

THE SCOTTISH GOVERNMENT

**RESEARCH PROJECT TO CONSIDER
PLANNING PERMISSION IN
PRINCIPLE FOR SITES ALLOCATED
IN THE DEVELOPMENT PLAN**

DECEMBER 2016

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1 Introduction

- 1.1 The Scottish Government appointed Ryden, in association with Brodies, to deliver a **research project to consider how closer integration of development planning and development management can better support housing delivery**.
- 1.2 The research has been commissioned in response to Recommendation 27 of the Independent Review of the Planning System: *Empowering Planning to Deliver Great Places (May 2016)*. The Planning Review highlighted the granting of Planning Permission in Principle (PPiP) to allocated sites as a potential means to enhance the certainty provided by the development plan in development management. This would represent a significant change from the current system where sites are allocated in a development plan – and therefore are judged to accord with the settlement strategy and land use principles – but do not benefit from planning permission in any form. Recommendation 27 is reproduced below.

27. The certainty provided by the development plan in development management should be strengthened.

To incentivise this, allocated sites should be afforded planning permission in principle, could be exempted from pre-application consultation requirements and could benefit from fast-tracked appeals. Conversely, where non allocated sites are being proposed for development a charrette or similar fuller consultation or mediation exercise could be required.

- 1.3 The independent panel found that planning authorities were mired in the process of producing plans, hindering their capacity to work proactively to deliver development. Despite the extensive work going into producing development plans, there appears to be insufficient faith that these will form the basis of subsequent planning decisions. From the planning authorities' and developers' perspectives, there appear to be inefficiencies and difficulties in translating the benefits of an allocated site into development on the ground.
- 1.4 In considering the independent panel's recommendation of affording PPiP to allocated sites, there are a number of detailed considerations which were set out in the Scottish Government's study brief and reflected in Ryden's proposal:
- Establish the barriers to affording allocated sites PPiP and how these could be overcome.
 - Understand the current process from site identification to realising development, and the barriers and costs at each step.
 - Consider how this would change if allocated sites were afforded PPiP.
 - Identify the likely benefits and risks for the developer, and the scale and type of development most likely to benefit from such changes, including phased development.

- Identify likely benefits and challenges for key stakeholders, including the planning authority, statutory consultees and communities.
- Examine how the balance of information submitted at each stage is likely to change.
- Consider the implications for planning fee income.
- Inform the consideration being given to a reconfigured system of Development Plans, particularly in relation to implications for PPIp on Local Development Plan (LDP) timescales.

1.5 The objectives of this research are therefore wide ranging. However, they come back to a few core themes:

- Exploring the current journey from planning proposal through to realisation of development on the ground.
- How this would change if PPIp was to be afforded at the Development Plan stage.
- What could prevent this from happening, and how to address it.
- The benefits and dis-benefits – on developments of different types and scales, and on different stakeholders.

1.6 The research is principally but not exclusively concerned with housing (including mixed use) development. The outputs of the research may be used by the Scottish Government in conjunction with other ongoing reviews to inform the forthcoming planning reform consultation.

1.7 The study is presented in the following sections:

- Section 2 presents the **policy and research** review, beginning with the current planning system and moving through the use of PPIp and the proposed reform.
- Section 3 reports the findings of individual **consultations** from across the stakeholder spectrum and presents the results of an **online survey** of Scottish planning authorities.
- The PPIp process is addressed through a set of **case studies** of development proposals' progress through the current planning system and a discussion of the proposed reform. The planning and development process is consolidated into a **scenario** which highlights the key stages (Section 4).
- Section 5 **summarises** the research programme and identifies the **key principles** of the proposed reform arising from that work, for consideration by the Scottish Government in drafting the Planning White Paper.

1.8 The research presented in this report has benefited from being able to draw upon a wealth of data, material and experience available in the modernised planning system.

The consultants are grateful to all those who contributed their time and experience to the project.

2 Policy and Research Review

Introduction

- 2.1 This section of the report considers the policy and research background to the potential for granting Planning Permission in Principle (PPiP) to sites allocated in the development plan. For brevity the proposed reform will be referred to as '**PPiP(A)**' to reflect the integration of **PPiP** with an **Allocation**.
- 2.2 The policy and research review covers:
- The definition of PPiP and its place in the planning system and processes.
 - Analysis and interpretation of Scottish Government data on PPiP applications; i.e. how and to what extent PPiP is currently used.
 - Responses to the Planning Review by a range of stakeholders which specifically mentioned PPiP and alternative options.
 - Recent proposals and publications relating to a Department of Communities and Local Government (DCLG) in England proposal to introduce grant of a form of in-principle planning permission with the allocation of development plan sites.
 - A summary of the policy and research review and implications for this study.

Planning Permission in Principle

- 2.3 Since 2009, PPiP applications have replaced the previous route of outline planning permission¹. PPiP is sought when the applicant wishes to obtain consent to the outline or principle of a development before drawing up a detailed proposal. The definition of PPiP from the 2006 Act is:

Planning permission in principle

- (1) "Planning permission in principle is planning permission (granted in accordance with the provisions of regulations or a development order)-
- a. In respect of the carrying out of building, engineering, mining or other operations in, on, over or under land, and
 - b. Subject to a condition, imposed under section 37(1)(a), that the development in question will not be begun until certain matters (which may, but need not be, particularised in the application) have been approved by the planning authority or as the case may be the Scottish Ministers".

- 2.4 Following a grant of PPiP, (a) further application(s) must be made to the authority for its approval of the detailed scheme, in compliance with the conditions imposed on the PPiP

¹ Town & Country Planning (Scotland) Act 1997 s.59 and Planning etc. (Scotland) Act 2006

consent². These subsequent approvals are known as Approval of Matters Specified in Conditions (AMSC, or MSC).

- 2.5 An application for PPiP does not require plans and drawings, other than a location plan and a broad description of development. However planning authorities may request further information³ and it is rare for an allocation to be based upon a red line plan without additional information.

