Planning for Growth: Scotland

How planning reform can accelerate investment, infrastructure and economic development

September 2026

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CBI Scotland foreword

Foreword by Michelle Ferguson OBE, Director for Scotland, CBI

In April 2026, CBI Scotland joined forces with Scotland's other main business organisations to host a joint Hustings with the six political party leaders in the lead up to the May 2026 Scottish Parliament elections. In front of 300 business leaders in Edinburgh, each party leader faced the same question from the moderator: “what is the one lever you would pull as First Minister to boost economic growth?” The First Minister, and the majority of the party leaders alongside him all gave the same answer: planning reform.

That answer was of little surprise to the room, planning is the concern that business leaders from across Scotland raise with us most consistently, and the frustrations they describe are strikingly uniform: too much inconsistency, not enough speed, processes that have grown more complex than the decisions they exist to serve, and a growing sense that planning has become a barrier to investment and growth rather than the lever it could be. This Scottish Parliament faces stark choices, with a looming fiscal deficit at home and a tough global economic outlook ahead, it cannot afford to leave any economic growth lever unpulled.

That is why our members came together to shape this report, sharing their experience of the system as it works today and their ideas for fixing it. What they have produced is deliberately practical: recommendations that require no new Planning Act, focused on making the system we already have deliver. We were pleased that planning reform was among the major policy commitments announced by the First Minister at the CBI Scotland Annual Lunch on 22 May 2026, followed by the establishment of a planning reform taskforce. This report is designed to help the Government and Parliament convert that momentum into delivery, setting out what business needs the system to do and the specific changes that would make the difference. The prize is jobs, homes, clean power and investment in every part of Scotland. Business and government must now work together to make this a reality.

Michelle Ferguson OBE
Director for Scotland, CBI

How business leaders from across Scotland shaped this report

This report has been built with our members. It reflects the real-world experience of leaders across every sector of Scotland's economy from global corporations and household brands to family firms, SMEs and trade associations.

Founded 60 years ago, the CBI is the collective voice of business. We represent 850 direct members across the UK, covering 1,200 registered companies and a further 150,000 businesses through our trade association network. Our members employ people in every sector, in every region and nation of the UK, making the CBI uniquely placed to bring together business insight with policy influence.

This report draws directly on the expertise, priorities and concerns of our members. Every recommendation is rooted in the lived experience of businesses operating in Scotland's planning system, from the front line to the boardroom, and reflects a shared ambition: a planning system that enables investment rather than delays it. It has been shaped through:

Input from a dedicated CBI member taskforce from a cross section of membership interested in planning as a policy issue, with special thanks to SSE, Scottish Power, Homes for Scotland, City of Glasgow College, Ryder Architecture, Addleshaw Goddard and British Ports Association.

An online poll, enabling our members to feed in evidence and ideas from across our membership.

Ongoing engagement across our working group, Councils, networks and 1-2-1 meetings, including the CBI Scotland Council, People & Skills Network, Infrastructure Working Group, Net Zero Working Group, Government Affairs Network, Finance Leaders Network and Future Leaders Network.

Evidence from the CBI Scottish Productivity Index and 2026 CBI Scotland Manifesto, our 2026 Manifesto specifically had a section on planning reform ahead of the Scottish Parliament elections.

Key recommendations from this report

Building capacity to deliver

The report calls for planning to be protected in public service reform, planning fees ringfenced so application income returns to the service, and predictable funding built into every spending review. In addressing the planner skills pipeline – a more holistic approach with planners working across different authorities, new entry routes, a career-raising campaign, targeted attraction from outwith Scotland. Planning hubs should become properly staffed teams deployable to authorities facing complex applications.

A faster, simpler route to decisions

The report calls for an end-to-end review stripping out disproportionate requirements and updating guidance that is decades old, reform of 'clock-stopping' so information requests come upfront, statutory timescales for consents and public local inquiries, a single council gateway instead of parallel regimes, published process maps for every consenting route, and a Major Projects Office owning end-to-end delivery for large-scale infrastructure.

Support strategic sectors for growth

Energy and marine consenting need statutory timescales, an adopted Sectoral Marine Plan, a funded Marine Recovery Fund, wayleaves determined within 52 weeks, and a framework for floating wind wet storage before applications arrive in volume. Digital infrastructure needs national guidance separating hyperscale from smaller schemes, with data centre demand designed into the grid from the outset. Housing should be treated as economic infrastructure, with a target of at least 25,000 homes a year and public delivery milestones.

Boost accountability and governance

The report calls for shared services and lead-authority arrangements for complex applications, and a single gateway across land, energy and marine consenting. Alongside this, a stronger national mandate so guidance is applied consistently, a national Planning Performance Framework reporting annually on decision times and backlogs, with incentives for authorities that deliver and consequences where they do not, and better use of technology and AI to lift administrative work off planners.

How the planning system works in Scotland

The policy framework

Scotland's planning system is devolved, meaning it operates under separate legislation and policy from England, Wales and Northern Ireland. The National Planning Framework 4 (NPF4), introduced in 2023, is part of the development plan in Scotland and the overarching document that sets Scotland's long-term spatial strategy. It contains 33 policies under the headings of sustainable, liveable or productive places which set out criteria to consider and designates certain types of development as nationally important. Every planning decision in Scotland must be assessed against the policies within NPF4. Below that sit Local Development Plans (LDPs), which each of Scotland's 34 planning authorities is required to prepare. New LDPs are to be prepared by May 2028 however very few are due to be adopted by the deadline. These plans will set out where development is and is not permitted in each local area along with more local policy requirements. As with NPF4, councils now update their local plans on a 10-year cycle rather than every five years.

Who makes decisions

Most planning applications are decided by local planning authorities. Scotland has 32 councils, plus 2 national parks, each operating its own planning department. This means businesses operating across multiple areas can face very different requirements, timescales and interpretations of national policy depending on which authority they are dealing with. For the largest or most complex projects, applications may be called-in by the Scottish Ministers directly, with those decisions administered by the Directorate for Planning and Environmental Appeals (DPEA), which also administers and appoints Reporters to consider call-ins or planning appeals on behalf of Scottish Ministers. The decision can also be delegated to the Reporter and further procedure is at their discretion. This can include no further procedure being required or by written submission, hearing or Public Local Inquiry (PLI).

