	No change		
H8	No change / delete	People and Communities	
ED1	Major change	Climate Change, People and our Communities	2, 6, 7
ED2	Major Change	Climate Change, People and our Communities	2, 6, 7
ED3	Major Change	People and our Communities	5
TRANS1	Minor change		
TRANS2	Minor change		
TRANS3	Major change	Work and Economy	9
RE1	Minor change	Climate Change	2
M1	Major change	Work and economy	8
W1	No change		
W2	Minor change		
W3	Major change	Work and economy	8
W4	No Change		
W5	Minor change		
WD1	Minor change	Climate Change	2
WD2	Minor change		
WD3	Minor change	Place and Environment	4
CF1	Minor change	People and our Communities	6
CF2	Minor Change	Work and Economy	9

(Table 1)

Table 1 Key:

- **Delete:** This means the policy has been superseded or is no longer required
- **Major change:** This means the policy is out of date due to the number of policy and regulatory changes at a national and local level, and that the majority of the policy needs updating
- **Minor change:** This means the principle of the policy is still relevant, however, it may need partial text updating to meet current national and local policy and regulatory changes
- **No change:** This means that the principle of the policy is still relevant and the wording of the policy still meets national and local policy and regulatory changes

Table 2 highlights new policies or overarching policies that will be brought forward to the next LDP2 – this list is not definitive as there may be additional new sub-policies introduced to support our new overarching or principle Placemaking and Climate Change and Sustainable Development policies.

NEW POLICY	SECTION	MAIN ISSUE
Climate Change & Sustainable Development	Climate change	1

Placemaking	Place and environment	9
Landscape & Heritage	Place and environment, Climate Change	1, 9
Shop frontage and Areas of Control	People and our Communities	
Outdoor Access.	Place and Environment	3
Green and Blue Networks	Place and Environment	4

(Table 2)

Table 3 lists all Draft, Interim and Approved Supplementary Guidance attached to each main issue.

SUPPLEMENTARY GUIDANCE	SECTION	MAIN ISSUE
Onshore Wind Energy	Climate Change	2
Local Natural Conservation Sites	Climate Change	2
The Outdoor Access Strategy	Place and Environment	3
Minerals (Interim)	Work and Economy	8
Water and Drainage (Draft)	Climate Change	2, 4
Natural Heritage	Climate Change	2
Business and Industry (Draft)	Work and economy	2, 6, 7, 8, 9

Placemaking (Draft)	Work and economy	6, 4, 9
Historic Environment (Draft)	People and our Communities	5

(Table 3)

Our Main Issues

Main Issue 1: Spatial Strategy



Main Issue 1: Spatial Strategy / Land Supply and Distribution

Local Development Plans (LDPs) are spatial, land use plans, which are primarily about *place* – *place* comprising the communities who live in that *place*, together with the natural and built environments those communities interact with. LDPs guide the future use of land by addressing the spatial implications of economic, social and environmental change.

LDP2 must contain a spatial strategy in order to set out our proposals for the development and use of land.

- We have taken a proactive and planned approach to identify land for development within our localities based on levels of housing demand identified in the Housing Needs and Demand Assessment (HNDA) and by the analysis of past completions in our annual Housing Land Audits and Employment Land Audits.
- We have worked with infrastructure providers to seek information on existing infrastructure capacity and future infrastructure development, this information has informed the strategy.
- The Shetland Partnership Plan, the Economic Development Strategy and the 10 year Plan all inform the strategy. LDP2 shares the vision these documents have to improve the lives of everyone in Shetland and the aim to attract people to live, work, study and invest

in the isles. To enable these strategies to be achieved we think we have identified an effective supply of land in LDP2 to meet the demands of housing, business & industry.

- The Shetland Partnership Plan, the Economic Development Strategy and the 10 year Plan all inform the strategy. LDP2 shares the vision these documents have to improve the lives of everyone in Shetland and the aim to attract people to live, work, study and invest in the isles. To enable these strategies to be achieved we think we have identified an effective supply of land in LDP2 to meet the demands of housing, business & industry.

Our Spatial Strategy acknowledges development pressures, environmental assets and the economic and physical needs of our diverse communities. It also supports diversification and growth in both our urban and rural areas.

Identifying Preferred Areas for Growth

As a planning authority we have an important role in making sure that our communities continue to grow at a sustainable rate, that infrastructure such as roads, schools, water and sewage systems can be planned to accommodate more housing and that important land is not sterilised from future development.

A key part in preparing the Call for Sites has involved the Council's Planning Service identifying land that may be

suitable for new housing, business and industrial development.

Settlement Tiers

Tier	Settlements
<p>Tier 1</p> <p>The main settlement in each locality area where the greatest population and/or service provision / facilities are located.</p>	<p>Lerwick, Scalloway, Brae, Sandwick, Aith, Mid Yell, Baltasound, Symbister</p>
<p>Tier 2</p> <p>Secondary settlements within each locality which also provide services and facilities to the surrounding population.</p>	<p>Ollaberry, Hillswick, Vidlin, Voe, Nesting, Bixter, Walls, Whiteness, Weisdale, Tingwall, Hamnavoe, Bressay, Gulberwick, Cunningsburgh, Bigton, Levenwick, Dunrossness, Toab, Virkie, Mossbank, Quarff.</p>
<p>Tier 3</p> <p>All other small supporting settlements and housing clusters within each locality.</p>	<p>We have not listed these individually but they comprise all other settlements within each locality not listed in tier 1 or 2 above</p>
<p>Rural / open countryside</p> <p>Where housing exists sporadically and in relative isolation</p>	<p>Shetland has a very rural development pattern and housing can exist remotely from existing towns, villages and settlements.</p>

The Preferred Areas for Growth are predominantly within settlements that have experienced a higher demand for housing, where we have seen more houses built in the last 15 years and where a denser settlement pattern is evident. We have an important role in making sure that these communities continue to grow at a sustainable rate, that infrastructure such as roads, schools, water and sewage systems can be planned to accommodate more housing and that important land is not sterilised from future development.

We need to balance this need for sustainable growth with the need to safeguard our environmental assets, making sure new development is located away from land which has been designated to be of both national and local importance eg. SACs, SPAs, Ramsar, SSSI's, NSAs, MPAs, SMs, LNCS but also recognise that features of interest are not restricted to designated sites and developments are looked at on a case by case basis during the Development Management process

We need to focus development in settlements that are capable of sustaining future growth and which have the infrastructure capacity to do so. Importantly, we need to ensure that growth is spread throughout all our localities to ensure that our existing communities can thrive and our population is well supported.

- We identified 21 settlements in total which have this potential, and specific areas within these settlements have been marked out on the spatial strategy as 'Preferred Areas for Growth' housing development.

- We also identified preferred areas for business and industry development in Lerwick, and mixed-use sites in areas outside Lerwick.

To ensure that we are able to plan for sustainable and attractive communities, the majority of the Preferred Areas for Growth were located less than 800m distant from community facilities, such as shops, schools, community halls etc.

Our Preferred Areas for Growth are predominantly within settlements that have experienced:

- A higher demand for housing
- Where community facilities are within close proximity
- Where we have seen more houses built in the last 15 years
- Where a denser settlement pattern is evident
- Suitable Infrastructure
- Service provision
- 800 metre walkable distance to basic services

What about development outside Preferred Areas of growth?

Settlement growth in areas not identified as Preferred Areas of Growth has not been discounted and we will consider all proposals that come forward as part of the Planning process. This is where the historic build pattern has been primarily for single house sites and planning applications will still be expected to come forward for these types of sites. Single house developments are valuable in their role of strengthening community viability. In planning terms, we refer

to developments like these as ‘*windfall sites*’ – or unplanned house sites - which have not been specifically identified within the LDP process – windfall is an established delivery mechanism for housing in our more rural areas.

We have considered that it would not be beneficial to identify large areas of land within these settlements, as we expect housing development to continue to come forward for smaller developments of 3 or fewer houses on windfall sites, through the planning application process.

It is expected that windfall development will continue to be an important delivery solution in LDP2. Supporting our remote and rural communities in Shetland has always been a priority within our Local Development Plans, and will continue to be an important priority. LDP2 will still support suitably located and designed development outwith our preferred areas of growth, and on non-allocated sites.

Hierarchy of development:

In order to guide future growth aspirations during the lifetime of the plan, we have established a hierarchy of development as follows:

Allocations – Sites which have been submitted as part of the ‘Call for Sites’ process’ and have been assessed and deemed suitable for development. These sites are predominantly in or adjacent to Areas of Preferred Growth.

Non-Allocated sites within Preferred Areas of Growth.

These are developments not identified in LDP2 as allocations but which are located in or adjacent to 1 of the 21 identified settlements where it would be desirable to locate future development. These are areas within settlements which have the capacity, and proven demand, for growth.

Windfall – Developments on land which have not been allocated for a future land use within the Local Development Plan, but which still provide an essential delivery mechanism for new housing, and small scale business and industry. These sites are normally small in size (1 – 2 housing units) and are most frequently located in rural areas. They may be located within or outwith areas of preferred growth. As with any new development, such sites will be required to comply with all current National and Local Policy.

Our Call for Sites

As part of our strategic planned approach we undertook a call for sites, asking developers and landowners to come forward with land they would be interested in seeing developed for housing, business or industry, we were looking for sites which were located within the areas we had identified as Preferred Areas of Growth and for larger developments of 3 or more housing units. These sites have been assessed by the Planning Service in conjunction with key agencies and service providers. Sites we think are suitable for development and which help deliver on the housing need are identified within LDP2 as ‘allocations’. These sites can also be seen on the

Spatial Strategy map and in more detail on the Potential Allocation Story Map.

Reference	Site Name	Class / Type	Units	Size (ha)	Recommendation	Time period (years)
TCM001	Gardie, Weisdale	9 / Residential	5 to 6	1.13	Preferred	0 to 5
TCM002	Site Adjacent to Stenswall, Weisdale	9 / Residential	4 to 5	1.00	Preferred	0 to 5
TCM003	Hellister, Site 1, Weisdale	9 / Residential	3 to 4	0.89	Preferred	0 to 5
TCM004	Hellister, Site 2, Weisdale	9 / Residential	c25	3.89	Preferred, concerns regarding suitability of eastern area	0 to 5
TCM005	Site 2, Veensgarth, Tingwall	9 / Residential	16	2.36	Preferred	0 to 5
TCM006	Site 1 & 1a, Veensgarth, Tingwall	9 / Residential	13	1.85	Preferred	0 to 5
TCM007	Gaet-a-Gott, Tingwall, Phase 4	9 / Residential	c80	4.79	Preferred	0 to 5
TCM008	Greenwell, Tingwall	9 / Residential	c60	4.24	Preferred	0 to 5
TCM009	Wharls, Trondra	9 / Residential	3 to 5	2.40	Preferred, concerns regarding suitability of eastern section (site within NSA)	0 to 5
TCM010	Herrislea	9 / Residential	c38	2.50	Preferred	0 to 5

TCM011	Windy Grind	9 / Residential	5	0.40	Not Preferred	0 to 5 start, development completed over 10 years
TCM012	Nesbister, Whiteness	9 / Residential	c36	5.20	Partially Preferred, area around existing road suitable, with concerns regarding areas to west and east	0 to 5 start; Development phased over 15 years
TCM013	Wormadale, Whiteness	9 / Residential	c25	3.50	Preferred	0 to 5 start; Development phased over 15 years
TCM014	Breck, South Whiteness	9 / Residential	3 to 5	0.85	Preferred	0 to 5
TCM015	Old School Road	9 / Residential	3 to 5	1.67	Preferred	0 to 5
TCM016	Sundibanks	9 / Residential	c20	3.30	Not Preferred	Phased over 0 to 5 AND 5 to 10
TCM017	Endavoe, Scalloway	2 / 4 / 5 / 6 / 9 Mixed Use	N/A	1.81	Preferred	0 to 5