PPiP Analysis

- 2.6 The Scottish Government provided planning application data for the four years 2012/13 to 2015/16 (data is at Annex A). Total planning application numbers have remained relatively constant, at around 30,000 per annum between 2012/13 and 2015/16. From a market perspective this flat planning application trend is an interesting statistic, as those four years represented what was otherwise a period of economic and market growth.
- 2.7 On average, PPiP applications accounted for a comparatively minor 4.5% of all planning applications submitted in Scotland 2012/13 – 2015/16. Local PPiP applications dwarf the numbers of major⁴ PPiP applications, at an average of 1,270 per annum and 81 per annum respectively. This means that local PPiP applications account for 4.2% of all planning applications made in Scotland, and major PPiP applications only 0.27%. Application numbers per annum are fairly steady across both major and local PPiPs.
- 2.8 It is not known how many of the PPiP applications made each year are on allocated development plan sites, and how many are on unallocated sites. The use of PPiP on these types of site is discussed in Section 3. The land use types included in applications for PPiP has not been analysed.
- 2.9 The average annual number of PPiP applications received per planning authority is 37.3 local and 2.4 major PPiP applications⁵. There is a huge variation between authorities, as shown on Figure 1 and commented on below:-
- **Local PPiP applications** (orange columns) dominate in areas with large hinterlands such as Highlands, Aberdeenshire, Argyll and Bute, Dumfries and Galloway, and Perth & Kinross. It is likely that small, local proposals testing the principles of land use in rural and small town/ village locations account for the large majority of these, and it may be that many of these relate to single houses.
 - **Major PPiP application** numbers (blue columns) are small to zero for most authorities. For clarity, Figure 2 shows major PPiP applications only. The largest numbers are in Edinburgh and Glasgow with Fife, West Lothian and Aberdeenshire also active, although none has more than ten major PPiP applications annually.

² "Planning", Neil Collar 4th Edition

³ Scottish Government Circular 3/2013 - Development Management Procedures

⁴ The threshold for a major planning application is 2 hectares, or 50 units if housing although at PPiP stage the unit numbers may not be confirmed and the land area is the more likely threshold.

⁵ 34 planning authorities comprising the 32 local authorities plus the 2 national park planning authorities

Figure 1

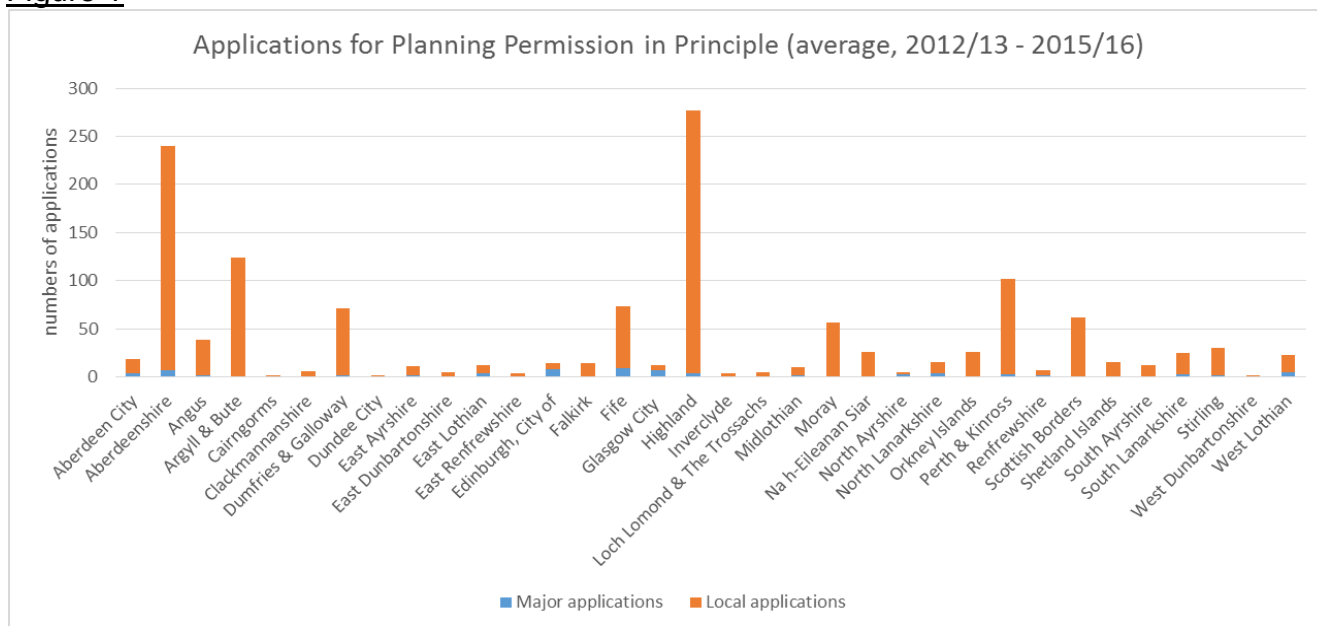
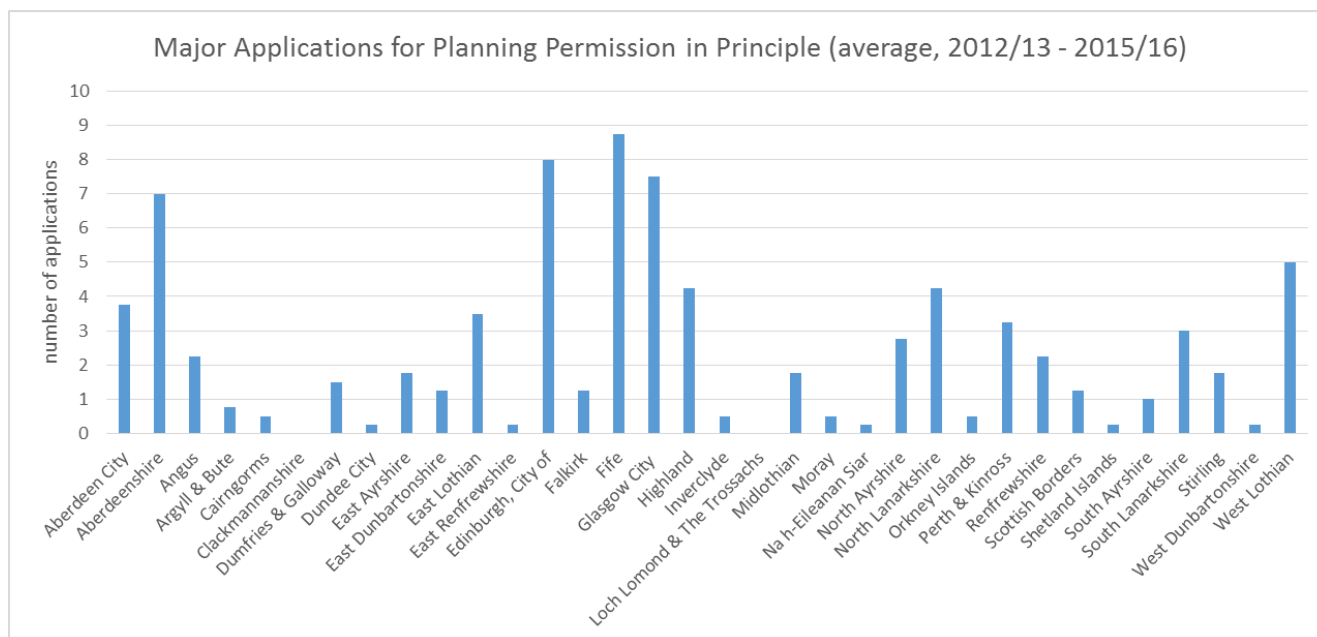


