

## **Item: 11**

**Development and Infrastructure Committee: 5 September 2023.**

**Development Management Guidance – Business Development outwith Town Centres.**

**Report by Corporate Director for Neighbourhood Services and Infrastructure.**

### **1. Purpose of Report**

To consider draft Development Management Guidance (DMG) in respect of Business Development outwith Town Centres.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

That Development Management Guidance provides advice on technical issues and the interpretation of given policies where a need arises, thus ensuring a consistency of approach in the determination of planning applications.

#### **2.2.**

That Development Management Guidance in respect of Business Development outwith Town Centres has been prepared to provide additional clarification when assessing planning applications for business development that is not located within the designated towns centres of Kirkwall and Stromness.

**It is recommended:**

#### **2.3.**

That the Development Management Guidance – Business Development outwith Town Centres, attached as Appendix 1 to this report, be approved.

### **3. Background**

#### **3.1.**

Development Management Guidance (DMG) is produced to provide advice on the interpretation of policies matters. It is the intention of DMG to ensure consistency of approach and to highlight the original intention / spirit of a policy where there is ambiguity. As such DMG is a material consideration in the determination of planning applications. Whilst DMG is not subject to public consultation, it is approved by Council prior to publication.

### **3.2.**

In February 2023, the Scottish Government published National Planning Framework 4 (NPF4) with national planning policies. Policies within the Productive Places chapter of NPF4 have some minor differences to the relevant policies of Orkney Local Development Plan 2017 (OLDP2017). In the event of any incompatibility between NPF4 and OLDP2017, NPF4 will prevail as it was adopted later.

### **3.3.**

Development Management were consulted during the drafting of the DMG; and this matter was discussed with Elected Members through a Planning Seminar on 24 April 2023.

## **4. DMG – Business Development outwith Town Centres**

### **4.1.**

The DMG provides guidance for All Businesses in the Countryside, Retail in the Countryside, Professional Services in the Countryside Tourism Accommodation in the Countryside and Business uses within a Settlement. It notes the relevance of the scale of the business in terms of operation and development.

### **4.2.**

The DMG also notes four workstreams that Development and Marine Planning would like to complete as part of the Evidence Report for the review of the OLDP2017. It is considered that these work streams will assist in the drafting of planning policy and allocation approaches. Completing these workstreams is dependent on budget. They are:

- Retail Survey for Kirkwall and Stromness.
- Business Development Requirements.
- Local Living and 20 Minute Neighbourhoods.
- Tourism Accommodation Study.

### **4.3.**

The draft DMG – Business Development outwith Town Centres is attached as Appendix 1 to this report.

## **5. Equalities Impact**

An Equality Impact Assessment (EqIA) has been undertaken for the Plan, which was endorsed by Council in 2017, therefore a standalone EqIA for this DMG is not required.

## **6. Island Communities Impact**

As the policy being developed in terms of this report has been assessed as being unlikely to have an effect on an island community which is significantly different from its effect on other communities (including other islands communities) in Orkney, a full Island Communities Impact Assessment has not been undertaken.

## **7. Environmental Implications**

A Strategic Environmental Assessment (SEA) has been undertaken in respect of the OLDP2017. It is not considered that SEA is required for this DMG as it meets the requirements for exemption under Schedule 2 of the Environmental Assessment (Scotland) Act 2005.

## **8. Links to Council Plan**

The proposal in this report support and contribute to improved outcomes for communities outlined in the Council Plan strategic priorities of Growing our economy and Strengthening our community as it contributes to sustainable economic growth and establishes the highest standards of public support and protection.

## **9. Links to Local Outcomes Improvement Plan**

The proposal in this report support and contribute to improved outcomes for communities as outlined in the Local Outcomes Improvement Plan priority of Sustainable Development.

## **10. Financial Implications**

All resources associated with the preparation of this DMG have been met through staff time and is contained within existing Planning Service revenue budgets.

## **11. Legal Aspects**

Whilst DMG is not subject to public consultation, it is approved by the Council prior to publication. As such DMG is a material consideration in the determination of plannings which is considered to be the standing advice of the Planning Authority.