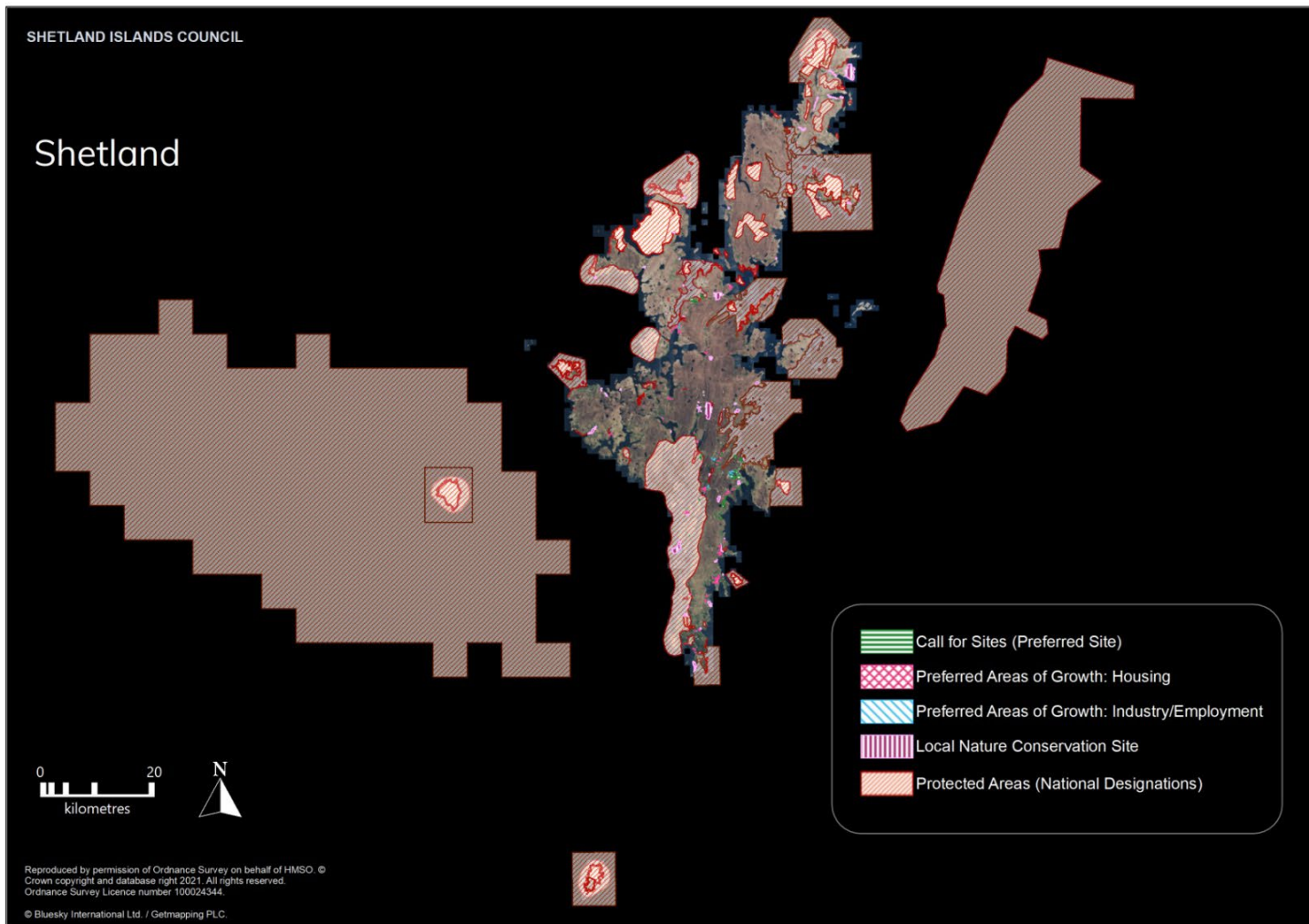
TCM018	Port Arthur, Scalloway	9 / Residential	38	2.19	Preferred	0 to 5
TCM019	Anna's Park	9 / Residential	3	0.50	Preferred	0 to 5
TLK001	Wista	9 / Residential	6	0.22	Preferred	0 to 5
TLK002	Staneyhill	4 / 9 Residential	320	25.25	Preferred	0 to 5
TLK003	Black Hill Industrial Estate	5 / Industrial	N/A	2.65	Preferred	0 to 5
TLK004	Dales Voe	5 / Industrial	N/A	10.50	Preferred	0 to 5
TLK005	Gremista	5 / Industrial	N/A	0.56	Preferred	0 to 5
TLK006	Gremista (2)	5 / Industrial	N/A	1.21	Preferred	0 to 5
TLK007	Gremista (3)	5 / Industrial	N/A	13.03	Preferred	5 to 10
TLK008	Gremista (4)	5 / Industrial	N/A	0.29	Preferred	0 to 5
TLK009	Rova Head, Gremista	5 / Industrial	N/A	7.60	Preferred	5 to 10
TLK010	Rova Head (2), Gremista	5 / Industrial	N/A	10.22	Preferred	0 to 5
TLK011	Rova Head (3), Gremista	5 / Industrial	N/A	5.78	Preferred	0 to 5
TLK012	Land Adjoining Decca Station, Lerwick	4 / 5 / 6 Ind	N/A	3.30	Preferred, some industrial uses may be inappropriate due to adjoining land use	Phased over 0 to 5 AND 5 to 10
TLK013	South Hoofields, Ladies Drive	9 / Residential	12	0.70	Preferred	0 to 5
TLK014	Land at Lochside, Staney Hill Road, Lerwick	9 / Residential	180	10.30	Not Preferred	Unknown
TLK015	Viewforth	9 / Residential	3	0.18	Preferred	0 to 10
TLK016	Staney Hill Ind. Est. South Parks	5 / Industrial	N/A	7.90	Preferred	0 to 5

TLK017	Sands of Sound and Ness of Sound Fields	9 / Residential	80	6.10	Preferred	10 to 20
TLK018	Land next to Seafield Football Pitch	10 / Residential	15-18	1.00	Preferred	10 to 20
TLK019	Old Eric Gray Site	9 / Residential	5	0.40	Preferred	0 to 10
TLK020	The Knab	9 / Residential	c120	6.10	Preferred	0 to 10
TLK021	Land next to Hillgrind, Hoofields	9 / Residential	50	3.20	Preferred	5 to 10
TLK022	Sands of Sound and Ness of Sound Fields	9 / Residential	60	3.90	Preferred	5 to 10
TLK023	Land next to College, Gremista	5 / Industrial	N/A	0.35	Preferred	5 to 10
TLK024	Land Adjacent to Quarry, Staneyhill (North Park)	5 / Industrial	N/A	5.55	Preferred	5 to 10
TNI001	Bank End, Ulsta	9 / Residential	3	0.51	Preferred	5 to 10
TNM001	Ladies Mire, Brae	9 / Residential	4	0.07	Preferred	0 to 5
TNM002	Fiblister, Ollaberry	9 / Residential	12	3.67	Not Preferred	5 to 10
TNM003	Sellaness	5 / Industrial	N/A	18.30	Preferred	0 to 5
TNM004	Scatsta, Brae	5 / Industrial	N/A	43.60	Preferred	0 to 5
TNM005	Urafirth Old School	10 / Non-Residential	N/A	1.50	Preferred	0 to 5
TSM001	Pundsta Place, Cunningsburgh	9 / Residential	22	0.98	Preferred	0 to 5

TSM002	South Hoswick, Sandwich	9 / Residential	12	1.20	Preferred, but not for the proposed density. Site is likely to be appropriate for 3-4 units maximum	0 to 5
TSM003	Flanderstown, Cunningsburgh	9 / Residential	2 to 4	0.30	Preferred	0 to 5
TSM004	Area 1, Lower Hillside, Gulberwick	9 / Residential	15	2.05	Preferred	0 to 5
TSM005	Area 2 Lower Setter, Gulberwick	9 / Residential	33	4.67	Preferred	0 to 5
TSM006	Area 3, Mid Setter, Gulberwick	9 / Residential	6	0.83	Preferred	0 to 5
TSM007	Area 4 Upper Setter, Gulberwick	9 / Residential	44	6.13	Preferred	0 to 5
TSM008	Area 5, Heathery Park, Gulberwick	9 / Residential	9	1.23	Preferred	0 to 5
TSM009	Muggator, Easter Quarff	9 / Residential	36	5.65	Preferred	0 to 5
TSM010	Megston, Wester Quarff	9 / Residential	13	4.26	Not Preferred	0 to 5
TSM011	Brakefield, Sandwich	9 / Residential	7	1.10	Preferred	5 to 10
TSM012	Mid Stove, Sandwich	9 / Residential	28	4.20	Preferred	10+
TSM013	Stove, Sandwich	9 / Residential	5	0.70	Preferred	0 to 5
TSM014	Whirligarth, Sandwich	9 / Residential	3	0.40	Preferred	0 to 5

TSM015	Quarff House, Quarff	9 / Residential	20+	6.94	Partially Preferred, two northern areas appropriate. Concerns regarding access to two southern sections.	0 to 5
TSM016	Westside, Fladdabister	9 / Residential	6	3.46	Not Preferred	0 to 5
TSM017	Land at Brindister Quarry	4 / 5 / 6 Ind	N/A	23.50	Preferred	Unknown
TSM018	Glebe Park, Quarff	9 / Residential	c12	1.80	Preferred	0 to 5
TSM019	Land at Gulberwick	9 / Residential	45	7.00	Preferred	Phased over 0 to 5 AND 5 to 10
TSM020	Old Main Road, Cunningsburgh	9 / Residential	3	0.60	Not Preferred	0 to 5
TSM021	Westside, Fladdabister, Cunningsburgh	9 / Residential	5	2.20	Preferred	0 to 5
TSM022	Westside, Fladdabister	9 / Residential	3	0.50	Preferred	0 to 5
TWM001	Marthastoon, Aith	9 / Residential	8	0.33	Preferred	0 to 5
TWM002	Old Aith School	9 / Residential	3	0.36	Preferred	0 to 5
TWM003	Adjacent to Kirkside, Walls	9 / Residential	4 to 6	0.40	Preferred	0 to 5

The SEA process was fully integrated into the site assessment process. All sites were subject to a desk based GIS assessment to identify known constraints e.g. designated sites. All sites were then visited by planning officers and further information collected. All key internal departments, national and local agencies were contacted for initial comments.



North Isles

-  Call for Sites (Preferred Site)
-  Preferred Areas of Growth: Housing
-  Preferred Areas of Growth: Industry/Employment
-  Local Nature Conservation Site
-  Protected Areas (National Designations)
-  Locality Boundary