Figure 2



2.10 The proportion of PPiP applications received tends to increase in areas with greater planning application activity. Authorities receiving less than 1000 applications annually record an average of 2.8% of these as applications for PPiP. Those receiving more than 1000 per annum recorded an average of 5.2% as applications for PPiP. Again this may simply be a function of large dispersed geographies receiving more planning applications whilst seeking to establish the principle of land use.

2.11 The decision-making time for PPiPs has improved markedly over the four-year period analysed, indicating that the process is improving. Table 1 differentiates the decision-making time between major and local sites. It is reasonable to expect that major sites will be higher impact and more complex; this is borne out by decision-making taking

three to four times longer than for local sites. That said, the improvement in decision-making time for PPIPs has been much faster for major sites, which on average took half of the time to determine in 2015-16 as in 2012-13. This supports the view that Scotland's modernised planning system is still bedding-in, although the improved decision-making times in 2015-16 are still 2-3 times longer than the statutory timescales.

Table 1: PPIP Decision Times (*average number of weeks*)

Year	Local	Major
2012-13	26.1	105.2
2013-14	20.4	82.8
2014-15	18	69.2
2015-16	18.2	52.8

Planning Reform

- 2.12 In 2015, the Scottish Government's Programme for Scotland announced its intention to launch a "root and branch" review of the Scottish planning system⁶. At the launch of the review, the Minister stated that the aim of the panel was to increase delivery of high quality housing developments, by delivering a quicker, more accessible and efficient process, and to reinforce the Scottish Government's commitment to a fair and open planning system that works for everyone, especially local communities.
- 2.13 A three person Review panel considered more than 400 written responses and heard from around 70 organisations at oral evidence sessions. The Independent Review of the Scottish Planning System, "Empowering Planning to Deliver Great Places" was published in May 2016⁷. Forty-eight recommendations feature in the report. These are designed to achieve the following outcomes:
1. Strong and flexible development plans, which provide more certainty, are widely supported and have a much sharper focus on delivery.
 2. The delivery of more high quality homes.
 3. An infrastructure-first approach to planning and development.
 4. Efficient and transparent development management, that has a much stronger link to the development plan, with more standardised processes and less unpredictability.
 5. Stronger leadership, smarter resourcing and sharing of skills.
 6. Collaboration rather than conflict – inclusion and empowerment.
- 2.14 This study into PPIP(A) arises from Recommendation 27, which sits under the development management theme above. This recommendation states that the certainty provided by the development plan in development management should be strengthened.

⁶ <http://www.gov.scot/Resource/0048/00484439.pdf>

⁷ <http://www.gov.scot/Resource/0050/00500949.pdf>

- 2.15 In its response to the report, the Scottish Government stated that it agreed with the panel that the planning system could be significantly strengthened to ensure that the aspirations which underpinned the 2006 Act were fully met. “To achieve this, it is clear that change is required. We want to simplify and strengthen the planning system to ensure it better serves all of Scotland’s communities”.⁸
- 2.16 In addition, the Scottish Government highlighted that it did not intend to re-open the debate on what should be done, but to focus instead on how improvements could be delivered. This would allow them to move forward constructively and swiftly.
- 2.17 A consultation paper outlining options for change will be published this Winter. The stated expectation is that the consultation may cover:
- a reconfigured system of development plans, linking with proposals to extend the role and scope of the National Planning Framework and Scottish Planning Policy;
 - new tools to assist housing delivery and diversification of types of housing;
 - an approach to infrastructure delivery which recognises the development planning process;
 - changes to the development management process to improve efficiency and transparency;
 - a renewed approach to performance improvement which links with an enhanced fee structure and more innovative resourcing solutions;
 - more meaningful and inclusive community engagement;
 - embedding IT and innovation to achieve a digitally transformed planning system.
- 2.18 A similar proposal was also considered at the time of the last major reform of the Scottish planning system. In Modernising the Planning System (White Paper 2005), “Approval in Principle” was mooted for sites allocated in development plans. This would have accepted that the principle of development for a use, or mix of uses, was indicated by an allocation in the Local Development Plan (LDP). The aim was to “strengthen the effect of development plans and ensure that their content is meaningful”. Following adoption of the LDP there would have been no need to apply for outline planning permission (as it was in 2005), instead preparing a planning application for consideration by the planning authority, statutory consultation and community engagement “on the details of the development, for example, house layout, access and design”. This would not have extended to sites requiring Environmental Impact Assessment. Land not allocated for development would be unlikely to be approved without significant justification. The proposal was not implemented⁹.

⁸ <http://www.gov.scot/Resource/0050/00502867.pdf>

⁹ Consultation responses from 2005 are at: <http://www.gov.scot/Publications/2005/12/2084221/42352>.