For electricity generation and transmission projects above certain thresholds, consenting sits within a legislative framework which is reserved to Westminster. However, Scottish Ministers have executive devolution on land use decision making under that legislation and it is administered through the Energy Consents Unit (ECU) within the Scottish Government with the host local authority acting as statutory consultee. In the case of objection by the planning authority or substantial objections, the case may be referred by the Scottish Ministers to a Reporter and the DPEA for further procedure akin to the process for appeals. Marine projects, including offshore wind, ports and underwater cables, require separate marine licences from the Scottish Ministers handled by Marine Scotland, which also operates its own consenting regime independently of the land-based planning system. Ports may also need a Harbour Empowerment or Revision Order from Scottish Minsters under Harbour legislation.

How planning applications work

Businesses typically begin with a pre-application consultation, engaging the relevant planning authority and start engagement with local communities and relevant stakeholders before submitting a formal application. National and Major applications, which fall under defined categories of major development under the planning system are subject to more detailed scrutiny and this may include Environmental Impact Assessments (EIAs), statutory consultee responses from bodies such as NatureScot, SEPA and Transport Scotland. Any appeals against refusals or conditions imposed on national and major applications are to Scottish Ministers. Certain decisions on appeals for local applications (i.e. 50 houses or less) are to a local review body made up of local councillors rather than to Scottish Ministers.

Decision timescales vary. The Scottish Government has committed to determining S36 and S37 Electricity Act Generation and Transmission applications within 52 weeks. For local authority decisions, national and major applications have a statutory target of 16 weeks and where an EIA is required. Very few planning authorities meet these targets. Homes for Scotland found that major housing developments averaged 39.7 weeks in the first half of 2025/26, almost two and a half times the statutory period [1]. While the 52-week commitment was strongly welcomed, businesses are already seeing setbacks in the promised timescales. The automatic Public Local Inquiry (PLI) route, once triggered when a planning authority objects, has averaged around 18 months, one of the delays the reformed Electricity Act regime is designed to remove.

What businesses pay

Planning application fees in Scotland are set nationally and paid to the relevant planning authority on submission of an application. Fees are based on the size of the proposal, and the income is not ringfenced: it flows into general local authority budgets rather than being guaranteed to fund planning services. Scotland also introduced fees for planning appeals in 2025 and this is paid to the DPEA. Some councils have also introduced discretionary planning fees for other services, such as pre-application discussions, non-material variations or discharging planning conditions. Fees for Electricity Act applications are paid directly to the ECU.

The consenting landscape for key sectors

For energy and infrastructure businesses in particular, the consenting journey involves multiple overlapping regimes. An offshore wind project, for example, may require a both a S36 and a marine licence from Marine Scotland, a S37 transmission consent from the ECU, road and transport approvals from local authorities or Transport Scotland, and potentially other separate consents for associated onshore infrastructure. There is no single gateway: businesses must navigate each regime separately and manage dependencies between them.

The bottom line for business

Scotland's planning system gives devolved government significant levers over where and how investment lands. But the combination of under-resourced local authorities, inconsistent decision-making across the multiple planning authorities, Scottish Government departments and public bodies, overlapping consenting regimes (with legislative frameworks not all devolved to the Scottish Ministers) and a shrinking pool of qualified planners means that for many businesses, the system adds cost, delay and uncertainty to investment decisions that Scotland cannot afford to lose.

The case for change: what business leaders have told us

We conducted a snap-shot poll of 18 CBI members in Scotland from across energy, housebuilding, manufacturing, transport, retail, food and drink and beyond who have extensive experience with the Scottish planning system, the clearest single message was an appetite to invest. Asked whether faster, more consistent and more predictable planning decisions would lead them to increase their investment here over the next five years, 83% said they would, more than a third of them saying they would significantly [2]. The capital and the will to deploy it in Scotland is there; what sits between the two is, at times, the planning system itself.

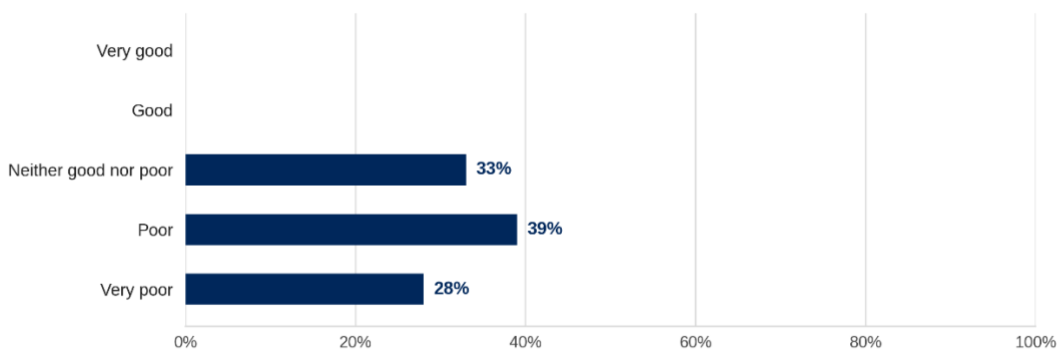
The below key findings stand out from our poll:

- 32% had seen a project delayed by the planning or consenting system in the past three years, 26% had seen an increase in project costs, 15% had scaled back investment as a result of the planning system, and around 9% had relocated investment elsewhere.
- Faster, properly enforced decision timescales were the top reform, chosen by 24% of members, followed by addressing the shortage of qualified planners at 17%.
- 71% dealing with more than one planning authority in Scotland found decision-making inconsistent between them, and more than a quarter described decision making and requirements as “very inconsistent” across planning authorities.

A system under strain as an investment enabler

No respondent rated Scotland's planning system as good or as an enabler of investment; 67% rated it poor or very poor [2]. NPF4 set the right ambition, to enable the right development in the right places. Members' experience suggests the system is not yet delivering it, and closing that gap provides Scotland with a great opportunity.