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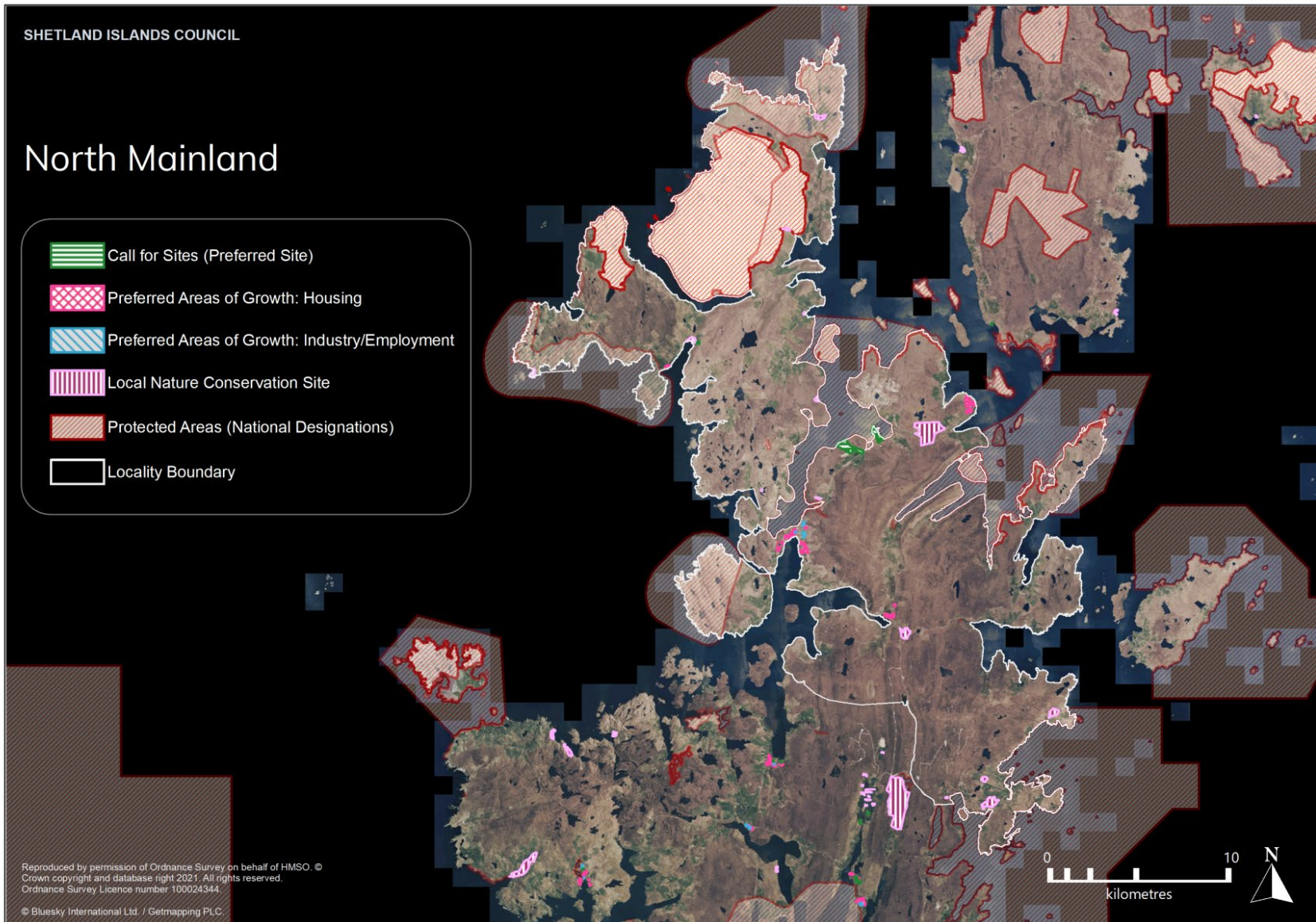
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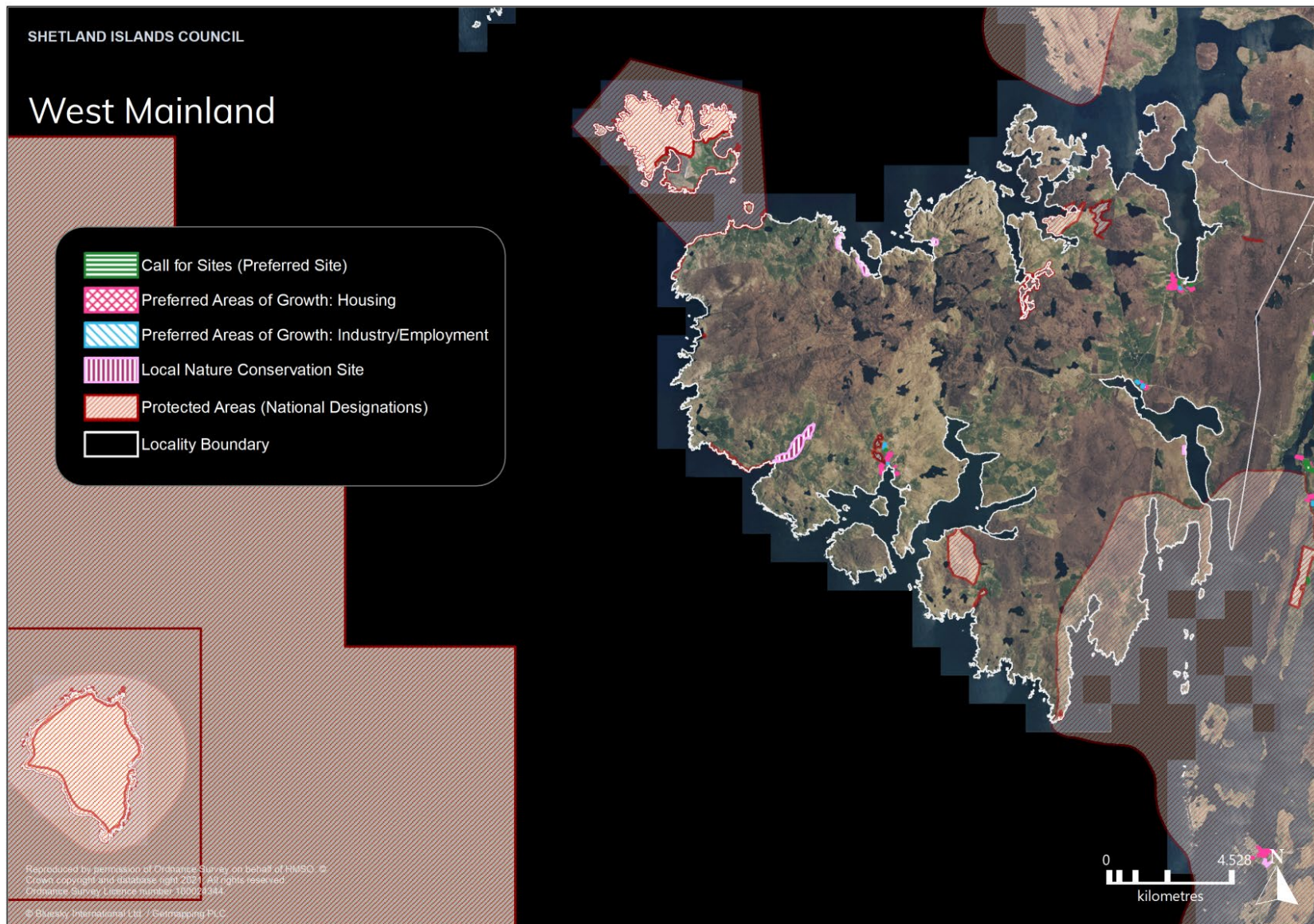