Seventy-two responses were reported from local planning authorities, public bodies, the development industry, other businesses, professional organisations, planning consultants / architects / lawyers, academic bodies, community councils and voluntary organisations. The responses are informative and on balance can be read as supportive – but conditionally, as also features in the consultations reported in Section 2 of this report. The responses are not easy to apply directly to this study as the 2005 proposal appears to have been bound-up with entirely removing outline planning permission from the planning process, which attracted particular concern.

Submissions to Independent Planning Review Panel – PPIp

2.19 The Panel received over 400 written submissions¹⁰. Seventeen of these submissions came from planning authorities, three of which highlighted the reform of Planning Permission in Principle as having the potential to increase the certainty provided by Development Plans for Development Management. These were:

- **East Lothian Council** proposed that the allocation of a site in an LDP for a particular land use should give in principle approval of that use and applications for planning permission in principle for the use should be precluded.
- **Aberdeenshire Council** called for research into whether or not sites that are allocated in Development Plans should require planning permission in principle. They state there may be an opportunity to remove some procedures, particularly where a masterplan has to be provided and approved.
- **Angus Council** questioned the value of applications for PPIp where they propose development on land allocated for that purpose in an up-to-date development plan. It states that the principle of development has been established through the plan. However, a PPIp application “raises community expectation that the principle of development can be revisited”.

These fairly limited planning authority responses on this topic are enhanced by an extensive online survey conducted by Ryden for this project and reported in Section 3.

2.20 The reform of PPIp was mentioned more consistently in submissions to the Planning Review from developers and land agents.

- **Homes for Scotland** raised the issue of how PPIp operates. The industry body calls for allocations in LDPs to have the same status as PPIp. This will, it states, enable a relaxation of political engagement at the detailed planning application stage and enable wider schemes of delegation to be introduced by Councils.
- On a similar theme, **Barratt & David Wilson Homes** suggest that there needs to be a reduction in the role of politicians in planning, and to achieve this allocated sites should be delegated to planning officers / heads of planning for determination.
- Land agent **Gladman Scotland** stated that allocations in development plans should equate to PPIps. AMSC applications that are compliant with the development plan allocation, Gladman Scotland proposes, should also be delegated to planning officers.
- **Wallace Land** states that where land is allocated for development in a LDP, the process should be streamlined considerably if the principle of development is accepted; “then the implementation of proposals should be a priority”. LDP allocations should have deemed approval of PPIp in Wallace Land’s view.

¹⁰ These are published at:

<http://www.gov.scot/Topics/Built-Environment/planning/Review-of-Planning/Call-for-Evidence-Responses>

- Developer **Dandara** echoed this position in their submission, stating that allocated sites “should be considered to have Planning Permission in Principle,” and should not have to re-consult on proposals.
- The **Stewart Milne Group** also supports this approach in their submission, with masterplans and development briefs included in LDPs to articulate a planning authority’s place-making agenda and inform subsequent detailed planning applications.
- In developer **Springfield’s** view, “If a site is allocated in an LDP, it should automatically have PPiP.” This, they state, is justified as “the level of information and technical detail that is submitted to support an allocation in LDPs supports this.”
- The **Walker Group** also supported housing allocations in the Development Plan having deemed PPiP to provide certainty to landowners and developers to proceed to invest in the promotion of detailed plans and masterplans required to bring forward the delivery of housing sites.

These responses indicate support for the reform among the development industry. A number of the responses reported above were interrogated in detail by Ryden through consultation with the named companies; this is reported in Section 3 (along with balancing consultation among community groups, landowners, planning authorities and infrastructure agencies).

- 2.21 A summary report¹¹ on the Planning Review consultations prepared for the Scottish Government notes these suggestions that LDP allocations should be equivalent to PPiP. This could apply to all allocated sites, “principally in use, but possibly quantum”, with further technical studies still required. This is not dissimilar to the principle of the English reform, which is discussed below.

Planning Reform in England

- 2.22 Planning reforms are currently being introduced in England through the Housing and Planning Act 2016. This act aims to speed up and increase the efficiency of the planning process and to deliver homes. One of the fundamental changes the Act proposes is in Section 150, where a new route for obtaining planning consent is outlined, while still retaining the ability to apply for outline planning permission¹². This comprises the introduction of Permission in Principle, or PiP. The details of this reform are still being developed.
- 2.23 Under PiP, permission in principle is proposed to be granted when local authorities or neighbourhood groups choose to allocate housing-led development in future local or neighbourhood plans, or identify it on brownfield registers. These plans or registers are termed “Qualifying Documents” (QDs). The Act also makes provision for PIP to be applied for and granted for minor development on application to the local authority. Minor developments are for between 1-9 homes inclusive.

¹¹ The Planning Review: Analysis of Written Evidence (Kevin Murray Associates and University of Dundee, March 2016)

¹² <http://www.legislation.gov.uk/ukpga/2016/22/contents/enacted>

- 2.24 PiP¹³ will separate the decision making on 'in principle issues' such as land use, location and amount of development, from matters of technical detail, such as what the buildings will look like, mitigation of impacts and securing contributions to infrastructure. The aim is to give up-front certainty that the fundamental principles are acceptable, before developers need assess costly, technical matters. It is also to ensure that the principle of development only needs to be established once in the process.
- 2.25 PiP must be followed by an application for Technical Details Consent before the applicant can regard full planning permission to have been granted and start work on site. If the technical details are not acceptable, this can be the basis for refusal. There will be a time limit beyond which PiP will expire (e.g. 5 years if PiP granted by a development order and 3 years if granted by a Local Planning Authority). Beyond this time limit and where there has been a material change in circumstances, there will be no duty to determine technical details in accordance with the PiP.
- 2.26 DCLG distinguishes this route from the existing ability to apply for outline planning consent. Outline planning consent provides a route to secure some certainty, subject to later agreement of reserved matters, but at the cost of a higher level of technical clarity. In discussion with Ryden, DCLG highlighted concerns that obtaining outline planning consent was proving to be an expensive route to obtaining a limited amount of certainty. It was felt that issues of principle were being re-debated at the application stage, despite allocations for sites in plans. Rigour would still be applied when sites were being considered for inclusion in plans and registers. However, by agreeing a small number of in-principle issues, it would mean that these were settled and not to be revisited. Obtaining outline planning consent will remain an option for applicants.
- 2.27 DCLG proposes to exclude sites screened as requiring Environmental Impact Assessments from this PiP route¹⁴. In that context, outline consent was considered to be more suitable.
- 2.28 A schedule of conditions and Section 106 agreements - which establish the developer contributions required to mitigate the impact of development - would be addressed at the Technical Detailed Consent stage, not PiP. There would be a right of appeal against PiP refusal, but only for PiP applications, not allocations.
- 2.29 DCLG have confirmed to Ryden that they are currently assessing the impact of the proposed legislation and that the Regulations which will enact this will be published in 2017.
- 2.30 In this context it is not yet possible to compare these proposals to potential reform in Scotland, other than as a conceptual framework. A broad review of literature¹⁵