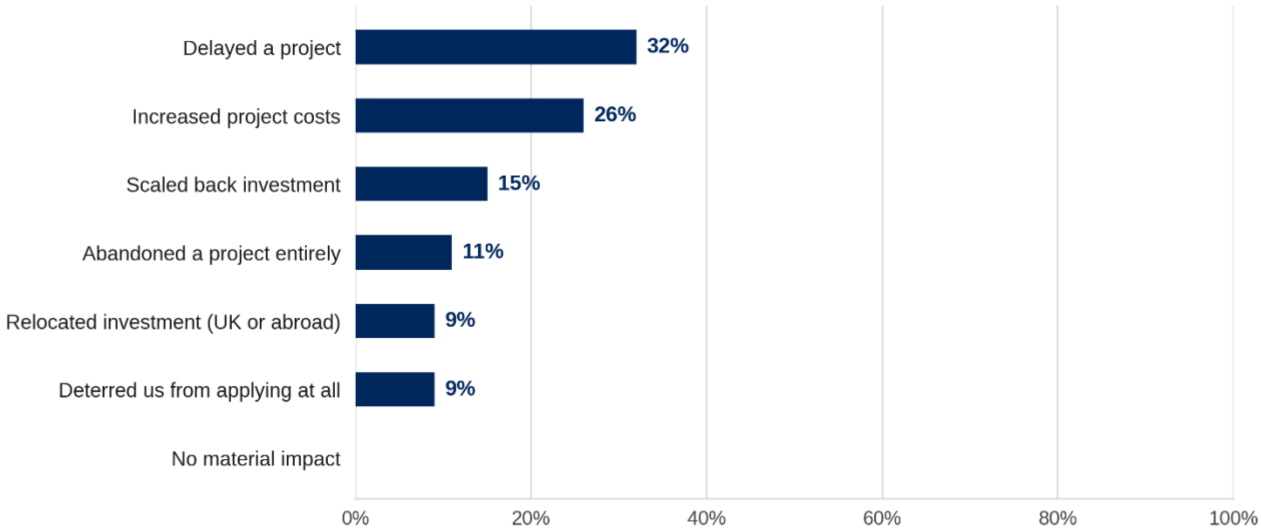
Figure 1: Overall, how would you rate Scotland's planning system as an enabler of business investment?



Delays in the planning system have a direct impact on budgets and investment decisions

Every month a decision slips adds directly to the cost of a scheme, through the carrying cost of land and capital held but not yet working, the financing charges that mount while an application sits in the system, and the build-cost inflation that steadily erodes a budget agreed against an earlier programme. For the largest projects, where budgets already run to tens or hundreds of millions, even a modest slip in the timeline can add a significant sum before construction begins, and it does so while the scheme earns nothing to offset it. Around a quarter of the members we surveyed reported that planning or consenting delays had pushed up their project costs [2], and one construction and infrastructure member captured how the effect compounds: "the delay in planning approvals has a direct cost on project delivery, meaning that by the time approvals have been met the project is no longer within budget and needs value engineering, meaning further planning consultation”.

Figure 2: How have planning or consenting delays directly affected your business in the past three years?



Speed is the number one ask from business

Asked how long their most recent major application or consent took to determine from submission to decision, 67% of members had waited more than a year. Asked to name their top three reforms, 24% chose faster statutory decision timescales that are properly enforced as their number one choice [2].

The official data reflects the same picture. Scottish Government statistics show major applications took an average of 36.1 weeks to decide in 2023/24, more than double the 16-week statutory target [3] and, the RTPI notes, still slower than in 2016 [4]. For major housing, Homes for Scotland reported average decision times of 39.7 weeks in the first half of 2025/26, almost two and a half times the statutory period [1]. Members are not asking for a new standard. They are asking for the system to meet the targets it has already set itself [2].

"We need defined timescales that can be relied upon, and that planners will commit to meeting, that are both supportive and reflective of business today."

Manufacturing business

Concerns around 'clock stopping'

Members sharpen the speed issue into one fixable point: the stopping of the clock. Members working in the renewable energy space welcome the commitment to determine major energy consents for electricity transmission infrastructure within 52 weeks, but report back that its value is reduced when the clock is paused for further information. As one renewables member puts it, the pause is partly a matter of risk appetite. Members ask two questions of any information request. First, is the information absolutely required, or could the decision be determined on the basis of what has already been supplied? Second, can the determination and the production of supplementary information run in parallel, rather than stopping the clock entirely? The consequences run wider than the individual application. Where consent for grid build slips past 52 weeks, the delay carries through to every renewables and generation project waiting to connect behind it. Until consenting for grid infrastructure moves faster, progress across the wider economy is held back.

There is also currently no statutory time limit within which Ministers must decide a Section 36 or 37 consent [5]. The Scottish Government has powers to introduce statutory timescales and should now use those powers to make the 52 week commitment binding, giving investors greater certainty.

Discharge of conditions is another increasingly significant cause of delay. Local Planning Authorities have been increasing their use of conditions when granting planning permission. While conditions can be beneficial, often guidance stipulating how they should be used is outdated - and delays in discharge and conditions are a major bottleneck delaying construction work. A practical solution requires no primary legislation. Firstly, the Scottish Government should publish updated guidance to address the volume and complexity of conditions; secondly, the Scottish Government should create statutory deadlines for condition discharge through the regulation-making powers it already has under the Town and Country Planning (Scotland) Act 1997.

A resourcing challenge that needs a long-term answer

Behind the delays, members consistently pointed to resourcing rather than to the people in the system. The shortage of qualified planners was their second most-chosen reform at 17%, with ringfenced planning fees to fund planning services close behind at 14% [2]. Members are not just asking for more planners today, they are asking for a system that can still staff itself in ten years.

The planners' own professional body confirms the pressure. The Royal Town Planning Institute (RTPI) finds planning is “the most reduced and lowest funded local authority department on a national scale,” with expenditure down 28.6% in real terms since 2010/11 [6]. In 2023 the workforce had fallen to around 1,205, its lowest in at least five years, and it is ageing: nearly 40% are over 50 and fewer than 10% under 30 [6]. Around 150 planners graduate from accredited Scottish courses each year against an estimated need for some 700 over the next 10 to 15 years [6][7].

The pressures from public sector and private sector reinforce each other as the private sector recruits experienced planners from the authorities that consent its projects, public sector salaries struggle to compete, and the RTPI's 2025 survey finds nearly 60% of planners frequently or constantly overstretched, with senior posts the hardest to fill [4]. Members note the same strain in the roads and transport functions downstream of a consent, so a project can be approved and then wait again for the capacity to deliver it. None of this is a criticism of planning professionals. It is the case for giving them the resources the country's ambitions require.