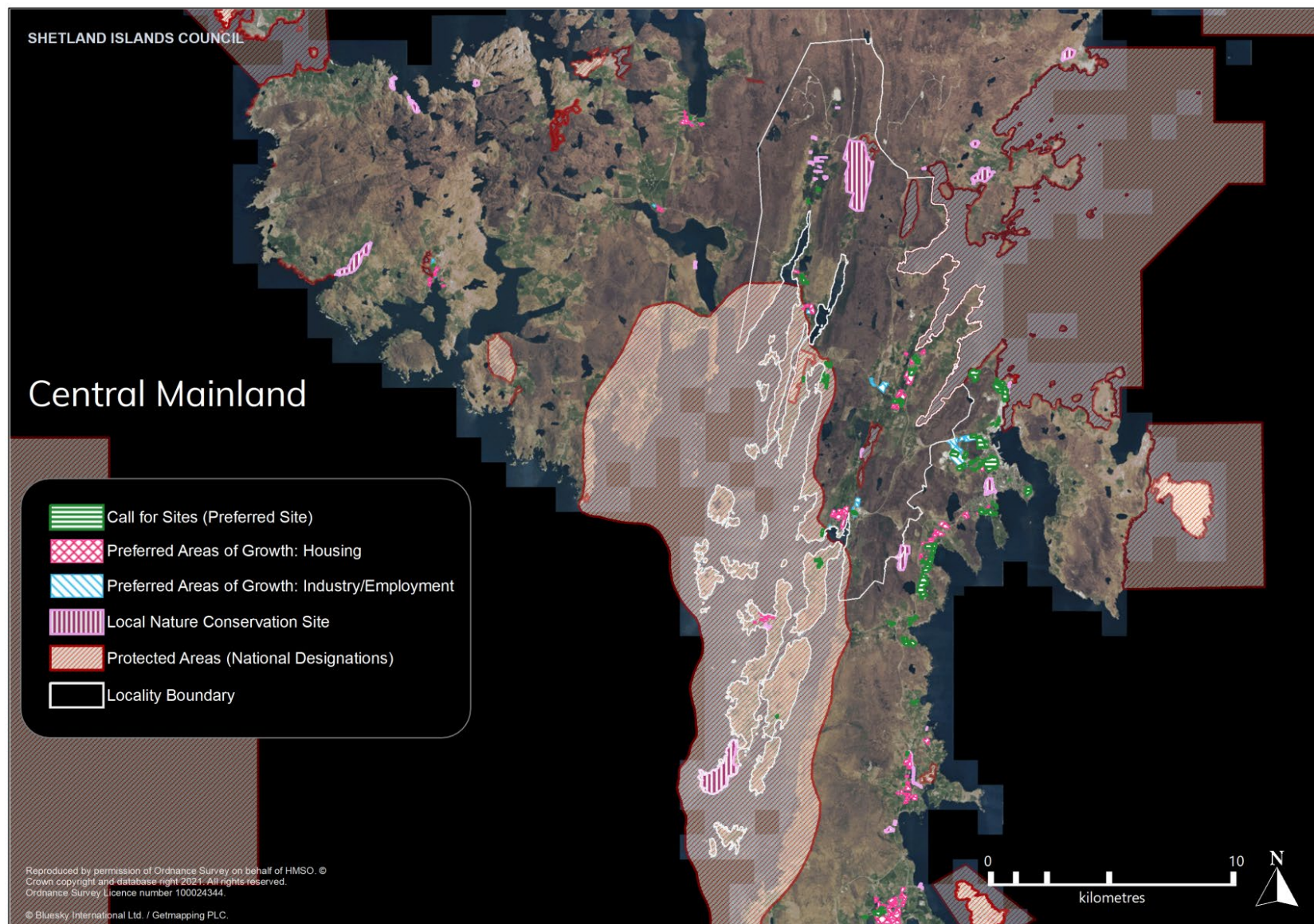


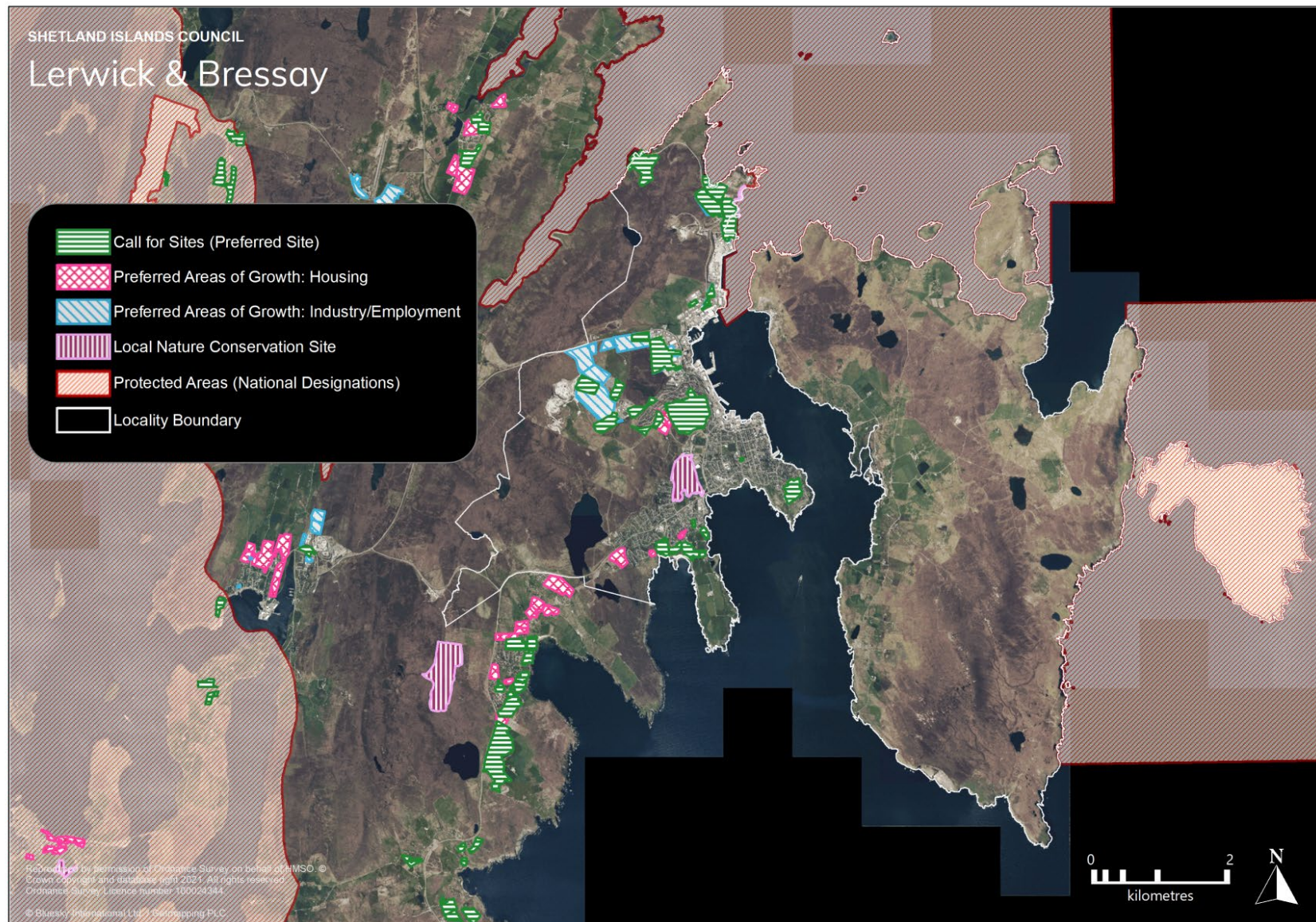
North Mainland

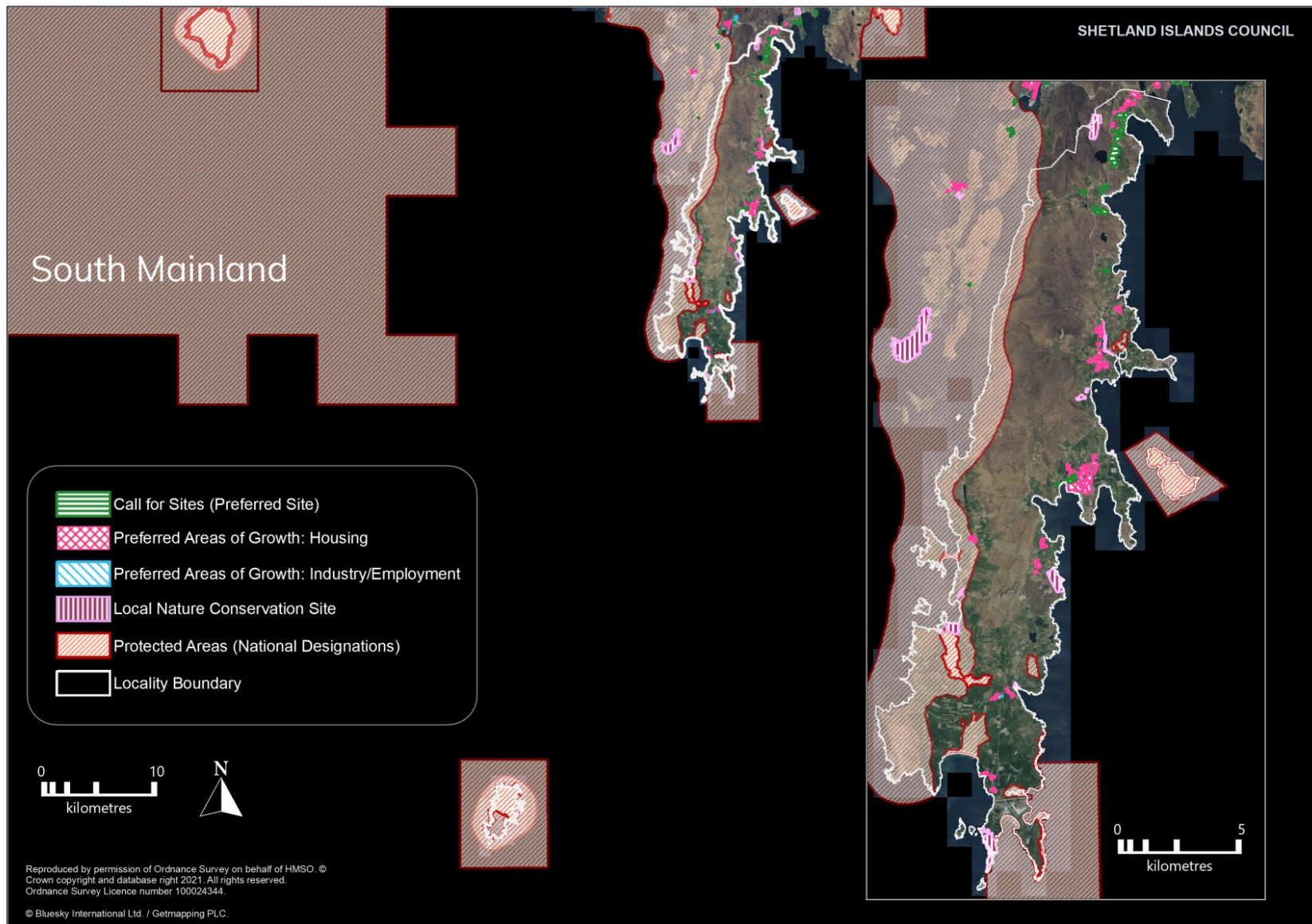
-  Call for Sites (Preferred Site)
-  Preferred Areas of Growth: Housing
-  Preferred Areas of Growth: Industry/Employment
-  Local Nature Conservation Site
-  Protected Areas (National Designations)
-  Locality Boundary











Delivering on Housing Demand:

Scottish Planning Policy requires planning authorities to identify a generous supply of land for housing and to plan for a 20 year period. The evidence base for calculating how much land we need for housing is set out in the Housing Need and Demand Assessment (HNDA). Shetland's HNDA is currently in draft form and is awaiting a Robust and Credible status from the Scottish Government. Therefore, all figures are subject to change and the final housing numbers presented in our Proposed Plan may change to reflect this. We do not however, expect there to be any significant changes.

The draft HNDA identifies a need and demand for an average of a total of 896 units between 2021 and 2040. However this need is not evenly distributed throughout this term. It is concentrated in the first 5 years, to allow for existing housing need to be met. Therefore, 146 units are required per year between 2021 and 2025, reducing thereafter. This makes provision of effective land for housing in the first 5 years key to addressing housing need. Shetland is divided into 6 Housing Market Areas (HMAs), and a demand figures for each HMA has been calculated.

HMA	2021-2025	2026-2030	2031 -2035	2036-2040	TOTAL
North Isles	61	23	2	-6	80
North Mainland	73	28	3	-8	97
Central Mainland	100	30	3	-8	124
West Mainland	32	17	2	-5	46
Lerwick and Bressay	372	66	7	-18	427
South Mainland	91	37	4	-10	122
SHETLAND	729	201	21	-55	902

Source: Draft HNDA 2021-2040

The figures shown in Table x above have informed the number and housing capacity of preferred sites in this Main Issues Report. In the next few months, it is hoped that the Draft HNDA will achieve Robust and Credible Status and we

will have more certainty on the housing demand numbers. Once confirmed, this evidence, along with feedback from the MIR consultation and further consideration of local

circumstances and needs, will be used to inform the finalised totals and site selection for LDP2.

Taking a Strategic Approach to Growth

LDP2 will have a central role to play in providing certainty about where development will and will not take place. This will help us safeguard strategic land for future development and prevent sterilisation of key sites/areas.

We currently have a high level of unplanned 'windfall' development happening where planning applications come forward for sites not identified in the current LDP. Over the last 5 years, more than 50% of housing approvals, and 60% of business and industry approvals, have been for windfall sites.

We are aiming to reduce the level of windfall development and encourage new developments to be sited on allocated sites of within our preferred areas of growth in order to promote a more planned approach to new development and infrastructure investment. This will allow us to assess the impacts of new development on our schools, transport, health care and community facilities so that improvements/investment can be planned for.

Good planning for infrastructure increases certainty, can create efficiencies, reduce costs and help to manage the phasing of development.

We are however aware that windfall housing is an established delivery mechanism for housing in our more rural areas where

the historic build pattern has been for single houses.

It is expected that Windfall development will continue to be an important delivery solution on our next plan, however, this can only be allowed in the right place and therefore the hierarchy of development is an important consideration.

Preferred Option: Scottish Planning Policy states that we should "set out a spatial strategy which is both sustainable and deliverable, providing confidence to stakeholders that the outcomes can be achieved" We think that our preferred option does this. It is in the most part similar to the existing spatial strategy in LDP1. Changes we have introduced are Allocations and Preferred areas of growth. Both these additions provide more certainty for those living within communities as well as for developers.

Alternative Option: An alternative option could be to focus all new development in Lerwick and its surrounding settlements, which could be seen by some as a more sustainable option in so far as it is focussing the population closer to the existing primary service hub. However, we do not think that this is a viable alternative as it would not sustain our rural communities which is key to our vision and also to the vision of Our Ambition.

Questions: Are you happy with the spatial strategy in our preferred option?

Do you feel we should be doing anything else?

Climate Change

Green Energy



Active Travel



Sustainable Transport



Reduce Emissions



Sustainable Food



Green Jobs



Climate Change

Main Issue 2: Climate Change and Sustainable Development

In 2018 the Scottish Government published the Climate Change Plan. This Plan was updated in 2020 to reflect the new ambitious targets set by the Scottish Government to end Scotland's contribution to climate change by 2045. Scotland has committed to reduce emissions by 75% by 2030 (compared with 1990) and to net zero by 2045.

Climate change is a key global issue and its effects are likely to have significant impacts on the quality of life for our communities in Shetland – now and in the future. The Shetland Islands Council, along with the Scottish Government, recognise that there is a global climate emergency and remain committed to ending Scotland's contribution to climate change, by promoting sustainable development that will contribute to our green recovery and transition to net zero.

The resilience of our communities must improve in order to adapt to the ever-increasing challenges of climate change. With new developments not permitted in areas where we already see climate-related changes, such as areas prone to flooding. New developments also need to be more efficient in their use of resources, and reduce reliance on vehicles,

access to public transport links, and active travel means such as walking and cycling.

Mitigation of climate change also involves the protection and restoration of our carbon rich soils – or carbon stores, and the reduction of greenhouse gas emissions both during development and through the life of that development. By changing the way we site, build and use buildings, we can reduce the use of resources, energy, and waste and increase heat and thermal efficiency. This is all strongly linked to good Placemaking.

In addition to the design and construction of new buildings and developments, adapting to the projected climate changes predicted for Scotland over the lifetime of existing developments, includes retro-fitting appropriate adaptations to the current building stock and infrastructure, as well as reducing and managing flood risk.

LDP2 must reflect both the Scottish Government targets and those of the Council's yet-to-be published Net Zero Route Map.

Post-COVID and our Green Economic Recovery

As we slowly start to emerge from the global pandemic, support for our various business and industry sectors has never been so important. The COVID-19 pandemic has both highlighted and added to the vulnerability of Shetland's economy.

The Scottish Government's Green Economic Recovery is a commitment to a transition to net zero emissions. As highlighted within the Scottish Government's Update to the Climate Change Plan 2018-2032 – Securing a Green Recovery on a Path to Net Zero – our move to net zero will be undertaken in partnership with those impacted by the transition, to ensure that it is done in a way that is fair and just. This 'just transition' will ensure that we deliver a thriving sustainable economy that works for all, and which supports a climate resilient economy that delivers fairness and tackles inequality and injustice.

Part of this transition will require helping and supporting our business and industry sectors to adapt and innovate, and for them to play a leading role in the development and use of low carbon technologies which aid that transition.

LDP2 must reflect the transition to net zero, and continue to offer policy support for our local business and industry sector, to allow them to grow and thrive. This policy support must also include a commitment to encourage and push for the decarbonisation of industrial processes, and of both the use and construction of the buildings which the sector occupies.

Local Development Plan 2014 contains eight policies, two Adopted Supplementary Guidance, and three Draft Supplementary Guidance documents that seek to control and mitigate climate change

These policies are:

- GP1 Sustainable Development:
- GP2 General Requirements for All Development:
- NH5 Soils
- NH 6 Geodiversity
- RE1 Renewable Energy
- WD1 Flooding Avoidance
- ED1 Support for Business and Industry
- ED2 Commercial and Business Developments

Supplementary Guidance:

- Onshore Wind Energy (adopted February 2018),

- Local Natural Conservation Sites (adopted February 2015)

Draft Supplementary Guidance:

- Water and Drainage
- Natural Heritage
- Business and Industry

Current policy: The current Local Plan contains eight policies that touch on and seek to control any developments that would have a negative effect on climate change.

Policy GP1 Sustainable Development: a very general and overarching primary policy that ensures development meets the economic and social needs of Shetland in a manner that does not compromise the ability of future generations.

Overarching policy GP2 General Requirements for All Development: builds on that by seeking to ensure that all new development is constructed and designed so as to minimise the use of energy and to adapt to impacts arising from climate change, such as the increased probability of flooding; water stress, such as water supply; health or community impacts as a result of extreme climatic events; and a change in richness of biodiversity.

In terms of protection of our natural heritage, policy NH6 Geodiversity, seeks to protect the natural environment but only briefly mentions climate change. Our soils policy NH5

Soils goes into more detail regarding the importance of soil resources and functions including its storage of carbon.

Policy RE1 Renewable Energy: This policy supports the Council's commitment to delivering renewable energy developments that contribute to the sustainable development of Shetland. The policy supports renewable energy development from natural sources that are constantly and sustainably replenished such as sunlight, wind, rain, tides, wave and biomass; it also includes energy from waste.

Finally, Policy WD1 Flooding Avoidance: acknowledges that sea levels are rising and that storms will become more frequent and more severe, which may result in serious consequences for established coastal settlements. The policy ensures that developments below the 5 metre contour, are not permitted unless a suitable Flood Risk Assessment is provided. LDP contains three policies within the Economic Development chapter (along with Supplementary Guidance), two of which cover and supports business and industry and the sustainable location of proposed

industrial/commercial buildings, but none set out any controls or aims on the decarbonisation of our industrial developments.

The next LDP2 should support the Vision and Objectives and to reflect current national and local policies and objectives – namely NPF3, SPP, Our Ambition (2021-2026), and Shetland Partnership Plan (2018-2028) and to better align with the forthcoming SIC Climate Change Net Zero Route Map.

Preferred Option: To replace existing overarching policies GP1 and GP2, with a new principle policy “Climate Change and Sustainable Development” to better align with Government Climate Change priorities in order to achieve net zero targets.