¹³ Policy Fact Sheet: Permission in Principle, DCLG (2016)

¹⁴ This is similar to the 2005 White Paper suggestion for Scotland which was not taken forward (see 2.2).

¹⁵ Department for Communities and Local Government. (2015). *Permission in principle for development plans and*. London: UK parliament.

Department for Communities and Local Government. (2016). *Technical consultation on implementation of*. London: UK Government.

Institute of Civil Engineers. (2016, April 1). *Planning permission in principle measure*. Retrieved from Institute of Civil Engineers:
http://www.designingbuildings.co.uk/wiki/Planning_permission_in_principle_measure

pertaining to the English PiP reform suggests that it has the potential to remove some risk for housebuilders - DCLG found that 62% of refusals were due to land being judged unsuitable for housing development - and reduce some duplication of effort, but it is open to question whether leaving so much to the detailed technical matters stage will genuinely speed up the planning process or deliver development certainty. No doubt opinions will form and evidence will build as the reform is specified and enacted.

Summary

- 2.30 Planning Permission in Principle (PPiP) establishes the principle of land use and the conditions to be met by the development. A small minority of planning applications are for PPiP: 4.2% of all applications are for local PPiP and 0.27% are major PPiP. No area is receiving more than 10 major PPiP applications per annum on average, however a skew towards city areas and potentially very large Community Growth Areas would make PPiP applications significant in terms of development output. Determination time for PPiP applications has improved but still greatly exceeds statutory timescales.
- 2.31 Turning to the proposed reform, during evidence gathering for the Planning Review, PPiP for allocated development plan sites (PPiP(A) here) was mentioned by a small number of planning authorities and was a common theme among developers. The Panel promoted those views through its Recommendation 27, under the broad theme of “efficient and transparent development management (with a) much stronger link to the development plan”. This study flows from the Scottish Government’s focus on how the Panel’s recommended improvements can be delivered.
- 2.32 An ongoing reform in England will grant Permission in Principle (PiP) to certain development plan sites, principally to accelerate housing delivery. The principle appears to be generally regarded as reasonable and positive, but the extent to which later Technical Details Consent may simply delay the technical assessment of a site’s development potential and delivery has raised some concerns.

Royal Town Planning Institute. (2016). *The independent review of the*. London: Royal Town Planning Institute.

Silcock, P. (2016). *Workshop on Permission in Principle*. Retrieved from Royal Town Planning Institute: http://www.rtpi.org.uk/media/1711796/phillipa_silcock_-_workshop.pdf

3 Consultations and Online Survey

Consultations

- 3.1 Granting PPIp to sites allocated in development plans (PPIp(A)s) would represent a significant departure from the current planning process, and may potentially affect a broad spectrum of stakeholders in different ways.
- 3.2 In order to understand the potential implications of the proposals from a range of perspectives, a total of twenty consultations¹⁶ were undertaken with the following groups:
- 4 local planning authorities and 1 strategic planning authority
 - 2 key infrastructure agencies
 - 4 developers, principally housebuilders including mixed-tenure
 - 2 major landowners
 - 1 land agent
 - 3 community councils or umbrella community organisations
 - 2 professional associations
 - Directorate of Planning and Environmental Appeals (DPEA)

A copy of the semi-structured questionnaire survey used during the consultations and a listed of the organisations and individuals consulted is provided at Annex B.

- 3.3 The consultation report below is based upon a formal write-up of each discussion which was been approved by each consultee, however individual comments are blended and anonymised. Project examples cited by consultees were used to inform the chapter then edited-out, as it would not have been possible to check all facts (or anecdotes). The discussion is organised by theme.

The Proposed Reform

- 3.4 Consultees expressed broad, conditional support for the proposed reform. The conditionality was influenced by their perceptions of other challenges arising from the reform. The large majority envisage other, compensatory changes within the planning system (“yes, but...”), while a small minority foresee major obstacles (“no, unless...”). Support for the reform did not vary to any notable extent by the type of respondent.
- 3.5 The most positive consultees view that allocations “in accordance with the development plan” should be entitled to earn a PPIp-type status, as “a means to achieve certainty for developers and communities “ (community council).
- 3.6 Those who were more lukewarm cited the particular risk of undelivered PPIp consents using up ‘capacity’ - whether infrastructure or development (housing) land requirements.

¹⁶ All except two consultations were face-to-face meetings.

- 3.7 For planning authorities, PPiP(A)s would emphasise the primacy of the Local Development Plan in decision-making about development. The reform would send a clear message that evidence-based and collaborative plan-making will identify sites for all parties who are “invested in the development process” (planning authority).
- 3.8 Given the primacy of the development plan, a red line allocation is viewed as a “very cheap entry ticket” which only indicates that a site is potentially deliverable “above the ground”. A developer suggested that there should be a benefit for those participating in the plan-making process and aligning with policy. Currently, allocated sites have an entry-level status then face a further layer of process and potentially challenge to the principle of development at the point of a planning application.
- 3.9 Developers and landowners note that PPiP(A) would enhance site value by increasing the certainty that the site could be developed. The crux is to ensure that the correct sites are selected, by understanding development capacity and viability and integrating this with a deliverable LDP action programme.

Who uses PPiP¹⁷ currently ?