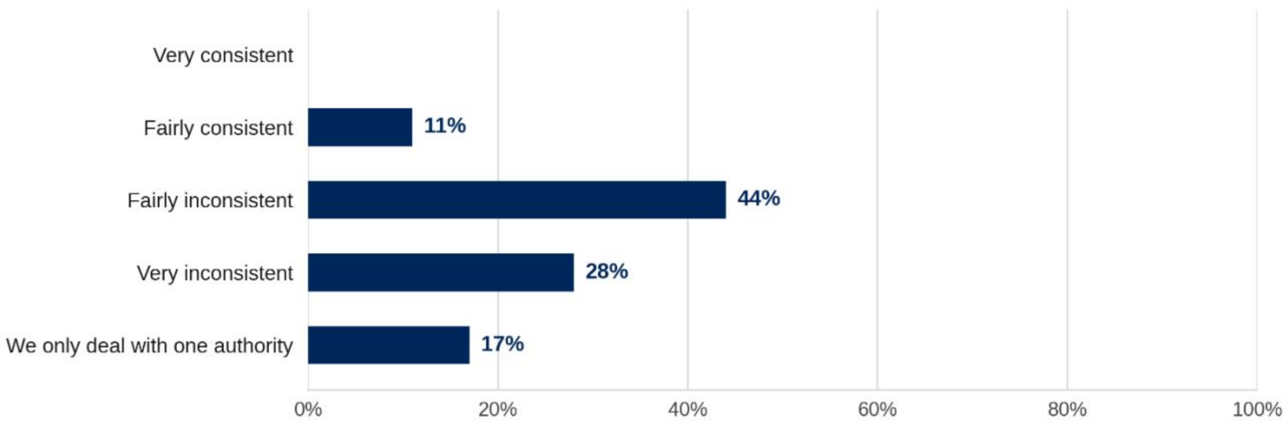
> "The resourcing constraint on qualified planners has been a generational issue which has never been addressed by any of the planning reforms since 2006. The planning system needs a review of current demand and a proper plan to process and deliver the developments already in the system."
>
> **Energy and utilities member**

One framework but this has many interpretations across planning authorities

The vast majority of members dealing with more than one authority found decision-making inconsistent between them, and over a quarter described it as very inconsistent [2]. Members experience NPF4 not as a single national framework but as something applied differently depending on where they build. A construction member said the barriers "varies by location", citing resource and capacity constraints in one city and statutory consultee pressures in rural areas. Part of this issue is structural, where NPF4 and a Local Development Plan are incompatible, the later in date one prevails, so a newly adopted LDP can override NPF4 even where it does not align with its principles. The same pattern holds where national clarification has been issued, as one member put it: "following direction set in a letter sent by the Chief Planner last year on biodiversity conditions, we are seeing local councils directly contradict expectations set out in the letter, pointing to its status as guidance only." For businesses operating nationally, that means ambiguity over what rules apply where. Greater consistency would deliver the certainty NPF4 was designed to provide.

> "NPF4 is applied inconsistently across authorities, causing uncertainty around the realisation of business investment, ranging from unclear timeframes to full legal challenges."
>
> **Retail & hospitality sector-based business**

Figure 3: How consistent do you find decision-making and requirements across different Scottish planning authorities?



Sector barriers that compound the picture

Members also raised sector-specific barriers. In the marine space, one renewables member describes delays driven not only by decision resource but by shortages of specialist input, citing ornithology expertise being moved elsewhere and delaying an already overdue sectoral marine plan for offshore wind. A single missing specialist can hold up a whole pathway. Members also feedback that marine consenting in Scotland is particularly slow and there seems to be a reluctance of policy makers to take a firmer approach to environmental consultees who can often raise generic concerns that can lead to substantial project delays as well as additional conditions and costs. Members involved with grid development report onshore substations being refused locally and then escalating slowly, despite that infrastructure being critical in supporting the economic growth of Scotland. A housebuilding member points to the shortage of deliverable land and calls for the presumption in favour of sustainable development to be reinstated, a concern underlined by Homes for Scotland's warning that completions could fall to around 5,000 a year by 2031 [1].

The economic opportunity at hand

Scotland has the wind resource, the coastline, the engineering expertise and the universities and colleges to be one of the world's most attractive investment destinations. The previous chapter set out what members told us: a system too slow, too inconsistent and too under-resourced. This chapter sets out what the prize of action could be. In every sector below there is willing investment but there is often sector specific barriers around planning and consenting. That is why the recommendations that follow are not a planning wish list, they are the route to the biggest economic prize available to this Scottish Parliament.

A once-in-a-generation energy prize

Green industries could add £37 billion to £57 billion to UK GDP by 2030, with Scotland placed to capture a considerable share [8]. The jobs are high-value, generating £119,300 in economic activity each, around one and a half times the UK average, with an 11% wage premium [9]. And the capital is committed: over £96 billion from ScotWind and INTOG [10], SSE's £25 billion programme to 2030 alongside SSEN Transmission's £22 billion Ofgem-approved investment [11], and a joint £46 billion pledge from ScottishPower, SSE, Scottish Water and Openreach between 2025 and 2030 [12].

The next wave faces the same barrier in sharper form. Scotland's hydrogen and carbon capture projects, including the Acorn cluster backed at the 2025 Spending Review [13], fit within no single regime. The planning hubs established to help address this complexity have not yet been resourced or mandated at the scale needed to realise their full potential, which is why this report recommends seeing hubs through.

As a co-commissioner in the Strategic Spatial Energy Plan (SSEP) led by NESO, the Scottish Government should ensure chosen SSEP pathways support Scotland's renewable strengths, grid needs and floating wind ambitions. It will be important for the SSEP to acknowledge and support repowering projects, to promote sustainability and to make the most of existing assets.

Ports and harbours: the supply chain enabler supporting the wider economy

Scotland's ports sit at the centre of the offshore wind opportunity, yet members are explicit that Scotland has only scratched the surface of the opportunity, but every month of consenting delay sends manufacturing contracts elsewhere. Slow marine consenting stops projects reaching the investment decisions that anchor supply chain work here. And connectivity fails downstream: Kishorn Port is reinventing itself for floating offshore wind manufacturing yet is served by a road that is not even a trunk route, with the same resourcing shortage afflicting the transport functions beyond the consent. Faster marine consenting and resourced authorities, both recommended in this report, must arrive together.