To update relevant policies to better reflect Shetland Active Travel Strategy (2021-2026) and Shetland Transport Strategy (2018-2028) and also our economic development policies to better reflect the Government and the Council’s aims to decarbonise our industrial and commercial developments and processes.

These new policies will be:

- Greenhouse gas reduction through sustainable siting and design
- Low and Zero Carbon Buildings and Construction
- Protection and Management of Peat and Carbon Rich Soils
- Renewable Heat Generation
- Resource Use and Waste Management

The updated policies will:

- Bring the natural heritage policies in-line with current national and local policies and strategies
- Move the applicable natural heritage policies to sit within the climate change and sustainable development overarching policy – for example NH3 Furthering the Conservation of Biodiversity and NH5 Soils.
- Introduce Scotland’s route to net zero aims within each applicable policy
- Include within the updated business and industry policies, reference to applicable Climate Change and Sustainable Energy policies – namely the Greenhouse Gas and Low and Zero Carbon Buildings
- Ensure that any update within our business and industrial policies follow the ‘Fair and Just’ transition principles
- Update RE1 Renewable Energy policy to align with current national policy on net zero and climate change targets
- Update relevant policies in-line with Shetland Active Travel Strategy (2021-2026) and Shetland Transport Strategy 92018-2028)

Alternative Option: We think there is no alternative option in terms of updating current LDP policies that better reflect national and local policies, aims, and objectives. The current LDP policies:

- Fall short in terms of climate change aims and targets

- Fall short and do not reference of the aims and objectives set by the Scottish Government's in terms of our route to net zero and our fair and just transition to a green recovery.
- Do not fully support the aims and outcomes set out within the Council's Our Ambition (2021-2026), The Partnership Plan and the Council's forthcoming Net Zero Route Map in terms of current, relevant, and up-to-date climate change mitigation and prevention
- Are not in-line with the Shetland Active Travel Strategy (2021-2026) and Shetland Transport Strategy (2018-2028)

Question: Do you agree with our preferred option that we should be doing more within the next LDP2 to help mitigate against the effects of climate change?

In our preferred option we have suggested a number of new policies and a number of policies to be updated – do you think we have missed anything?

Is there anything else you feel we should be including?

Place & Environment

Outdoor Access



Environment



Place



Green & Blue Networks



Ecosystems



Open Space



Place and Environment

Main Issue 3: Outdoor Access

Many of Shetland's residents and visitors are already aware of the importance of access to Shetland's valuable natural assets including its coastline, but the benefits and opportunities it provides have been further highlighted during the pandemic and lockdown, with many of Shetland's residents enjoying the health and wellbeing that outdoor activities bring. Outdoor access and recreation are also a key attraction for Shetland and a major driver of international tourism.

Outdoor access is also how we move within and around our settlements and open spaces, and how we access walking, cycling or public transport routes to access goods and

services as well as the countryside. Improving physical and mental health within our community by supporting developments that encourage and promote outdoor access and active travel choices, must be a priority within LDP2.

Good access management does not stop at protecting and enhancing our existing formal routes, it also extends to how we design new developments and how we identify opportunities to create and enhance new active travel networks.

LDP2 must provide support for the continuing development and protection of our Core Paths, access routes, and other active travel route networks through and within new developments. Local Plan policy should ensure that new developments are easy to move around, with good connectivity between public open spaces and locality hubs, and that we ensure good access to walking, cycling and public transport routes.

Local Development Plan 2014 contains two policies and one Adopted Supplementary Guidance document that address outdoor access and active travel.

These policies are:

- GP1 Sustainable Development
- GP2 General Requirements for All Development:

Supplementary Guidance:

- The Outdoor Access Strategy (Adopted September 2019)

Current policy: The current Local Development Plan contains only two policies that touch on elements of outdoor access and active travel. The Plan does not specifically mention outdoor access, only within the justification of policy GP2 where it states that “we should build safe, pleasant and successful communities, and promote opportunities for participation in healthy lifestyles.” Opportunities to promote active travel are briefly highlighted within the justification for policy GP1 but are not mentioned within the policy itself.

Preferred Option: We want to introduce a new Outdoor Access policy that supports the aims and objectives of the National Planning Framework 3, Scottish Planning Policy and other relevant national and local strategies and policies.

A new Outdoor Access policy will:

- Complement the proposed new Green and Blue Networks policy (see main issue4)
- Complement the new Placemaking policy (see main issue 9)
- Ensure that all new development seeks to facilitate greater access and enjoyment of both rural and urban outdoor spaces and that access to these

resources are not inhibited or sterilised by poorly designed and sited developments.

- will seek to ensure Outdoor Access Management Plans are submitted for:
 - new residential or mixed-use development of appropriate scale
 - industrial developments, including onshore wind sites
- That all new development is designed in accordance with:
 - The Shetland Outdoor Access Strategy 2019
 - The Land Reform (Scotland) act 2003 and will follow national guidance on cycling and walking provision
 - Council's Active Travel Strategy (2021 – 2026).

Alternative Option: An alternative is to not introduce a policy on outdoor access. We have not chosen this as our preferred option because it would not be in-line with current NPF3 and SPP policy on outdoor access, nor would it comply with the Council's Active Travel Strategy and The Shetland Outdoor Access Strategy.

Question: Do you agree with our preferred option to create a new policy that will protect and further develop our Core Paths, and will seek better connectivity in new developments to walking, cycling, and public transport routes?

Main Issue 4: Green and Blue Networks

Green and Blue Networks are defined as:

‘Features of the natural and built environment (including water) that provide a range of ecosystems and social benefits’.

Green infrastructure includes parks, open spaces, playing fields, woodlands, wetlands, road verges, allotments and private gardens and pathways. Blue Infrastructure includes sustainable urban drainage, swales, wetlands, and other water courses.

Well designed, multi-functional green and blue networks are a fundamental component of successful places, and provide a range of benefits: improving quality of place, providing opportunities for biodiversity, to get outdoors and lead healthier lives including safe and pleasant walking and cycling, strengthening landscape character and improving vacant and derelict land.

Green and blue infrastructure can contribute to climate change mitigation and adaptation, protection against flooding and erosion.

Dual purpose areas that incorporate surface-water drainage with green infrastructure, or recreational space for example, can bring a huge host of benefits to both biodiversity and the health and wellbeing of our communities.

LDP2 must promote and encourage high standards of blue and green infrastructure provision within all types of new developments. This high standard should not just be for medium to large developments, but also for smaller developments such as single houses for example, that may form part of a future larger residential development.

A proportionate approach for single housing developments should be applied, as no single house builder should bear the burden of providing green and blue infrastructure for a larger scheme. Designing in green and blue infrastructure into a house site can be as simple as allowing room on a site for future network provision (or corridors).

There are good examples of new developments in Shetland that have incorporated combined green and blue infrastructure, creating new opportunities for biodiversity conservation and green open space with its positive effects on health and well-being. However there are examples where lack of forethought in terms of movement throughout developments, inadequate provision of open space or public realm, or inadequate provision of areas for

future surface water draining network, can lead to low-quality places.

Local Development Plan 2014 contains three policies and two Draft Supplementary Guidance documents that touch on green and blue networks

These policies are:

- GP2 General Requirements for All Development:
- WD3 SuDs
- NH7 Water Environment

Draft Supplementary Guidance:

- Placemaking
- Water and Drainage

Current policy: The current Local Development Plan contains three policies that briefly control development that may impact on surface water drainage and/or the water environment. The current LDP does not contain any blue and green network policies, nor any policies which either seek to protect existing, or develop new green and blue networks.

Preferred Option: We think that a new policy specifically relating to blue and green networks in new developments is required in LDP2.

The new policy will:

- Protect existing green and blue networks

- Ensure that all new developments for medium to large housing and industrial developments, incorporate high standards of blue and green infrastructure into their design.
- Will ensure that provision for future blue and green infrastructure networks – or corridors/pathways - are adequately thought out and incorporated within every level of development
- Be applied proportionately, ensuring no single/smaller development bears the full burden of future green and blue infrastructure provision across a larger development

- Complement the new Outdoor Access policy if approved by consultation
- Work alongside the existing policies to ensure new developments meet the minimum standards and aims in terms of drainage, flood resilience, site access and permeability, green space and biodiversity.

Alternative Option: The alternative option is to not introduce a specific Green / blue network policy, and instead rely on existing LDP policies and the policies of relevant Key Agencies or organisations to promote the use of green / blue networks. We have not chosen this as our preferred option because it does not comply with national policy on biodiversity protection and enhancement, as per NPF3 and specifically SPP Valuing the Natural Environment.

Question: Do you agree with our preferred option to create a new policy that will address green and blue network infrastructure in all new developments?

People & Our Communities

Localities



Housing



Digital Connectivity



Land Supply



Remote Communities



People and our Communities

Main Issue 5: Enhancing our Town Centre and Village Retail Areas

Our town centre and village retail areas are the heart of our communities - they can provide access to products and services, but can also provide a focus for sustainable economic and social activity. However, they are increasingly under threat due to economic and social change.

In 2013 the Scottish Government published the Town Centre Action Plan, in response to the National Review of Town Centres. It emphasised the roll of town centres and the need to prioritise and support them by using the Town Centre First principle, in order to aid a wider decision-making that considers the health and vibrancy of town centres.

The Town Centre First Principle asks that the government, local authorities, the wider public sector, businesses and communities put the health of town centres at the heart of decision making. Whilst the Principle is not a duty and it is not prescriptive, its aims should continue to act as a guide as we develop LDP2 and this principle should extend to our villages.

While Lerwick is Shetland's only town, within each of our localities there are settlements that serve as Locality Hubs

providing some retail and service offerings to the surrounding communities. In addition to this, some of our localities contain settlements that have a higher population, and provide significant employment via retail service provision and other industries. We have identified the villages of Scalloway and Brae as providing this function.

By understanding our communities own local needs and circumstances, LDP2 will continue to support an approach that maintains and promotes the health of our town centre, village retail areas and Locality Hubs. They are a key element of the economic and social fabric of Shetland. LDP2 will continue to build on policies that promote a mixture of uses that support the 'Alive after Five' principle. By promoting an appropriate mix of uses, we ensure that they remain active and vibrant areas of commercial, service provision, and social hubs.

Attracting the correct balance through living, working, or accessing retail services, is vital for the continued survival and future success of our town centre, villages and Locality Hubs. LDP2 shall continue to direct developments that create footfall, service provision, or employment to our town centre, village retail areas and in our more remote and rural areas to the main Locality Hubs.

LDP2 will continue to support the siting of residentially compatible business and retail developments within our established settlements, in accordance with the 20-minute neighbourhood (see below) and good Placemaking principles.

Local Development Plan 2014 contains two policies and one Draft Supplementary Guidance document that specifically address town centre developments.

These policies are:

- ED3 Lerwick Town Centre
- HE3 Conservation Areas

Draft Supplementary Guidance:

- Historic Environment

Current policy: The current Local Development Plan 2014 contains one policy that addresses Lerwick town centre developments; the policy does not mention rural economic centres or established shopping/retail area out with Lerwick – policy ED1 and ED2 with the Economic Development chapter mentions support for rural retail and industry within the policy its justification.

Preferred Option: We think that existing policy ED3 should be updated to identify not only Lerwick (Tier 1 Settlement) but also Brae and Scalloway (Tier 1 Settlement) and acknowledge our village retail areas and locality hubs across Shetland, are also in need of support to ensure their continued economic viability and social vitality. Importantly this policy should seek to balance the promotion of our retail and service industry across Shetland to the most

appropriate and sustainable locations, and where necessary, encourage the highest footfall proposals to locate to our town centre. For further information on Tiers, please refer to Main Issue 1: Spatial Strategy.

The updated policy will:

- Acknowledge the importance of all our village retail areas across all our communities
- Be in accordance with current national and local policies and guidance
- Acknowledge additional supporting role Scalloway and Brae (as a Tier 1 settlement) within the policy text, and will acknowledge the importance of our many villages and their established retail and service areas or Locality Hubs

- Introduce the Town Centre First Principle for Lerwick - this will be considered for uses which attract significant numbers of people, including retail and commercial leisure, offices, community and cultural facilities. In other words, we should guide high footfall proposals to our economic centre.
- Support and promote high footfall rural developments to our villages in-line with other economic development policies

- Refer to our Preferred areas of Growth (form more information please refer to Main Issue 1: Spatial Strategy) and the 20-Minute Neighbourhoods
- Refer to and promote the Town Centre Health Check
- Support town centre events and initiatives such as pop-up markets

The 20-minute Neighbourhood concept

The 20-minute Neighbourhood concept should play an important role when assessing new developments, as should the concept of rural Locality Hubs or service hubs such as Brae, Scalloway or Baltasound for example. The 20-minute neighbourhood concept played a part in helping us identify suitable land for our preferred areas of growth (see Main Issue 1 – Spatial Strategy). The 20-minute neighbourhood is all about ‘living locally’, and giving people the ability to meet most of their daily needs within a 20-minute return walk from home, with access to safe cycling and transport options.