- 3.10 PPiP is currently used by landowners and developers as the first stage in securing development and to raise the value of their land assets, by confirming development potential. Typically this is for housing or housing-led mixed-use development. PPiP allows applicants to typically establish the development volume – housing units / floorspace, building heights, total site capacity, net developable area – and matters such as developer obligations and conditions. The principle of development and associated costs become established and a legal status backs that potential.
- 3.11 Housebuilders tend to use PPiP for large sites to establish the development principle on land where they are proposing to parcel it up for onward sale to other developers, or develop in phases. Where a more straightforward site is allocated in a development plan, and/or there is a masterplan, the PPiP step may be skipped to move straight to a full planning application; or it may still be submitted if the masterplan information is sufficient to support this stage without much additional work.
- 3.12 PPiP is also used for speculative planning proposals on unallocated land outside of the development plan as a potentially less expensive route to establishing development potential than a full planning application. Some authorities view this as an attempt to work around policy objectives as a “fast track to appeal”. The PPiP application may be made by a landowner or by a developer with an option over the land. Contracts between developers and landowners will contain reference to different stages of planning consent, with purchase of the land usually triggered with detailed planning consent once conditions have been met, particularly for large and complex sites (although in markets with high demand a developer may consider purchasing a site with PPiP).
- 3.13 Landowners looking to attract housebuilders will often seek PPiP, whether on allocated or unallocated land. Their objective is to secure a legal planning status for the proposed use in order to secure the site value. The land use / housing mix and layout will then vary according to which developer takes the site forward. This approach is common

¹⁷ The planning data in Section 2 also suggests that PPiP applications are the preferred route for many small developments, particularly in non-urban areas, for example for single houses on unallocated sites.

whether a private developer or Registered Social Landlord (RSL) is buying the land. A PPiP may include an indicative layout plan however to ensure that the planning authority is “comfortable in principle”, but without specific consent for the units depicted.

- 3.14 Planning authorities view that PPiP has a useful role to play in building the technical assessments for larger sites and in understanding cumulative impacts across strategic sites. A status and set of principles can be established e.g. via a masterplan which helps if the site is phased or sub-divided in future, and the amount of subsequent AMSC applications can be reduced.
- 3.15 DPEA see relatively few appeals relating to PPiP applications; where there are appeals these usually relate as above to speculative, unallocated sites. However, DPEA does deal with some sites which have been allocated but are subsequently refused consent by a planning authority.

Front-loading

- 3.16 By far the most common concern during consultations was the requirement to front-load the development planning process to achieve the reform. Greater interrogation of proposals and closer integration of development planning and development management would be required. Stakeholders would be impacted in different ways:-
- **Communities.** There would be less risk of communities being overwhelmed by proposals at (comparatively late) planning application stage, if they are afforded more opportunity to participate early through properly-executed consultation at the development plan-making stage. There should be greater certainty that those sites which they engage with will be brought forward and that a “collaborative and democratic plan-making process” will be upheld. This should boost public confidence in the planning system, particularly if families and young people can be encouraged to engage, possibly through charrette-type events rather than the current “reactive, adversarial” system where developer-promoted consultations can seem like a one-sided “fait accompli” and can attract broad community objection.
 - Some felt that community engagement has already improved over the past 10 years. A less optimistic view held that only a narrow section of the community will engage anyway, meaning that early and better consultation may be “fruitless”. Another noted that in the absence of a new consultation process and if there is no Proposal of Application Notice (PAN) to respond to, there could be a “democratic deficit”. One suggested that Community Councils should gain a statutory role in development planning, perhaps with a ‘community statement’ – published, or closer alignment with Community Planning Partnerships.
 - **Developers and landowners** could achieve site viability and value through greater planning certainty - in return for their investment in helping to establish this certainty. This could support acceleration through detailed analysis and full consent, to earlier delivery. This would require “transparency in both directions”, with developers understanding whether or not (and why) local authorities, consultees and agencies are minded to consider a site. It would be “disingenuous” to put promoters to major work and cost if the authority or others are pre-determined not to support a site. A positive effect of the reform could be more sites attracting better assessment to secure PPiP(A) in the hands of parties more likely to progress to development. The

PPiP(A)s could become the “front wave” of development plan land supply, better aligned to the market cycle by closing the time gap from allocation to consent.

- Developers tend to be more commercially driven than landowners and may be more likely to seek PPiP(A). Some landowners operate in concert with development arms or partners and may also wish to promote sites beyond basic allocations, although perhaps some of these may be regarded as “patient capital” and less likely to be operating to strict commercial timetable.
- **Key Agencies and infrastructure providers.** The commitment of these bodies would be “vital to the success of the reform”. There will be challenges in providing assessments not only of infrastructure capacity but also of plans for delivery¹⁸. Education authorities, Scottish Water and Transport Scotland were mentioned as requiring to (continue to) increase their early engagement with the planning process. Discussions between planners and agencies were felt to be strengthened if both believed that the development plan would be delivered.

The view was expressed that some infrastructure and service providers are not yet ready for this form and scale of engagement, which would “concertina” already challenged processes into even shorter timescales, across many sites. There was some scepticism that front-loading of information and appraisal would accelerate the actual provision of that infrastructure. It was suggested that cumulative impact assessment at LDP level should be undertaken, then sites considered within that infrastructure framework.

A concern was raised that over-allocation of development land could compound uncertainty for infrastructure agencies, if that land is given the benefit of a planning consent. Developers would need to include their anticipated build-out rates to allow meaningful interrogation and infrastructure planning. Over-allocations and stranded sites could “clog up the planning system” in the absence of a “reverse gear” for allocations and consents.

- **Planning authorities.** Greater early scrutiny may relieve pressures later in the process, but at the cost of “multiplying the plan-making task”. It is felt that the site selection process has improved as the modernised planning system has bedded-in. The reform would remove the ability to repeat - and potentially change - the assessment of a site where “the principles have already been addressed through the development plan”. Planners could focus more on the delivery of those sites supported by the plan. This raises the wider issue of the integration of development planning with development management – “changing the shape of planning authorities” - and whether teams will have the time, skills and resources for this.