House building: a sector that needs unlocked to tackle the housing emergency

A country that cannot house its workforce cannot grow its economy. Scotland has 693,000 households in housing need, 250,000 people on waiting lists and a shortfall of more than 110,000 homes since 2008 [14]. Only 19,797 homes were completed in 2024 against the shared 25,000 target, and completions could fall to 5,000 a year by 2031 [15]. One of the causes sits in the planning system: 60% of local development plans are out of date and there is less than three years of consented land supply [15]. The private capital is willing, what stands in its way is land supply, plan transition gaps and unresourced departments, which is why this report recommends treating housing as economic infrastructure, measured in completions, not consents.

Data centres and AI: the backbone of the digital infrastructure economy

Scotland has moved quickly from a minimal data centre market to hosting one of the UK's most significant AI infrastructure pipelines. The Lanarkshire AI Growth Zone alone is expected to attract £8.2 billion in private investment and support more than 3,400 jobs, with a £543 million community fund and 50 apprenticeships attached [16]. The proposed Ravenscraig development is valued at £3.9 billion to build, with an ongoing annual GVA contribution approaching £730 million once operational [17]. But the direct investment is only part of the prize: data centres are the infrastructure on which AI adoption across Scottish businesses, colleges, universities and public services will depend. Data sovereignty is a live concern too, because with no hyperscaler region in Scotland, sensitive public data on NHS, education and justice systems could currently sit on infrastructure in England and Wales [17]. This is Scotland's chance to break into a UK data centre market historically concentrated in London and the South East, and to build the digital foundation the wider economy needs.

Planning decisions are a critical factor in whether Scotland captures it. Previous calls for a moratorium on new data centres in Scotland adds risk and uncertainty to the investment and build pipeline for this sector [17]. And no data centre gets built without a grid connection, and there are no grid connections without consents for the substation and transmission infrastructure behind them, so every digital investment inherits the full weight of Scotland's energy consenting problem. What business needs is proportionate national planning guidance that distinguishes hyperscale from smaller-scale developments, alongside Scotland acting as a proactive co-commissioner in NESO's Strategic Spatial Energy Plan. Get this wrong and the cost is structural uncompetitiveness in the sectors that will define the next two decades.

Recommendations for change

Scotland's planning system is one of the single biggest factors of whether investment translates into real economic growth. Every month of delay means lost jobs, stalled regeneration and rising project costs. Businesses say delays, under-resourcing and inconsistency still hold projects back. A modern, well-resourced planning service must be seen not as a regulatory hurdle but as a national growth enabler. CBI Scotland supports the start of truly resourced planning hubs as a new way to address backlogs and skills gaps, but pace and urgency are needed. Below are this report's recommendations for change across four areas: Building capacity to deliver, a faster route to decisions, support strategic sectors for growth, and boosting accountability and governance.

Building capacity to deliver

1. Fund the system properly to see a return on investment

Scotland's planning system has been underfunded for over a decade. The RTPI finds planning is the most reduced and lowest-funded local authority service in Scotland, with expenditure down 28.6% in real terms since 2010/11 [6]. No amount of process reform will compensate for a system that does not have enough people to do the work. Funding must be treated as the foundation on which every other reform rests.

a) Commit to prioritising planning staff in the ongoing public service reforms to ensure services and budgets which support these vital areas are not cut.

b) Ringfence planning fees so that revenue from applications goes directly back into planning services, not into general local authority budgets.

c) Build consistent and predictable funding for planning services into every spending review settlement, recognising planning as national economic infrastructure.

d) Make the best use of existing expertise by increasing digitalisation, streamlining administration and processes, and focusing staff time where it adds most value to decision-making.

2. Solve the planner shortage for the long term

The profession is not attracting enough people in the first place. These issues need to be addressed together, and they cannot be separated from funding: public authorities will never retain planners while the salary gap with the private sector goes unaddressed. Scotland faces a structural pipeline problem that will take years to fix. Around 150 planners graduate from accredited Scottish courses each year against an estimated need for some 700 new entrants over the next 10 to 15 years, and only one Scottish university offers an RTPI-accredited undergraduate planning degree (although a new work-based route at UWS launched in 2025). With the public sector unable to compete with private sector salaries, and local authorities losing experienced planners to companies and infrastructure developers competing for the same finite pool, the shortage will worsen before it improves unless action is taken now.

- **a)** Build on novel programmes, such as the University of the West of Scotland's workplace learning BSc in sustainable urban planning and the Scottish Government's Future Planners Programme, to open new entry routes into the profession. In addition to degree programmes, work with industry to develop apprenticeships, college pathways and fast-track graduate schemes. Where councils take on apprentices, they must be supported to retain them, not simply trained up and lost to neighbouring authorities or the private sector.
- **b)** Develop a sustained campaign, in partnership with professional bodies and the business community, to raise the profile of planning as a career among school leavers and graduates.
- **c)** Address the active competition between public planning authorities and major infrastructure developers for the same scarce pool of qualified planners. As Scotland's build-out of energy and transport infrastructure accelerates, this dynamic will worsen without a deliberate national response.
- **d)** Scottish Government should look at a programme of targeted attraction of planning expertise from outwith Scotland.
- **e)** Embrace a more holistic approach by enabling joint appointments between neighbouring authorities to pool scarce expertise in the short term, and consider how to encourage retired planners to work on a consultancy basis to clear backlogs while the longer-term pipeline is rebuilt.
- **f)** Continue to fully deliver the National Planning Skills Commitment Plan, and explore structured secondment programmes from business into planning teams, bringing specialist expertise into local authorities on major applications, with appropriate governance to manage conflicts of interest.