In a Shetland context, we have acknowledged that this concept could not be applied too rigidly, as many of Shetland’s more remote and rural communities have established retail centres and services that cannot meet the 20-minute neighbourhood principle - namely by the residential homes at the peripheral edges of our more loosely scattered settlements. However, its principles should form the basis of assessing any new developments.

The next LDP2 will recognise that access to service hubs by our more remote communities is undertaken primarily by car. However, by ensuring we continue to develop hubs such as Brae, we will reduce the reliance on travelling into Lerwick for basic retail services, therefore reducing car journey times and distances. The next

LDP2 will support the continued development of public transport networks, and active travel measures that allow easy access to Shetland's many service hubs.

Locality Hubs

Locality Hubs as they are also known, play a very important role in the provision of business and retail services across Shetland's many communities. Locality hubs can for example, be the focal point for the delivery of basic services and needs such as your local shop, which can play an important economic and social role within community life. They can also help reduce the carbon footprint of living in our more remote and rural communities, by reducing car and public transport journeys into Lerwick, our primary service hub. They also allow more active travel choices in order to access these services, such as walking and cycling.

Brae as an example of a Locality Hub:

Brae as a village contains a wide variety of education, leisure, health and retail services and is a significant employment hub within the North Mainland Locality. These services do not just serve the population of Brae, but also the people living within the Northmavine area and beyond. People can make one car or public transport journey to Brae to access its many services, in close proximity to each other.

By ensuring we adopt a place-based approach to these service hubs we can strengthen their viability and the benefits they can provide to their outlying communities, resulting in reduced travel time and less single-use car journeys. LDP2 will support the continued development of public transport networks, and active travel measures that allow easy access to Shetland's many service hubs.

Alternative Option: An alternative option could be to continue with LDP policy ED3 Lerwick Town Centre that references Lerwick as our town and main Locality Hub, and does not acknowledge the role our rural Locality Hubs play in retail and service provision.

Question: Do you agree with our preferred option to update our Lerwick Town Centre policy ED3 to reflect the Town Centre First principle and to acknowledge the importance of our rural hubs in retail and service provision across Shetland?

Town Centre First Principle

Scottish Planning Policy 2014

NPF3 reflects the importance of town centres as a key element of the economic and social fabric of Scotland. Much of Scotland's population lives and works in towns, within city regions, in our rural areas and on our coasts and islands. Town centres are at the heart of their communities and can be hubs for a range of activities. It is important that planning supports the role of town centres to thrive and meet the needs of their residents, businesses and visitors for the 21st century.

The town centre first principle, stemming from the Town Centre Action Plan, promotes an approach to wider decision-making that considers the health and vibrancy of town centres.

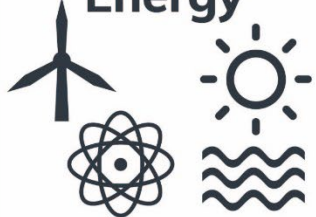
Planning for town centres should be flexible and proactive, enabling a wide range of uses which bring people into town centres. The planning system should:

- apply a town centre first policy when planning for uses which attract significant numbers of people, including retail and commercial leisure, offices, community and cultural facilities;
- encourage a mix of uses in town centres to support their vibrancy, vitality and viability throughout the day and into the evening;

- ensure development plans, decision-making and monitoring support successful town centres; and
- consider opportunities for promoting residential use within town centres where this fits with local need and demand.

Work & Economy

Renewable Energy



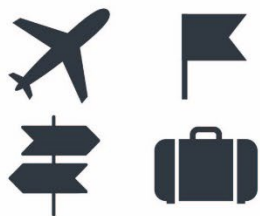
Oil & Gas



Fishing & Aquaculture



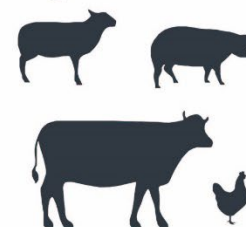
Tourism



Creative Industries



Agriculture



Main Issue 6: Supporting our Remote and Rural Communities

Our more remote and rural communities are, by definition, distant from our main service hub Lerwick, and experience a unique set of challenges. These challenges can include economic and social decline, and de-population. Our Spatial strategy and Vision reflect our desire to support these communities and enable them to thrive.

Promoting the sustainable growth of our islands and rural communities through proactive and inclusive policies, must be a continued priority within LDP2. Policies that support house building across all tenures, support existing rural business and industry, and enable the creation of new sustainable businesses and industries, will continue to be a key aim. LDP2 policies will: enable house building across all tenures; support existing rural businesses; facilitate the creation of new sustainable businesses and industries.

LDP2 recognises the need to reduce travel and will priorities opportunities for people to live and work within our remote and

rural communities, and where this is not possible, support the necessary infrastructure that will allow and enable low carbon living.

The policies contained within the current LDP were designed to support a long-term sustainable pattern of development within our remote and rural areas. LDP2 will continue that aim, and will continue to promote and support the right development in the right place.

LDP2 will also recognise that there will be particular situations where development cannot be located within existing settlements, and will need to be located in the wider countryside. Our refreshed policies will support developments where it can be demonstrated that they do not cause an adverse impact on the environment or the sustainability of the community, we still seek to avoid developments which could:

- Lead to suburbanisation of the countryside
- Place undue pressure on existing services,
- Contribute to social isolation,
- Where access to public transport or active travel choices are limited.

Local Development Plan 2014 contains six policies and two Draft Supplementary Guidance documents that promotes development in and around our rural communities.

These policies are:

- GP2 General Requirements for All Development
- ED1 Support for Business and Industry
- ED2 Commercial and Business Developments
- CF 1 Community Facilities and Services (incl. Education)
- H3 All Housing Development
- H5 Siting and Design

Draft Supplementary Guidance:

- Business and Industry
- Placemaking

Current policy: The current Local Development Plan contains six policies that support our rural population and seek to reverse rural depopulation. Policy GP2 General Requirements for all Development sets out the minimum requirements for any new development in Shetland. Our economic development policies also support business and industry that creates and maintains strong, healthy, vibrant and sustainable rural communities.

We would like to replace Policy GP2 General Requirements for All Development and H5 Siting and Design, with a new Placemaking policy, which will contain more detail on the principles of good siting of development and creating easy access to services in both our towns and rural settlements.

Preferred Option: To create a new Placemaking Policy which will promote place-based sustainable development across Shetland, including our remote and rural communities. We propose that this policy will be supported by additional supplementary guidance.

We also propose to update existing Economic Development policies ED1 – ED3 to reflect these same Placemaking goals.

The new Placemaking Policy and updated Economic Development Policies will:

- Introduce clearer and more concise approaches to siting and design in a rural context (within the Placemaking policy – supported by the Placemaking guidance)

- Promote sustainable residential developments by introducing and applying the Locality Hub and 20-minute neighbourhood principles
- Support new and existing proposals that reduce the need for travel to Lerwick
- Encourage new developments that support sustainable development of our remote and rural communities.
- Support new developments within Allocated Sites* – as identified within the Call for Sites process
- Support new developments that are sited within the Preferred Areas of Growth*

- Promote sustainable economic development and employment-generating developments
- Support developments that can utilise existing services, and can tie in to existing public transport networks and active travel networks
- Ensure new developments in accordance with Council and local strategies

*See Main Issue 1: Spatial Strategy for further information on Allocated Sites, and the Preferred Areas of Growth.

The 20-minute Neighbourhood concept

The 20-minute Neighbourhood concept should play an important role when assessing new developments, as should the concept of rural Locality Hubs or service hubs such as Brae, Scalloway or Baltasound for example. The 20-minute neighbourhood concept played a part in helping us identify suitable land for our preferred areas of growth (see Main Issue 1 – Spatial Strategy). The 20-minute neighbourhood is all about ‘living locally’, and giving people the ability to meet most of their daily needs within a 20-minute return walk from home, with access to safe cycling and transport options.

In a Shetland context, we have acknowledged that this concept could not be applied too rigidly, as many of Shetland’s more remote and rural communities have established retail centres and services that cannot meet the 20-minute neighbourhood principle - namely by the residential homes at the peripheral edges of our more loosely scattered settlements. However, its principles should form the basis of assessing any new developments.

The next LDP2 will recognise that access to service hubs by our more remote communities is undertaken primarily by car. However, by ensuring we continue to

develop hubs such as Brae, we will reduce the reliance on travelling into Lerwick for basic retail services, therefore reducing car journey times and distances. The next LDP2 will support the continued development of public transport networks, and active travel measures that allow easy access to Shetland's many service hubs.

Locality Hubs

Locality Hubs as they are also known, play a very important role in the provision of business and retail services across Shetland's many communities. Locality hubs can for example, be the focal point for the delivery of basic services and needs such as your local shop, which can play an important economic and social role within community life. They can also help reduce the carbon footprint of living in our more remote and rural communities, by reducing car and public transport journeys into Lerwick, our primary service hub. They also allow more active travel choices in order to access these services, such as walking and cycling.

Brae as an example of a Locality Hub:

Brae as a village contains a wide variety of education, leisure, health and retail services and is a significant employment hub within the North Mainland Locality. These services do not just serve the population of Brae, but also the people living within the Northmavine area and beyond. People can make one car or public transport journey to Brae to access its many services, in close proximity to each other.

By ensuring we adopt a place-based approach to these service hubs we can strengthen their viability and the benefits they can provide to their outlying communities, resulting in reduced travel time and less single-use car journeys.

LDP2 will support the continued development of public transport networks, and active travel measures that allow easy access to Shetland's many service hubs.

Alternative Option: The alternative option is to not update our existing General Policies, Economic Development and Housing policies. This would not introduce the 20-minute neighbourhood principle or establish the importance of the Locality Hubs. We have chosen not to go with this option as it is not in-line with Scottish Government aspirations contained within NPF3, Scottish Planning Policy and the Scottish Government's policy on siting and design Creating Places (2013). Nor is it in-line with current aims on climate change and net zero targets. Also we do not feel that it provides enough support to vulnerable remote and rural communities.

Question:

- Do you agree with our preferred option to create a new policy and update existing policies to continue supporting the development of our remote and rural communities within the next LDP?
- Is there anything else that we should be doing within LDP2 to help our remote and rural communities?

Main Issue 7: Digital Connectivity

The global pandemic and lockdowns have highlighted digital capacity as an issue in many parts of Shetland's rural communities and villages. Being online is essential. It connects us to friends and family, keeps us informed and entertained, and helps our mental health. Being online helps us learn, work, and shop and gives us access to essential supplies from home. It is a vital component for the sustainable economic and social growth of not just our remote and rural communities, but our town and villages. Digital connectivity is also a vital component of Shetland's many local businesses and the on-going and future prosperity of our industry and trade.

Shetland's level of connectivity is significantly below that of both the rest of Scotland and the UK as a whole. LDP2 will continue to support and promote digital infrastructure in line with the Council's Digital Strategy which seeks to eliminate this inequality. The policies included in LDP2 will support the delivery of super-fast broadband and telecommunication networks across all areas of Shetland, and any option the Council chooses as set out within the SIC Connectivity Overview report (May 2021).

Local Development Plan 2014 contains two policies and one Draft Supplementary Guidance document that would specifically address the installation of digital communications infrastructure.

These policies are:

- ED1 Support for Business and Industry
- ED2 Commercial and Business Developments

Draft Supplementary Guidance:

- Business & Industry: (SGED5 Services Infrastructure and SGED6 Telecommunications Developments)

Current policy: The current Local Development Plan contains only two policies that would directly guide and support the installation of digital infrastructure – notwithstanding site-specific policies. The Plan does not expressly mention digital connectivity and telecoms infrastructure, only that development proposals which help promote the health and vitality of our communities, would be supported.

Preferred Option: Our preferred option is to update the two Economic Development policies listed above, specifically referencing digital infrastructure provision

and better reflecting our aims with regard to digital capacity building across all of Shetland's communities.

The updated policies will:

- Better reflect LDP2 support for sustainable economic development that includes improved communication network infrastructure
- Support proposals for the installation of superfast broadband infrastructure or telecoms infrastructure provision that supports the viability of services and communities

- Support national and local strategies that seek to implement digital infrastructure provision across Shetland

Alternative Option: We think there is no alternative to our preferred option. Failing to update our policies would mean LDP2 will not deliver on the Planning Outcomes contained within NPF3 – ‘A Connected Place’ and one of the Scottish Government’s Infrastructure Investment Plan ‘Scotland’s Digital Future’. It would also mean the policy would not directly support any digital strategy option the Council choses to adopt as set out within the SIC Connectivity Overview report (FarrPoint, May 2021).