## **12. Contact Officers**

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## **13. Appendix**

Appendix 1: DMG – Business Development out with Town Centres.

## **Business Development out with Town Centres**

### **Development Management Guidance**

#### **1 - Introduction**

This Development Management Guidance (DMG) has been put together to give advice on business development that is outwith our two town centres (Kirkwall and Stromness); either located within a settlement boundary as defined through the Orkney Local Development Plan 2027 (OLDP2017) or within the countryside and applies to the countryside of the Mainland and Linked Isles. There is a separate 'Isles Approach' detailed in the OLDP which has a presumption in favour of business development.

The business development noted and considered is retail, the provision of professional services such as hairdressing, beauty therapy or podiatry, other business and industry and tourism accommodation. The aim of this note is to provide local guidance on the application of policies within National Planning Framework 4 (NPF4) which whilst continuing to support a town centre first approach, now includes support for small scale business development in other locations. This aims to help support the establishment of new small scale businesses and support the appropriate diversification of existing rural businesses.

This DMG is based on NPF4 and elements of the Orkney Local Development Plan 2017 (OLDP2017); The Scottish Government's Chief Planner's Letter on Transitional Arrangements notes that Local Development Plans (LDPs) already adopted will continue to be part of the development plan. However, the letter also highlights that in the event of any incompatibility between a provision of NPF4 and a provision of an LDP, whichever of them is the later in date is to prevail. Currently NPF4 is to prevail as it was adopted later. For avoidance of doubt, existing LDP land allocations will be maintained.

#### **2 - National Planning Framework 4**

NPF4 can be found in full at [National Planning Framework 4 \(www.gov.scot\)](http://www.gov.scot)

The most relevant policies are

Policy 26 – Business and Industry

Policy 27 - City, town, local and commercial centres

Policy 28 – Retail

Policy 29 – Rural Development

Policy 30 – Tourism

#### **3 - The Review of the OLDP2017 – Further Information Required**

The first formal stage for the review of the OLDP2017 will be the compiling and drafting of an Evidence Report that will provide evidence on a wide range of topics and issues. The aim of the Evidence Report is to clearly inform what to plan for before the Proposed Plan looks at where development should take place. A range of evidence will be gathered to help prepare the new LDP and its associated Evidence Report. This evidence will take many forms including research, early engagement with stakeholders and technical reports on particular topics. Work streams that we would like to pursue are:

- A Retail Study for Orkney, looking at the two main town centre retail locations, the roles of other settlements and islands. The study will aim to develop a better

understanding of their activities, role and threats (post COVID, internet); and the potential onward role of a new LDP. We will work with business stakeholders, Kirkwall BID, Community Councils, Development Trusts and the wider community to develop the study.

- An examination of the business needs of our existing businesses and for new business development; and their locational requirements. The review of the OLDP will need to respond in terms of developing appropriate policies and spatial strategies.
- NPF4 has brought in a new requirement for Local Living and 20-minute neighbourhoods; where people can meet the majority of their daily needs within a reasonable distance of their home, preferably by walking, wheeling or cycling or using sustainable transport options. We need to consider in conjunction with the Retail Study, how the next LDP will deliver a Place Based Approach within the Orkney context, looking at the location of facilities, services and employment and the sustainability of travel used for both the mainland and linked south isles and our non-connected islands.
- A Tourism Accommodation Study for Orkney, looking at the existing tourism accommodation types and numbers geographically in Orkney, the aspirations and accommodation requirements for Orkney and the interaction of tourism accommodation provision and permanent housing requirements for Orkney. Accommodation provision is considered to be self-contained holiday accommodation, holiday pods, campervan, caravan and camping pitches, Bed and Breakfasts / Guest Houses and Hotels. The review of the LDP will be able to provide a spatial approach to further accommodation provision.

#### **4 – Development Management Guidance**

For all the development types noted below, a successful planning outcome is subject to other material considerations such as road safety, landscape, design and the potential effects on the amenity of surrounding users that are detailed in NPF4 and OLDP2017. If a development proposal does have road safety, amenity or design concerns, it is unlikely to be supported. In some circumstances it may be appropriate that a temporary grant of planning permission (up to 5 years) is given to allow for the outcome of the review of the OLDP to confirm that a development is acceptable on a permanent basis.