3. See planning hubs through to their full potential

Planning hubs remain a good idea, but members have previously stated that they have not been implemented with the resource or mandate needed to deliver to their potential. The hubs were created with two initial focuses, hydrogen and housing, with early housing activity centred on unlocking stalled sites and, increasingly, on addressing slippage in local development plans. That work matters, but the pool of multi-disciplinary specialists the hub has sought to build could do far more to relieve capacity constraints across local planning authorities.

a) Recommit to planning hubs with genuine resource and a clear mandate: properly staffed, deployable teams of experienced specialists who can be directed as required to assist local authorities handling complex major applications.

b) Give hubs sufficient resourcing to advise and assist local authorities with applications from emerging and technically complex sectors, including offshore wind, hydrogen, CCUS, floating wind and data centres, where planning capacity is currently lacking.

c) The Scottish Government should develop clear guidance across all Scottish planning authorities to improve consistency in how NPF4 is interpreted and applied. The Scottish Government should develop mechanisms to ensure this is adhered to and a reporting process to address where it is not. The hubs can then help embed that consistency, replacing the current situation where 34 planning authorities are effectively developing separate interpretations of NPF4.

A faster, simpler route to decisions

4. Speed up and simplify the process with increased transparency

Scotland's planning process has grown incrementally, with many of the core recommendations from the 2016 planning review never implemented. Documentation requirements, validation checklists and consultation regimes have all added cost and delay without adding proportionate value to decision-making, and guidance in some areas is more than 30 years old. Critically, the answer is to make the existing system work better, not to trigger another round of primary legislation. Scotland is on its third Planning Act in 20 years and NPF4 has not had time to bed in. What is needed now is simplification, consistency and resource, not another rewrite.

a) Conduct a full end to end review of planning requirements with a view to strip back requirements that are disproportionate (such as complexity of conditions) and to update guidance that is no longer fit for purpose.

b) Reform the rules around clock-stopping in major consenting decisions, including energy and housing applications, so that information requests are made upfront and the clock pauses only in genuinely exceptional circumstances with a published justification.

c) Introduce statutory timescales for the determination of consents. Powers to do this for section 36 and 37 energy consents were granted under the Planning and Infrastructure Act, and the Scottish Government should now bring forward the secondary legislation to implement them.

d) Introduce statutory timescales for the determination of Public Local Inquiries, targeting decisions within 12 months of submission, which the decision-maker can extend only in exceptional circumstances with published reasons, so that accountability applies to statutory consultees as well as decision-makers.

e) Coordinate consents within each council through a single gateway, so applicants are not navigating multiple separate regimes in parallel for the same development.

f) Publish clear process maps and indicative timelines for each consenting route, appeals included, so applicants and their supply chains can plan and resource with confidence.

g) See through on the commitment for a Major Projects Office and work with business and investors to get its role and remit right. Business would support a single team with strategic oversight and ownership of end-to-end delivery for large-scale infrastructure in Scotland.

h) Scottish Government should issue clearer, more consistent guidance for statutory consultees to improve consistency of NPF4 interpretation, reducing the variation in requirements across Scotland's 34 planning authorities.

i) Use the public sector reform programme to consolidate the number of Public Bodies of the Scottish Government, at times their role and remit overlap and create complexity and additional barriers for businesses involved in the planning system.

Support strategic sectors for growth

5. Tackle marine consenting and energy infrastructure

Scotland's net zero ambitions depend on a consenting regime for energy infrastructure that can match the scale and pace of what needs to be built. Marine consenting has become a growing source of delay and frustration, with offshore wind, grid and port projects all affected. Members identify four central problems: the continued absence of a clear and up-to-date marine planning policy framework; the absence of fixed timescales and a consistent basis for decision-making in energy consenting; a Scottish Marine Recovery Fund and associated strategic compensation measures that have still to be established and funded; and land acquisition powers under the Electricity Act 1989 that are too narrow and out of date for the projects now coming forward.

Floating offshore wind adds a further and urgent dimension. With around 60% of Scotland's wind resource in water too deep for fixed foundations, floating wind is not a distant prospect. It is the next major wave of infrastructure investment. Wet storage and staging consenting for floating turbines is already generating significant local controversy and has no clear consenting framework behind it. Scotland needs to get ahead of this now, not after the applications start arriving in volume.

a) Use powers granted in the Planning and Infrastructure Act 2025 to set statutory timescales for Section 36 and Section 37 energy consents.

b) Finalise and adopt the updated Sectoral Marine Plan for Offshore Wind urgently, and bring forward consultation on National Marine Plan 2 as soon as possible, aligning with the SSEP, so developers have a clear and current marine planning policy framework to work within.

c) Establish and adequately fund the Scottish Marine Recovery Fund and associated strategic compensation measures, so environmental mitigation is delivered strategically rather than negotiated project by project.

d) Determine all necessary wayleaves and compulsory purchase orders within 52-weeks, and continue to engage with the UK Government on much-needed reforms to streamline and modernise land rights powers in the Electricity Act 1989.

e) Reform statutory consultee obligations to ensure that pre-application engagement is meaningful, potential issues are raised upfront, responses are provided within prescribed timetables, and a non-objection cannot subsequently become a lengthy annex of conditions after the clock has nominally stopped. Establish clear escalation protocols where deadlines are missed, so non-controversial consents do not drift for months without a decision.

f) Align Scotland's judicial review framework with recent UK reforms to ensure faster, clearer and more consistent handling of challenges to critical infrastructure, reducing avoidable delay and strengthening Scotland's attractiveness as a competitive investment location.

g) Address wet storage and staging consenting for floating offshore wind as a specific and urgent planning challenge, developing a clear consenting framework ahead of the volume of applications Scotland's floating wind ambitions will generate in this Parliament.

h) Deliver materially faster and clearer marine consenting approvals for port and port-associated infrastructure and improve port connectivity through targeted investment in the road, rail and digital links that underpin freight, offshore wind and defence supply chains, ensuring Scotland keeps pace with regulatory improvements in England.

i) Expedite the construction of transmission infrastructure and streamline grid connections, working with UK Government, NESO and Ofgem to meet 2030 clean energy targets.

j) Act as a proactive co-commissioner of the Strategic Spatial Energy Plan (SSEP) led by NESO, ensuring Scotland's renewable strengths and floating wind ambitions are embedded in the final pathway. Prioritisation should be given to repowering projects, to promote sustainability and to make the most of existing assets. In addition, the Scottish Government should provide clarity on how the SSEP, and Regional Energy Strategic Plans (RESPs), will interact with wider planning frameworks, such as National Planning Framework 4 and Local Development Plans.

k) Partner with UK Government to prioritise delivery of Scottish projects within the UK Energy Security Plan, including the Acorn CCS project and Net Zero Hydrogen Fund projects at Gordonbush, Lanarkshire and Inverness.