Question: Do you agree with our preferred option to update our existing Economic Development policies to better support the installation of digital connection infrastructure?

Work and Economy

Main Issue 8: Future Mineral Extraction

Scottish Planning Policy requires Local Development Plans to safeguard “*all workable mineral resources which are of economic or conservation value*” and “ensure that these are not sterilised by other development”.

Shetland’s mineral extraction sites make an important contribution to our economy, providing raw materials for construction, manufacturing, agriculture and other sectors that support and creates employment.

LDPs should support the identification and maintenance of a land bank of “*permitted reserves*” (approved extraction sites) for construction aggregates of at least 10 years at a time. The land bank is expressed as the sum, in tonnes, of ALL *permitted reserves* and is used primarily for monitoring purposes.

Safeguarding locally sourced minerals is vital for our local construction industry, and other industries and works that rely on aggregates. Maintaining a supply source across Shetland ensures we have the most sustainable method of aggregate supply.

Local Development Plan 2014 contains one policy and one adopted Interim Planning Policy and one Draft Supplementary Guidance document that would specifically address mineral extraction.

The policy is:

- M1 Minerals Policy

Adopted Interim Planning Policy:

- Minerals (December 2009)

Draft Supplementary Guidance:

- Business & Industry

Current Policy: The current Local Plan contains one policy that specifically addresses mineral extraction sites, and further policies within the associated Interim Planning Policy: Minerals (Dec 2009). The current LDP does not provide protection for future mineral extraction sites, therefore inappropriate sited development, such as a domestic property, may sterilise that area for future mineral extraction (working times, noise, dust etc).

Preferred Option: To update our existing Minerals Policy in line with relevant national and local policies and to include measures to protect future mineral extraction sites. We also seek to:

- Proactively build engagement level with mineral extraction companies, which may enable a more thorough and responsive evidence base for how landbanks are maintained for different mineral types.
- To review and update the Interim Planning Policy: Minerals (Dec 2009) and seek to adopt as not statutory supplementary Guidance, which is supporting policy to the LDP.

The updated policy will:

- Provide safeguarding for existing mineral reserves where that industry information has been shared
- Provide safeguarding zones for future mineral extraction sites where that industry information has been shared
- To help safeguard mineral extraction sites from any inappropriate developments that would sterilise future extraction sites
- Seek to prevent and mitigate against mineral extraction sites that would have a negative impact on peat and carbon rich soils
- Protect areas of peatland and only permit commercial extraction in areas suffering historic significant damage through human activity, where the conservation value is low, and restoration is impossible.
- Ensure proper restoration, reinstatement, and decommissioning

Alternative Option: An alternative option would be to continue to use our policy M1 Minerals Policy in LDP2 and carry forward our non-statutory Supplementary Guidance on mineral extraction. We do not see this as the preferred option because the existing policy would not adequately safeguard our mineral resources.

Question: Do you agree with our preferred option to update our existing minerals policy, to better reflect current NPF3 and SPP policy?

Do you agree that we should seek more protection of our quarries, by including mapped safeguarding areas that will help stop inappropriate development sterilising future mineral extraction sites?

Main Issue 9: Developer Obligations

We welcome and prioritise the growth of our many communities, and LDP2 will reflect that commitment in its new and updated policies. New development can however, place additional pressure on infrastructure such as the road networks, and also services such as schools, transportation and health care facilities.

Developer obligations can be used as a contribution towards mitigating or addressing those impacts - including cumulative impacts - and can be an upfront payment, staged payment, or a payment in kind. They are intended to ensure that developers make appropriate provision for any negative impacts a development may have, or supply additional facilities that are required to lessen any impacts a proposed development will have within or out with a development site.

Developer obligations can have a limited, but useful, role to play in the planning process. They are not statutory and are applied at the discretion of each Local Authority, however they are entered into using either planning conditions or legal agreements.

Of Scotland's 32 Local Authorities, Shetland Islands Council is one of two who currently do not seek a developer contribution through a specific LDP policy or Supplementary Guidance.

How and when is it applied?

The policy framework governing the use of planning obligations is set out in detail in Circular 3/2012, the most recent version of which was published in November 2020. The Circular states that planning obligations should only be sought where they meet the five tests. The five tests are:

- 1. Are necessary to make the proposed development acceptable in planning terms;*
- 2. Serve a planning purpose and, where it is possible to identify infrastructure requirements in advance, should relate to development plans;*
- 3. Relate to the proposed development either as a direct consequence of the development or arising from the cumulative impact of development in the area;*
- 4. Fairly and reasonably relate in scale and kind to the proposed development; and*
- 5. Are reasonable in all other respects.*

Planning Law Circular 3/2012 stresses that planning obligations should only be used where the relevant outcome cannot be achieved through either a planning condition or an alternative legal agreement. They are normally sought towards projects identified within a Council's Capital Program, NHS Capital Schemes and other relevant plans and

strategies. The contribution or charging mechanisms, and how and where the payment will be spent, must be clearly presented and laid out within supporting guidance.

There is no definitive list of what can be secured through developer obligations, as infrastructure capacity or service capacity may differ depending on the location and size of the development.

Developer obligations can be used towards the following:

- Affordable housing
- Education
- Healthcare
- Community halls
- Sports and recreation facilities
- Environmental and access improvements
- Waste & recycling facilities
- Public art & heritage
- Transport infrastructure

In terms of house building, most Local Authorities, when applying their obligations policy, charge a standard fee per three-bedroom unit. This standard charge increases or decreases depending on the number of bedrooms. Single-bedroom units are normally exempt from contributions, with some local authorities not charging for two-bedroom units. Most Local Authorities have a minimum number of units per site before they request payment – this normally sits at a four unit site or above.

Exemptions from Developer Contributions

Exemption from contributions varies across Scotland's 32 Local Authorities as any exemptions in whole or in part are at the discretion of the Council. As stated, most Local Authorities have a site size limit, a minimum number of houses (usually four or above) or a minimum number of bedrooms before their obligations policy is triggered.

Affordable housing is seen as a contribution in its own right, as this is an important addition to communities and is an accepted method of meeting an obligation by contributing to wider society. A private housing developer would be expected to pay a contribution for each unit, however any affordable house provision within the site would be exempt from payment, as this is seen as a contribution in kind.

Housing associations are normally exempt from developer obligations, due to the way they are funded and the fact that they predominantly provide much-needed affordable housing.

Local Development Plan 2014

In Shetland developer contributions are secured predominantly through negotiation - either at the pre-application stage, during the assessment phases of a planning application, through a Design Statement through formal Masterplanning process.

Contributions are not received in the form of set fees or monitory charges, but through the securing of public realm (shared spaces, play equipment etc) features within a layout or design. The current LDP is does not specify when processes such as a Masterplan should be requested for developments which do not fall under the Major Development category, or when a Design and Access Statement should be submitted (other than for Sites with Development Potential). There are now additional mechanisms available to help secure contributions in kind, such as the Quality Audit – a developer led process that starts at the earliest stages in the design process, and that involves key stakeholder input throughout each of the many important design phases.

Due to the charging mechanisms used by Local Authorities across Scotland (minimum site size, minimum number of units per site, standard bedroom numbers etc), this would mean - in a Shetland context - very few developments would trigger the developer contribution policy. Therefore any charging system for developments that meet the minimum standard, and which complies with the 5 tests contained within Circular 3/2012, would yield very little in terms of monitory compensation.

The next LDP2 should not seek monitory contributions in the form of set fees, but must continue to use good negotiation to secure high-quality public realm from new developments, such as public open space, shared spaces, soft landscaping such as planters, and play equipment etc.

The next LDP must contain the tools that allow easier and clearer design negotiation, and that will ensure transparency during these key phases.

Local Development Plan 2014 contains no Developer Obligation Policy or Supplementary Guidance, however the following policies seek to influence good design and mitigate against any negative impact a development may have on infrastructure or communities.

These policies are:

- GP2 General Requirements for All Development
- GP3 All Development: Layout and Design
- H4 Affordable Housing
- CF 2 Open Space

Draft Supplementary Guidance:

- Business and Industry
- Placemaking

There are no policies within the current LDP that secure any form of financial contribution towards infrastructure provision, or the provision of services be it in the form of payment towards schools (or their expansion), or any type of compensatory policy other than CF2 Open Space.

Current policy: The current Local Development Plan does not have a developer obligation policy, nor a policy that specifically requests any type of developer contribution towards mitigating against any negative impact a new development may have on, for example, surrounding infrastructure or service provision.

Policy GP2 ensures that no development has an adverse impact on surrounding uses and provides a mechanism for mitigation against developments that may have negative impacts on surrounding infrastructure. Policy GP3 ensures that new development follow the six key qualities first introduced within Designing Streets in 2001 – now superseded by Creating Places 2013.

This policy also introduces the need for

Masterplans and Design and Access Statements as tools to be used to ensure better design in new developments, and that Masterplans should be submitted with Major Development. However the policy uses the terms ‘may’ and ‘should’ and is advisory and not specific in its requirements.

Policy H4 on affordable housing is a contribution-in-kind policy and is the only policy that ensures that affordable housing is delivered by private house builders. The LDP's business and industry policies provide no mechanisms for contributions. Negative impacts on surrounding uses are covered within the overarching general policies. Policy CF2 can be used as a negotiate policy, as it encourages developments that provides compensatory recreational amenity space or public realm provision, and could be used to provide a contribution in kind.

Preferred Option: To introduce a new overarching place-based siting and design policy called Placemaking. The new policy will, in part, help secure contributions-in-kind and will help deliver high quality public realm when applicable.

The new Placemaking policy will become a keystone policy in terms of the Council's promotion and support of placing people at the heart of new development, and will lend the strongest support for collaborative working between developers, designers and stakeholders. This would be in line with National Planning Framework 3 on Placemaking, and Scottish Planning Policy: Principle Policy: Placemaking, and also design policy statements Creating Places 2013 and Designing Streets 2010.

The new policy will:

- Support the LDP2 Vision and Strategy

- Build on and strengthen the current Placemaking guidance and will be in-line with current Scottish Government siting and design policy Creating Places 2013.
- Support a collaborative approach between developers and key stakeholders
- Help meet affordable housing targets as set out within the HNDA
- Continue to promote the six key qualities of a successful place as defined within the Scottish Government's Creating Places
- Set out clear Placemaking principles
- Set out site planning principles
- Set out design process principles
- Ensure that Masterplans or Development Frameworks are prepared in support of larger developments
- Ensure that where necessary, all new development proposals include supporting Design Statements or follow Design Briefs prepared by the Council
- Introduce the requirement to enter into the Quality Audit process for all new developments over a certain size or when requested by a developer
- Support Section 75 Agreements (and other necessary legal agreements) to help overcome any obstacle to the granting of planning

Alternative Option: An alternative would be to introduce the Placemaking siting and design policy as a key principle policy, and mechanism for negotiated developer contribution. But also introduce a new developer obligation policy and

supplementary guidance, and start charging set fees for certain types and sizes of development. However, due to the size and scale of developments which would trigger the developer obligation policy, this would yield very little in terms of monetary contribution and would not provide any meaningful 'on-the-ground' benefit for new developments across Shetland.

Question: Do you agree with our preferred option to not include a new Developer Obligations policy that would introduce set monetary charges for new developments, but instead include the securing of developer contributions-in-kind – when applicable - via our new Placemaking policy?

3. Local Development Plan Policy Review

The following policy review summary text, has been set out in the current 12 LDP chapters, and outlines and summarises the detailed policy review contained within the Monitoring Statement.

The section then concludes with a tick-box so that respondents can confirm if each policy needs updating, deleting or if a new policy is needed - as introduced in the aforementioned Policy Review Summary. The full policy review can be read in the Monitoring Statement.

Key:

- **Delete:** This means the policy has been superseded or is no longer required
- **Major change:** This means the policy is out of date due to the number of policy and regulatory changes at a national and local level, and that the majority of the policy needs updating
- **Minor change:** This means the principle of the policy is still relevant, however, it may need partial text updating to meet current national and local policy and regulatory changes

- **No change:** This means that the principle of the policy is still relevant and the wording of the policy still meets national and local policy and regulatory changes

Local Development Plan Policy Review

General Policies:

The General Policies are the most used three policies in the current LDP, with some being used in over 80% of all decisions. Two new policies should be considered and should replace the overarching General Policies chapter area - this will help meet the Scottish Government's targets on tackling climate change, and also the current aims on Placemaking and promoting healthy communities. The new policy should be called Placemaking and Climate Change and Sustainable Development.

