



One voice for retail warehouse & superstore property

Tom Arthur MSP
Minister for Public Finance Planning and Community Wealth
20 December 2022

Dear Minister,
Scottish Planning Framework

I am writing to you on behalf of Accessible Retail, the trade body which represents the retail warehouse and retail park sector of the retail industry in Scotland. Our members comprise retailers, developers, owners/investors and advisers and include many of the sector's major companies. Our sector makes a significant contribution to the Scottish economy in terms of both GDP and jobs.

We appreciate the Planning Framework is in its final stage of approval before Parliament. However, Policy 27 (d) which deals with drive thru retailing has been included without being proposed for comment in the 2021-2022 consultation version of the Framework. As a result, we have been denied the opportunity to articulate our views. We have four primary concerns:

1. It will have a negative impact on the Government's policy for conversion to electric vehicles

As we move towards more carbon neutral transport, the infrastructure for EV charging points must be improved. The EV operators who will deliver the additional charging points needed are insisting on their new sites being located adjacent to drive thru retail offers as many EV schemes will not fundamentally work in isolation and need the drive thru element to make them stack financially.

Similarly the developers of EV sites need the added retail element to make schemes commercially viable. Medium to large EV charging hubs in particular tend to want to be adjacent or are part of developments comprising drive thrus. Given these market prerequisites to development, Policy 27 (d) will restrict the delivery of new charging

infrastructure for EV vehicles which is an essential element of net zero policy initiatives.

Further, if the aim of the policy is to reduce car usage, it is unlikely to work. If the consumer still wants the item delivered they will find a way through various delivery companies such as Deliveroo and Just Eat. It is very debatable, therefore, whether banning drive thru developments will have any meaningful impact on car use.

2. It is unnecessarily restrictive and will put future investment and job creation at risk

The policy ignores the positive contribution that drive thru developments can offer local communities and needlessly harms investment and job creation in Scotland. For example, in the past two years alone, McDonald's has invested over £35 million in opening eight new drive thru restaurants, creating approximately 900 jobs. Over the next three years, the company would hope to invest up to a further £70 million in opening new restaurants in addition to the investment it is making with its franchisees in reimagining its estate. If these plans are approved, it has the potential of creating at least 2,000 jobs by 2025.

Also, Policy 27 (d) could impact unfavourably on the introduction by businesses of innovations that will help drive more sustainable practices. McDonald's, for example, is committed to developing sustainable restaurants and, as part of its Plan for Change, has set an ambition to be net zero in the UK & Ireland by 2040. Given its unfavourable financial implications for the development of new outlets, the introduction of this new policy will act as a constraint on achieving net zero.

3. Preventing drive thrus out of town will not make town centres more attractive to operators

If the Government believes that preventing new drive thru development in out of town locations will make town centre opportunities more attractive leading to operators taking units in the town centre instead, this will not be the case. Drive thru operators will focus elsewhere in the UK outside Scotland where planning is more straightforward resulting in loss of new jobs for Scotland.

As has been pointed out in consultations with implications for town centres, their having become high cost and inaccessible locations, shifting consumer patterns and high business rates have played the most significant role in their decline. The development of drive thru outlets has played no part in this trend. Nor are they essential to what needs to be done to revive town centres. What the latter need is to diversify into new roles which will not make them so overwhelmingly dependent on retail when the fundamental landscape of retail provision has fundamentally and permanently changed.

Regrettably, though, the reverse is not true. Banning drive thrus out of town will impact unfavourably on the one part of the retail sector which has fared relatively unscathed during the pandemic and has managed to preserve jobs and consumer spending contribution to GDP much better than have town malls and shopping parades. Given this, it is difficult to see any merit introducing this new policy as it will only act to drag this sector down as well.

4. It is doubtful it can be applied sensibly or fairly to retailers from a strategic Framework planning document

Policy 27 (d) makes an unrealistic assumption that Local Development Plans (LDPs) will anticipate and accommodate all future development requirements. Given the time it takes to develop LDPs, and the limited resources available to local authorities, we have little confidence that many LDPs will seriously consider the role and contribution of drive thru developments. The more likely outcome is that applications for in town drive thrus will be considered in the development management process without an adequate policy background setting out criteria to be considered in the LDP.

This policy vacuum is made all the worse because the Framework has dropped the 'presumption in favour of development that contributes to sustainable development' (paragraph 28, SPP, 2014). The existing SSP guidance provides an important mechanism when assessing planning application proposals, particularly where such proposals come forward without the framework of LDP policies.

Our Proposal

We believe it is not too late to redress these concerns. Below, we suggest an amendment and a clarification which would mitigate our concerns and which, if our arguments persuade you, could be moved as a simple amendment to the version now before Parliament.

- To remove Policy 27 (d) or restore the wording as drafted in the document consulted on between 10 November 2021 and 21 March 2022.
- To undertake to issue a clarification on the policy to ensure it is not interpreted as an automatic refusal for drive thru developments either through secondary legislation and/or or subsequent planning guidance. In particular, to ensure that this applies to applications for drive thrus which are part of proposed developments out of town which pass the sequential test.

We do not believe these two proposals undermine the Scottish Government's ambition to deliver sustainable, liveable, and productive places. Our members share and

support this ambition. Alongside the significant economic and social contribution our sector makes in Scotland both directly and indirectly, Accessible Retail has made working towards the Government's sustainability goals one of our three priority areas and we would welcome the opportunity to work with you to that end. Similarly, our members will always work closely with local authorities when developing plans for new restaurants to ensure that their plans align with local aims and sustainability goals.

We would be very willing to meet you and your officials to discuss our concerns accompanied by our retailer and developer members.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'William McKee', with a large, sweeping flourish at the end.

William McKee

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