#### **All Businesses in the Countryside**

NPF4 is supportive of business development in the countryside where it is (1) small scale and (2) supports one of the following: homeworking; the diversification of an existing business; the reuse of a redundant or unused building or its curtilage; or the reuse of garden ground or brownfield land. This ensures support for start-up and other small scale businesses, while ensuring larger businesses with multiple employees and/or high footfall remain in town centres or within settlement boundaries. The development should be appropriate to the location in terms of amenity enjoyed, siting and design. It will not be appropriate to use greenfield sites in the open countryside where there is no relationship to the existing built form or curtilage of the existing buildings.

It is considered appropriate to allow for an individual resident in the countryside to start a business and have an appropriately scaled building associated with their existing dwelling house or existing buildings provided that (a) it is compatible with the surrounding area; (b) the predominant use of the original dwelling house and its curtilage is retained; and (c) the business is considered small scale.

A brownfield site is defined as land which has previously been developed. The term may cover vacant or derelict land, or land occupied by redundant or unused buildings.

A redundant or unused building is considered to be a building or structure that is no longer suitable for its previous use by virtue of its size and location; and the building or structure is empty, unoccupied and not in an active use.

The diversification of an existing business use is considered to be a use that will support and complement an existing and established business such as an existing farm business allowing it to diversify into the retail sector and selling the products they produce directly to customers.

The transport needs of the development require to be considered and should be appropriate to a rural area and the sustainable travel hierarchy that priorities walking, wheeling, cycling and public transport for everyday journeys. A development proposal will have to consider the journeys for employees and customers; how they make their journeys, frequencies, and distances and if sustainable travel modes are available or form part of the application.

A successful application may also have planning conditions that limit the application to being a personal application only, that the employees are limited (e.g. 2 full time equivalents) or to the residents of the dwelling house. This is to ensure that the proposed development is small scale and does not harm the character of the surrounding area.

### **Retail in the Countryside**

NPF4 is supportive of the provision of retail development in the countryside that serves local needs and does not have a negative impact on nearby commercial centres and local shops. Proposals will require to be ancillary to an existing use e.g. a shop related to a current farm or craft business, and be suitably scaled, sited and designed.

### **Professional Services in the Countryside**

NPF4 is supportive of the provision of small-scale developments that support new ways of remote working and homeworking. It is considered that this applies to professional services that includes hairdressers, beauticians and podiatrists.

### **Tourism Accommodation in the Countryside**

Without spatial provision in the LDP for tourism accommodation and the availability of further information on need/demand, which will be obtained from the Tourism Accommodation Survey, support for the principle of tourism accommodation proposals will be given that (a) reuse a redundant building, (b) are located on brownfield land or are (c) closely associated with existing built development and avoid areas of open countryside. Proposals will require to be suitably scaled, sited and designed to fit with the existing built development.

### **Business uses within a Settlement**

For Kirkwall and Stromness, the Proposal Maps of the OLDP2017 has designated town centres and for other settlements there is no designated town centre designations. NPF4 has a Town Centre First principle for uses that generate a high footfall including commercial, leisure, offices, community, sport and cultural facilities, public buildings such as libraries, education and healthcare facilities and public spaces.

Locations within other settlements are considered to be sustainable locations for development where employees and users can have greater opportunities to access the

proposed business by using the sustainable travel hierarchy that prioritises walking, wheeling, cycling and public transport.

Without work completed as noted above and the review of the OLDP completed, proposed development within settlements that are defined by the Proposal Maps of the OLDP2017 will generally be supported.

Proposals for large scale general industrial, storage and distribution uses should be located within areas of settlements that are currently designated for these uses under the OLDP2017.

Please note this guidance does not prejudice any permitted development rights which are considered under the Town and Country Planning (General Permitted Development) (Scotland) Order 1992.

Drafted by Development and Marine Planning  
Orkney Islands Council  
September 2023