6. Ensure planning does not become a blocker to the digital infrastructure backbone our economy needs

Scotland has moved rapidly from a minimal data centre market to hosting one of the UK's most significant AI infrastructure pipelines, with the Lanarkshire AI Growth Zone alone expected to draw £8.2 billion of private investment and support more than 3,400 high-value jobs, and major regeneration schemes such as the proposed Ravenscraig development in prospect behind it. Data centres are best understood as the infrastructure of the AI era in the way roads are the infrastructure for moving goods, because their value lies less in the buildings than in what they enable: the compute on which Scottish businesses, universities and public services increasingly depend.

a) The Scottish Government should issue proportionate national planning guidance that draws a clear line between hyperscale and smaller-scale data centre development, giving all planning authorities a consistent framework for weighing energy, water, grid and community-benefit considerations, so that applications are assessed on their merits.

b) Plan for data centre demand within the energy and grid consenting system rather than treating it as a surprise, ensuring the grid connections, substations and transmission behind every data centre are handled through the faster, better-resourced consenting set out in Recommendation 5, and confirming Scotland's role as a proactive co-commissioner in NESO's Strategic Spatial Energy Plan so that digital infrastructure demand is designed into the network from the outset.

7. Treat housing as economic infrastructure

Scotland cannot grow its economy without building the homes its workforce needs. With an accumulated shortfall of more than 110,000 homes since 2008, 693,000 households in some form of housing need, and Homes for Scotland analysis warning delivery could fall to around 5,000 homes a year by 2031, the housing crisis is an economic emergency that planning reform must directly address.

a) Set a national target of at least 25,000 new homes a year, aligned to labour market and productivity needs, and report against it publicly and regularly.

b) Introduce clear delivery milestones and accountability across government, treating housing as essential economic infrastructure rather than a social policy issue.

c) Reform planning and consenting to ensure land supply matches need, including addressing the gap created by the transition to 10-year local development plans under NPF4 with adequate transitional arrangements, such as the presumption in favour of sustainable development or a similar mechanism.

d) Enable private investment to flow into both affordable and market housing by reducing the uncertainty and delay that currently makes development viability unpredictable.

Boost accountability and governance

8. Strengthen coordination and shared capacity across the planning system

Scotland has 32 local authority planning departments, 2 national park authorities, and a distinct marine consenting regime. That fragmentation splits the same scarce pool of qualified planners across too many teams, drives inconsistency in how NPF4 is interpreted, and leaves many authorities without the critical mass to handle complex major applications. Members of our working group were direct: the system is too fragmented to function well as it stands. The answer is not wholesale reorganisation, which would absorb years of effort and legislative time the system cannot spare. It is to make the existing structure behave as a more coherent whole.

a) Establish shared services and lead-authority arrangements for the most complex major applications, so scarce specialist expertise is concentrated where it is needed rather than spread thinly, with a single authority clearly accountable for each project.

b) Create clearer coordination between the land-based planning system, the Energy Consents Unit and the marine consenting regime, with a single gateway for major projects that cross those boundaries, so applicants are not managing parallel regimes that do not talk to each other.

c) Make the system accountable for coordination, not just for individual decisions, by reporting publicly on how well authorities, hubs and statutory consultees work together on nationally significant applications as part of the Planning Performance Framework set out in Recommendation 9.

9. Build in accountability and the improved use of technology

National guidance is only as good as its application. CBI members report that guidance issued by the Scottish Government is too often treated as optional, with authorities free to depart from it without explanation or consequence. Accountability has to apply to the centre as well as to the local, and the national planning function needs the mandate and standing to set clear expectations and follow through on them. Without transparent reporting on how the system is performing, there is no way to know whether reforms are working, or any basis for holding authorities to account when they are not. Technology is the other half of the answer. Used well, AI can lift administrative work off planners and generate the data the system currently lacks, but it carries risks that Scotland needs to get ahead of now.

a) Strengthen the National Planning Improvement Framework to support a transparent national performance regime, with annual public reporting on decision times, approval rates, backlogs and delivery outcomes across all planning authorities and statutory consultees.

b) Use that data to identify where the system is performing well and where it is failing, both nationally and locally, with consequences for persistent underperformance and recognition for leading authorities.

c) Strengthen the mandate of the Scottish Government's national planning function so that guidance carries a clear expectation of adoption. Where an authority departs from national guidance, that should be published and explained, with a defined escalation route where performance does not improve.

d) Pair the above with a system of incentives and consequences. Authorities that consistently meet statutory timescales and apply national policy reliably should earn greater autonomy and lighter reporting requirements. Sustained underperformance should trigger structured improvement support, with performance against the Planning Performance Framework taken into account in decisions on future resourcing and improvement funding.

e) Lead a single, nationally funded and coordinated technology programme through existing national infrastructure, setting common data standards, shared procurement and consistent ethical and transparency safeguards, so tools built once can be adopted across the system. This avoids duplicating cost and effort across authorities.

f) Use AI to reduce the administrative burden on planners: document review, consultation response processing and precedent-checking, freeing experienced planners to focus on decision making.

g) Ensure all planning authorities are AI-ready to identify and manage coordinated or artificially generated responses submitted at scale.

h) Building on and properly funding a national digitisation programme for planning and support the creation of a National Digital Planning Champion to lead coordinate innovation across authorities.

Learning from the recent planning evolutions in England

Summary of the recent planning evolutions in England

Within three weeks of taking office in July 2024, the UK Government consulted on a revised National Planning Policy Framework; the final version took effect on 12 December 2024. It restored mandatory housing targets of around 370,000 homes a year, reinstated the five-year land supply requirement, reversed the effective ban on onshore wind and created a new category of lower quality 'grey belt' land within the Green Belt that can be released for development, subject to 'golden rules' on affordable housing and infrastructure.

The Planning and Infrastructure Act 2025 received Royal Assent on 18 December 2025. Its headline measures: removing statutory pre-application consultation for nationally significant infrastructure projects, a reform intended to reduce project timescales by up to 12 months; limiting Nationally Significant Infrastructure Project legal challenges to one attempt rather than three for cases the courts deem totally without merit; delegating routine, policy-compliant applications to officers so committees focus on the most significant decisions. And through a National Scheme of Delegation, due to take effect from 31 October 2026, the reforms also remove routine councillor call-ins and objection-triggered committee referrals, reducing the scope for policy-compliant applications to be delayed late in the process.