3.17 Resourcing this front-loaded work would be a major challenge. Transportation and flood risk studies were felt to be among the most important technical requirements if a PPiP(A) is to be meaningful. Areas of market growth may receive “huge volumes” of technical information in support of sites seeking PPiP(A) status. It was suggested that a clear distinction is made between supporting statements and information for PPiP(A), then designed solutions at detailed and MSC stages. However, a balance must be

¹⁸ For a detailed review of this topic in the modernised Scottish planning system see: *Planning for Infrastructure Research Report* (Scottish Government, August 2015)

struck as there is a risk in relegating information which can determine site delivery to later conditions. Without this focus on delivery, including infrastructure and viability, the reform could be an “empty gesture” and could undermine the primacy of the development plan.

- 3.18 Unsurprisingly, views on resourcing of front-loaded studies and assessments vary. Some envisage the developer paying for and undertaking work, or perhaps a partnership approach, while others would see local authorities being charged with this. Whatever the solution, under-resourcing could cause delays and act as a drag on the certainty of sites and delivery of development. The extent to which proposals for sites may then change and require to be re-appraised and re-consented was discussed, with some suggesting that any changes are likely to be more dramatic for economic development or commercial sites rather than for housing sites.

Defining the PPiP Allocation

- 3.19 Consultees expressed a range of opinions on the form that a PPiP(A) might take. This is summarised by theme below.

- **PPiP(A) threshold.** This drew mixed responses. Some felt PPiP(A) to be an onerous process for all concerned which should be used selectively, others that it would reinforce the development plan if applied to all allocated sites. A majority however think it most appropriate and beneficial for larger sites, particularly if phased and already likely to require a masterplan and some technical studies. The 2-hectare threshold for major applications was suggested as a minimum cut-off; one respondent suggested Community Growth Areas of 500+ houses (another said these should be required to meet PPiP standards to be allocated).

Further comments introduced the contingent complexity of other potential planning reforms. If the Main Issues Report (MIR) stage is continued, then perhaps preferred sites could provide sufficient information to support a PPiP(A) and be ‘elevated to the Plan’, without review by a Reporter (promoting localism).

It was suggested that some sites could seek to “opt-in” to PPiP(A) status during the LDP process, if they meet the required conditions. This would leave other sites with the status of a current LDP allocation. One consultee felt that having a mix of allocated and PPiP(A) sites would bring less rather than more certainty, but did note that sites are already a mix of allocated and consented. A ‘twin track’ of PPiP(A) or allocation would provide a choice of routes, with the latter possibly functioning at a more local level in many instances.

- **Supporting information.** Again this elicited mixed responses. Some take the view that all required information will have to be provided anyway before development commences, therefore having further stages or tiers may not help. Others felt that it should be possible to align the requirement for information with the scale and nature of the development and the benefit which the applicant will receive from the PPiP(A). Communities may support a tiered approach as they will typically be concerned more about larger proposals and welcome the additional information at LDP stage. There is a challenge however in requiring and assessing that information while seeking to streamline the planning process. This may require a form of supporting information processing agreement. A ‘light touch’ PPiP was

thought unlikely to improve delivery as sites may still fail or stall on viability, technical and infrastructure capacity grounds later in the process.

Whatever the ‘package’ of information for a given site, the planning authority was felt to be obliged to provide an unambiguous response – an “adjudication of all supporting information”. The supporting information can be clarified through pre-application discussions but might also benefit from being set out in legislation as the “basic technical data” to move from red line allocation to PPIp(A). The question was also raised of what happens when an otherwise preferred site heading for PPIp(A) is “derailed”, with education capacity constraints being noted as the most likely barrier (author note – this is valid but is no different to the current risks). The main objective is to move beyond conditions “subject to assessment”, to an in-principle understanding of development deliverability.

- **Commencement, duration and revocation of PPIp(A).** A specific point of grant would be required where certainty was gained, around a clear definition of when and what information was required and the role of conditions. Some consultees thought that the duration should be extended from the current 3 years to subsist for the LDP’s full 5 years – then sites could be reviewed for delivery intentions rather than simply being rolled over into the next plan. Others assumed that a separate reform to extend LDPs to 10 years comes into force and that PPIp Allocations would require some form of expiry or revocation. This a complex area where certainty of allocation must be balanced against the opportunity to review non-delivery, i.e. to avoid freezing the development plan every 5 (or 10) years.

The Planning System

3.20 The undernoted points summarise comments made on the planning system, in relation to the proposed reform.

- **Development Plan Scheme.** Attracted virtually no comment, bar one that it is a good tool but one which is “hidden away” on local authority websites.
- **MIR.** If retained, consultation may require to go beyond community councils to public exhibitions. Some planning authorities currently do this around a call for sites. Agencies find the MIR stage helpful as they can add value to the options being considered by reviewing these alongside their own investment plans.
- **PAN** processes for sites allocated in plans with PPIp(A) status are assumed to be removed and consultation undertaken as part of the LDP.
- **Development frameworks and masterplans** will be key for PPIp(A) sites and should be brought formally into the reformed process, on a more consistent basis across planning authorities. Many large site masterplans have sufficient technical detail but have not necessarily yet gone through consultation (statutory or community). Masterplans are however “a point in time” beyond which land uses and zoning may need to adapt to changing market conditions.
- **Environmental Impact Assessment / Strategic Environmental Assessments.** The EIA process would require to be reformed. There may be scope to alter SEA legislation to allow that process to encompass EIA regulations and sites proposed

for PPiP(A). The question of whether the SEA would then “close the door” to other sites was raised.

- **Challenge.** The DPEA’s role in conducting an Examination in Public would require to be aligned with the proposed Gatecheck (Planning Review recommendation 8) to ensure that PPiP(A)s were captured; a multi-stage review may be required to ensure adequate community recourse. DPEA may also have a role in adjudicating on PPiP(A) proposals which are not favoured by the planning authority, similar to their current adjudication on LDP allocations.
- **Planning fees.** Planning fees currently attributable to PPiP could be lost if this is not imposed at LDP preparation stage. If PPiP becomes more costly as is proposed and PPiP(A) less so, this might impact upon applicants’ choices.
- **Section 75 Agreements and planning conditions** would require to be considered further to assess how much certainty can be introduced through front-loading at PPiP(A) stage, and what should be subject to amendment or variation.
- Consultees pondered whether **processing** of PPiP(A) sites would be expedited over speculative planning applications, through fast-track determination which would involve development management in the development planning process, and whether this fast-tracking would continue at the MSC and Detailed Planning Application stage.