Climate change is arguably the greatest challenge facing the world today and Scottish Planning Policy will continue to ensure Local Development Plans play their part in addressing this climate emergency. A new stand-alone Climate Change policy will replace GP1 – GP3 and will amalgamate existing relevant policies. The climate change chapter will seek to ensure that new developments meet the demands of reducing emissions and lowering energy consumption; that new developments protect carbon sinks and stores such as

peat rich soils, and will continue to encourage the use of and development of, renewables technologies.

Also sitting within the General overarching policy area, will be a new Placemaking policy that will replace policy GP3. The new Placemaking policy will build on and strengthen the current guidance (Placemaking Design Guide) and will promote the 6 key qualities of a successful place as defined within the Scottish Government's Creating Places design policy statement. It will ensure that for certain sizes and types of developments, Masterplanning, Design Statements and Design Guides will be undertaken – this will include the requirement for Quality Audits, in line with current practice. The new Placemaking policy will become the backbone in

terms of the Council's promotion and support of 'people first' high quality development, and will lend the strongest support for collaborative working between developers, designers and stakeholders.

Based on the policy review the General Policies need retaining in terms of their hierarchy and overarching principles, however they need replacing and need renewed in terms of support in a lot of areas not covered within the existing policies. They are the most used policies by Development Management during the decision-making process, and are a vital chapter within the Plan.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
GP1				X	
GP2				X	
GP3				X	
Climate Change & Sustainable Development					X
Placemaking					X

Natural Heritage:

Overall, the Natural Heritage policies work well and are used when required. Most of the policies need updating to better reflect national and local changes to objectives and policies. With some policies needing more work than others in terms of the changes at a national and local level.

Further consideration for issues such as designated sites, landscapes, wild land etc., should be included within the policy updates. Nature Conservation Marine Protected Areas and seal haul-outs should be considered and possibly included within the Marine policies.

Also, the inclusion of a new Natural Heritage policy for landscape capacity, wild land, and the requirement to protect peatland, which should be updated to take account of the Carbon and Peatland 2016 map and should be applicable to all development – this is currently not covered within the existing policies. Mention of no net loss and the introduction of net gain, should be considered within the updated policy and possibly ‘all development’ within policy. The updated policies and any new policy should work alongside the new Climate Change and Sustainable Development policy.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
NH1		X			
NH2			X		
NH3		X			
NH4			X		
NH5		X			
NH6			X		
NH7			X		
Landscape and natural heritage					X

Historic Environment:

The Historic Environment chapter contains policies that are key in the protection and enhancement of our Conservation Areas and our Listed Buildings, and have worked well during the lifetime of the Plan. Based on the policy review, three of the policies require only minor amendments, with one major change. This would be to update the policies in-line with national policy and in response to how successfully the policies were applied during planning decision making.

Policies HE5 and HE6, having been little used during the lifetime of the Plan, should be updated in-line with new national policy, by possibly combining with, or inserting into, existing Historic Environment policies.

A new policy within the Historic Environment Chapter will be included, to address the lack of control in terms of shop signage and frontages within our Conservation Areas (or Area of Control) – this will also tie into an updated Article 4 Direction. This new policy will be supported with a new and updated shop frontage design guide.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
HE1			X		
HE2			X		
HE3		X			
HE4			X		
HE5			X		
HE6			X		
Shop Frontage (conservation area of control)					X

Coastal Development:

Marine developments are covered within one generic overarching policy and this approach has worked well over the lifetime of the Plan. (When used in conjunction with the more specific policy areas covered by the Marine Spatial Plan (adopted as SG in February 2015), the Council's Aquaculture Policy (currently under review and proposed as SG) and where relevant the Council's Works Licence Policy). The new overarching Climate Change and Sustainable Development policy, and the new Placemaking policy will work alongside the coastal development policy.

Marine planning policy is evolving fast at the national and regional level and a number of things have happened in this area since the LDP was adopted.

This includes the adoption of Scotland's National Marine Plan in March 2015, and, following on from that, progression with establishment of Marine Planning Partnerships which have assumed responsibility for producing Regional Marine Plans. Both Scottish Planning Policy and the National Marine Plan advocate an integrated approach to coastal and marine planning requiring LDPs and RMPs to take account of and complement one another and this is further reinforced in *Circular 1/2015 The relationship between the statutory land use planning system and marine planning and licensing*.

Policy CST1 and its justification will be updated to ensure this important relationship is identified and understood.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
CST1			X		

Housing:

The policies that are contained within the Housing Chapter are key to the delivery of successful places, by ensuring we provide high quality homes in the most suitable and sustainable locations, and by ensuring we identify suitable sites for housing development. It is the Housing Chapter that will see most changes, as some will be deleted and all will move into the new overarching Placemaking Policy – this overarching policy will contain sub-policies that will guide all new development, including housing, and will contain guidance and policy on siting and design.

Policy H2 Areas of Best Fit will be deleted as this will be superseded by our Preferred Areas of Growth and our Call for Sites allocations. H3 All Housing Development, will be updated (Sites with Development Potential, Areas of Best Fit to be removed etc) and shall include site allocations via the Call for Sites process. This policy will be strongly encourage the siting of new housing developments within these pre-assessed and approved areas.

Policy H1 Effective Land Supply will be moved into the new Placemaking policy, as will an updated H5 Siting and Design. Policy H6 Amenity Space in Housing Developments, Policy H7 Residential Caravans and other Temporary Residential Structures, and H8 Uninhabited Islands, will all be updated and moved into the new Placemaking policy.

Policy H8 (Uninhabited Islands) has not used during the lifetime of the Plan, therefore this policy should be considered for removal and possibly covered within another policy, should the Council chose to continue to not support the habitation or re-habitation of our uninhabited islands.

Policy H5 Siting and Design should be updated to be more in-line with current Placemaking practices and will work alongside a new updated Shetland House Design Guide. The Shetland House Design Guide will put flesh on the Placemaking guidance, and will cover design and colours in more detail – this Guide will help push for higher quality in terms of residential building materials and how these buildings are sited within Shetland's landscape.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
H1			X		
H2				X	
H3		X			
H4		X			
H5		X			

H6			X		
H7	X				
H8	X			X	

Economic Development:

In terms of economic recovery post-COVID-19, the Local Development Plan's Economic Development Chapter will need a higher level of scrutiny, to ensure our policies help deliver Shetland's economic recovery. It will also need to incorporate measures to address, and that it is done in a way that meets our Net Zero targets. Additional policies to support our two main business and development policies, may be required. These policies need to support, encourage, and direct sustainable economic development as the Scottish Government concentrates its efforts to restart Scotland's economy.

All three policies need updating to better reflect possible new post-COVID-19 targets set at national level and new targets set at a local level.

Emphasis on business development and its preferred location within our industrial areas and also residentially compatible industry - clarification is required where the policies mention settlement. The policy chapter should also address business developments that do not fall within designated industrial areas, and should address inappropriate developments within

industrial estates – with emphasis and more clarity being given to industrial estates, and more protection from developments which could harm future developments.

The inclusion of promoting digital infrastructure should also be included within the updated policies.

The updated economic development policies will work alongside the new Climate Change and Sustainable Development policy, in that it will ensure all new industrial and business developments are low carbon and meet the standards required for a just transition to low carbon practices, and that any new buildings have carbon reducing technologies attached to the premises.

Policy ED3 Lerwick Town Centre, needs a complete refresh and an update of the Town Centre Health Check and should complement the new Shop Signage and Area of Control policy within the Historic Environment chapter. The Lerwick Town Centre policy should also be changed and updated to include our other important remote and rural Locality Hubs or Service Hubs. The policy name should also be changed to reflect this update.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
ED1		X			
ED2		X			
ED3		X			
Shop Frontage and Areas of Control					X

Transport:

The policies contained within the Transport Chapter are key to the Plan delivering a modern fit-for-purpose transport system, with an increased focus on walking and cycling routes, healthy communities, 20 Minute Neighbourhoods sustainable net zero developments. The policies should support innovative ways to reduce our reliance on vehicles, and support environmentally friendly and healthier ways to travel.

Due to the current LDP offering no support for outdoor access developments, and the protection of our Core Path networks for example, there is also need for a new Outdoor Access policy. The inclusion of a new Outdoor Access policy will support and encourage new sustainable and healthy travel networks of walking and cycling routes, in-line with the Council's Active Travel Strategy and other national projects. The addition of a new Policy will better reflect the Council's

commitment to active travel and building healthy communities, by supporting sensitive developments that promote access to the countryside, and for the protection, provision and maintenance of our core paths and coastal walkways. The new policy should align itself with other relevant health strategies.

Policies TRANS 1 and TRANS2 need minor updating in-line with the Council's new Transport Strategy. Policy Trans3 directs people to the supplementary guidance's for Parking Standards and Residential Access, however these have both been superseded by the National Roads Development Guide – Shetland local variation.

A continued protection of areas where possible fixed link routes may be sited, should be included within the next Plan with supporting maps. To ensure that no inappropriately sited developments sterilise possible fixed link routes.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
TRANS1			X		
TRANS2			X		
TRANS3		X			
Outdoor Access					X

Renewable Energy:

The current Plan has one Renewable Energy policy (RE1 Renewable Energy) with further policies (DC1 – DC7) contained within the newly adopted SG.

The policy needs more emphasis on renewable energy provision at a National level from when the last Plan was developed. Scottish Government has placed more emphasis on the planning service to help deliver its carbon objectives as outlined within the Update to the Climate Change Plan - Securing a Green Recovery on a Path to Net Zero – 2018 – 2032. The Scottish Government has set new ambitious targets to end Scotland’s contribution to climate change by 2045, with a commitment to reduce emissions by 75% by 2030 (compared to 1990) and to net zero by 2045.

Within its green recovery plan, the Scottish Government states that *“our recovery from the pandemic must continue to respond to the climate emergency, and that it should put us on a pathway to deliver its statutory climate change targets and transition to net zero. This is done by ensuring our actions in the immediate term are in-line with Scotland’s long-term goals”*.

The policy RE1 Renewable Energy may be moved into a new chapter that covers local resources (minerals, wind, solar etc). This local resources policy chapter may also include a new landscape sensitivity and capacity policy, which will help assess the impacts from onshore wind energy and other larger renewables projects.

This should include an update to the Landscape Sensitivity and Capacity guidance. This guidance is now 10 years old.

This new policy chapter should tie in with, and work alongside, the new Natural Heritage landscape capacity policy, and other subject areas covered within the Natural Heritage chapter.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
RE1			X		
Landscape Sensitivity and Capacity					X

Minerals:

This policy is infrequently used within its specific remit of controlling mineral extraction or developments.

To bring minerals policy in line with SPP. Potential additional minerals policy areas relate to restoration bonds, reinstatement plans and restoration/decommissioning.

In reviewing minerals policy in the current Plan, a view needs to be taken on the role of the current Interim Minerals Policy document and whether specialist minerals policies should continue to be detailed in a separate document.

The updated Policy should contain a safeguarding map detailing current extraction sites, and proposed extraction sites, thus adding protection of future mineral/quarry sites from development that could potentially sterilise the future extraction sites. There is also room for an additional restoration, reinstatement, and decommissioning policy.

The Minerals Chapter will also include restoration and reinstatement plans, and will also cover decommissioning.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
M1		X			

Waste

Overall the Chapter is still relevant and only needs minor updating – namely policies W2, and W5 to better reflect the requirement set out within Scottish Planning Policy. More detail on decommissioning, safeguarding of waste disposal sites and landfill sites, should be included within the updated policies. Policy W3 due to its infrequent use and lack of requirement in terms of SPP, could be included within another policy, or could be updated to include safeguarding area. Policies W1 and W4 are still relevant and work well.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
W1	X				
W2			X		
W3		X			
W4	X				
W5			X		

Water and Drainage:

The policies contained within the Water and Drainage Chapter, are well used policies. Two out of the three policies – WD1 and WD3 - need only minor wording changes to better reflect national and local policy changes, such as SEPA's Climate Change

Statement. With policy WD2 being kept in its current form, but again to better reflect SPP and SEPA guidance. Addition to WD2 will be guidance on extension, garages, areas of house where existing private drainage infrastructure is lacking or non-existent.

There also needs to be the inclusion of a new policy on Green and Blue Networks; this will ensure any new developments include the provision of blue infrastructure and green corridors etc.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete policy	New Policy
WD1			X		
WD2			X		
WD3			X		
Green and Blue Networks					X

Community Facilities

Overall, the policies work as required with both policies needing minor text changes, to better reflect the changing requirements in terms of education provision, community play parks and equipment, and camp sites. Better definition of what a community facility is, should also be included through the update. Policy CF2 Open Space should be updated to better reflect the compensatory aspect in terms of larger developments.

Policy Reference	No Change	Major Change	Minor text change or clarification	Delete Policy	New Policy
CF1			X		
CF2			X		



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