Letting councils set planning fees that recover their costs; spatial development strategies that plan across groups of authorities; and a Nature Restoration Fund allowing developers to discharge certain environmental obligations through a levy, with mitigation delivered strategically rather than project by project.

Crucially, reform has been matched with resource. The 2025 Autumn Budget committed a further £48 million to planning capacity, funding 350 additional planners and taking total recruitment across the system to around 1,400 this Parliament, well beyond the original manifesto pledge of 300. Plan-making is being rebuilt around a 30-month timetable to end seven-year plan cycles. The second rewrite of the NPPF, published in August 2026, introduces a default approach in favour of suitable development on urban brownfield land and around railway stations.

What the early evidence shows

A broader lesson from England is that planning reform is increasingly being treated as a delivery system rather than purely a regulatory system. Recent reforms have focused not only on changing planning rules, but also on speeding decisions, improving planning capacity, limiting unnecessary committee involvement, reforming statutory processes and reintroducing strategic planning across local authority boundaries. The cumulative effect of these changes shouldn't be underestimated.

Policy has moved faster than legislation. Independent analysis cited in the UK Government's Autumn Budget found that 80% of major residential appeals on grey belt land were approved in the policy's first nine months, permitting around 1,600 homes that would likely have been refused under the previous rules. That was achieved through a policy change, not an Act of Parliament. The Act's own provisions commence in stages, many requiring secondary legislation, so their full impact will take years to show. Nor has reform yet translated into output: housebuilding starts remain historically weak and delivery is forecast to fall short of the 1.5 million homes target. The lesson is not that England has solved its planning problem. England has established a clear direction of travel, coupled reform with additional planning capacity and funding, and signalled that planning reform remains a government priority. A recurring lesson from England is that planning reform and legislative change alone are insufficient. Delivery depends equally on planning authority capacity, statutory consultee performance and wider consenting regimes operating effectively.

Case study

Grey belt: how a definition changed outcomes in months

In December 2024, the revised NPPF defined a new category of land: grey belt, meaning land within the Green Belt that does not strongly contribute to its core purposes. Development on grey belt is no longer inappropriate in principle, provided it meets golden rules on affordable housing, infrastructure and green space. No legislation was required; the change took effect as national policy on the day of publication.

The effect was immediate. Analysis cited in the UK Government's Autumn Budget found 80% of major residential appeals on grey belt land approved in the policy's first nine months. The lesson for Scotland is not about the Green Belt. It is that a precise definition, adopted as national policy and applied consistently, can change outcomes within a year, at a fraction of the time and political cost of primary legislation. NPF4 gives Scottish Ministers exactly that kind of lever, if they choose to use it.

The changes already reshaping consenting in Scotland

The Act is not only an English statute. Its Electricity Act 1989 provisions, developed jointly by the UK and Scottish Governments, reform Scotland's own consenting regime for onshore and offshore generation and network projects: mandatory pre-application requirements; a reporter-led examination replacing the automatic public inquiry triggered when a planning authority objects, a process that has taken an average of 18 months; and a challenge period cut from three months to six weeks. These are exactly the disciplines members have called for. The examination and challenge reforms took effect in February 2026, with pre-application requirements to follow in regulations. Two gaps remain. Implementation: the reforms will only deliver if the Energy Consents Unit, the DPEA and statutory consultees are resourced to run the new system at pace. Coverage: offshore wind and marine consenting sit outside the reformed process, leaving the largest part of Scotland's investment pipeline exposed to the open-ended inquiry risk just removed for onshore projects. Recommendation 6 addresses both.

The appeals gap: DPEA and the Planning Inspectorate

Members report that the operation of the DPEA, and the way appeals and inquiries are conducted, often lags in time behind the Planning Inspectorate for England. Planning appeals in England determined by public inquiry took an average of seven months from submission to decision. In Scotland, appeals dealt with by hearing between January 2025 and June 2026 took an average of 15 months. That is more than double the time and is applied to schemes that have already been through a full application and a refusal.

Procedure accounts for much of the difference. In England, procedure notices do not exist. Where a case is dealt with by written representations, the inspector takes the parties' statements and reaches a decision. In Scotland, cases can run through repeated rounds of procedure notices, with each party commenting on the others' responses. Each round adds weeks without adding materially to the evidence set before the decision-maker.

Permitted development: a narrower approach

Permitted development rights are a useful tool for developers, and England has used them extensively to take routine development out of the application system, including office to residential conversion and upward extensions. Scotland's approach is more constrained. The rights themselves are more narrowly drawn, the breadth of conservation area, National Scenic Area and other designations removes them from many of the places where development pressure is highest, and authorities retain scope to withdraw them locally. The Scottish Government should review both those limitations and the thresholds that sit behind them, so that permitted development does more to encourage development. These rights sit in secondary legislation, so this is another change deliverable without a new Planning Act.

Key points from England's planning evolution

1. **Pace matters.** England changed outcomes within months using policy, guidance and resourcing, without waiting for primary legislation. Scotland does not need a fourth Planning Act; it needs NPF4 implemented consistently and the existing system made to work.
2. **Reform and resource must travel together.** England paired legislation with funded planner recruitment and cost-recovering fees, this has been a vital part of the change.
3. **Strategic planning is returning.** England is rebuilding a strategic tier of planning through Spatial Development Strategies to coordinate housing, infrastructure and economic development across functional economic areas. Scotland should consider whether stronger city-region planning could improve infrastructure delivery, housing supply and investor certainty.
4. **Proportionality is increasingly present in planning decision-making.** With the national scheme of delegation encouraging proportionate approaches to decision-making routes and routine decisions
5. **Certainty is vital for investment.** Statutory timescales, disciplined challenge routes, strategic environmental mitigation and reformed grid connections all reduce the risk investors price into projects. Any changes in Scotland must build consistency and certainty.
6. **Keeping pace is a competitive necessity.** If major infrastructure consenting in England becomes 12 months faster and Scotland's does not, that is 12 months of relative disadvantage applied to every equivalent Scottish project.
7. **Speed up appeals.** Scotland should benchmark DPEA performance against PINS, publish the comparison, and strip back procedural steps that add time without improving decisions.

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