Beyond Planning

- 3.21 A repeated concern among consultees was the delivery of development. The focus of the reform is the delivery of consented development land, allied to infrastructure. There is however a distinction between “policy certainty, and certainty of delivery”. Consultees were concerned that delivering more consented development land may not greatly accelerate development, due to other blockages such as the actual delivery of infrastructure and depressed rates of building in the property market. It was felt that the reform should not create inflexibility by adding a new raft of PPiP(A)s to existing stalled and slow sites. One developer put forward the challenging proposition that those local authorities which want investment and development “can and do accelerate delivery”, by aligning development planning with infrastructure capacity and development management (the corollary being that those who don’t, don’t).

Online Survey

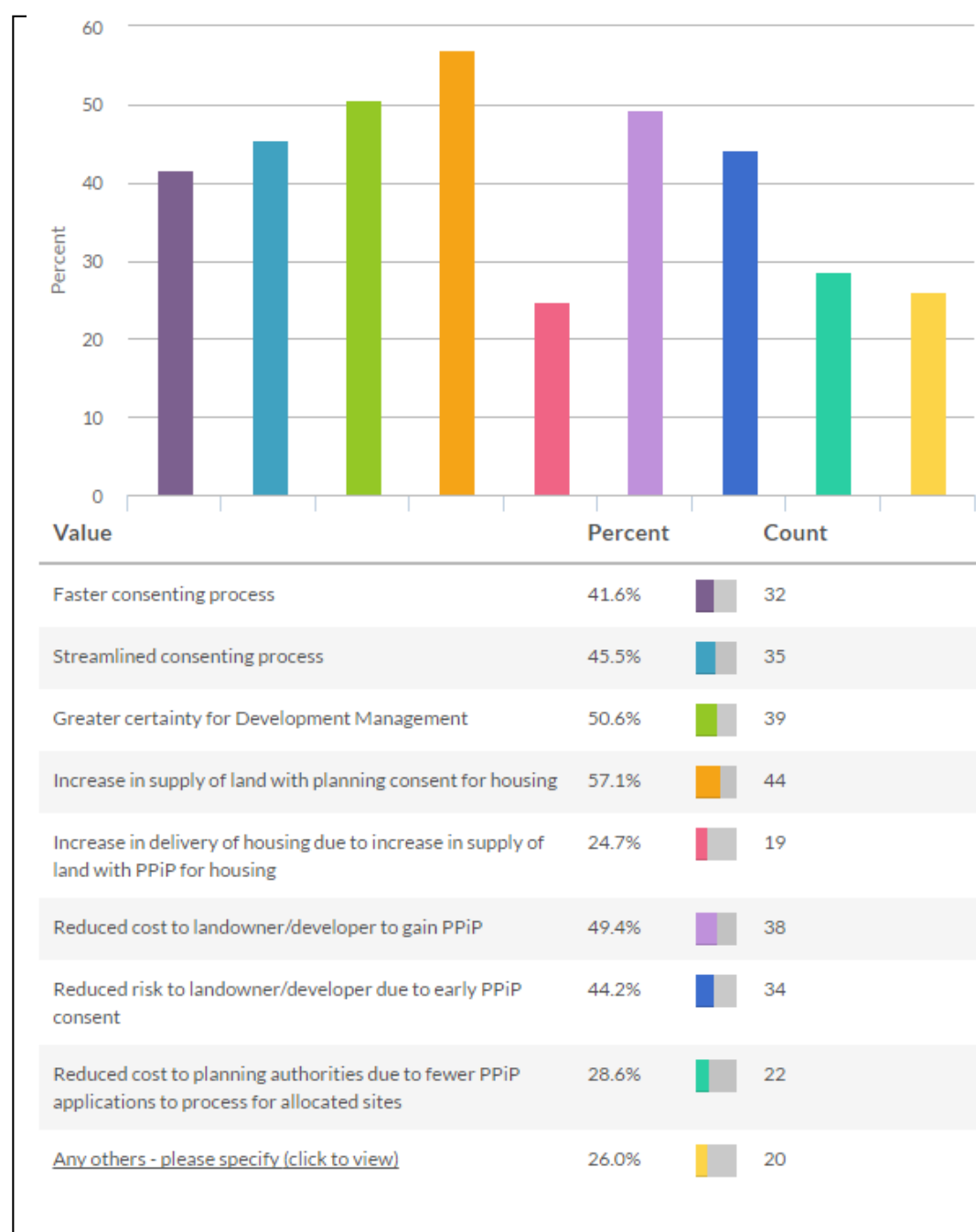
- 3.22 To supplement the findings of the consultations reported above, Ryden prepared an online survey focused on the implications of the reform for planning authorities across Scotland. Both Development Planning and Development Management staff were targeted, as well as Heads of Planning at each Council. The survey comprised multiple choice answers and written responses regarding the benefits and disbenefits of the proposed reform; perceived impacts on the Development Plan process; the scale of development most suited to such a reform; and the how this would influence the scope of the Development Plan and resources within Councils.
- 3.23 From a total of 78 responses, 46% were made from Development Management (DM) based staff, with 37% from Development Planning (DP). The majority of the remaining 17% came from those involved with both DM and DP. Executive Directors, Directors

and Heads of Service comprised around 10% of the response with Planning Managers and Senior Planners providing 30% and 24% respectively. The majority of responses have been secured from senior members of local authority staff and provide a meaningful and useful insight into planning authority opinion of the proposed reform across Scotland. All responses are anonymous, however, some reference has been made by respondents specifying the geographical area in which they are based.

Benefits of the Reform

3.24 Respondents' views of the perceived benefits of granting PPiP with the allocation of sites in the Development Plan – PPiP(A) are illustrated on Figure 3.

Figure 3



The majority, 57% of respondents expect the reform to result in an increased supply of land with planning consent for housing, with just over half believing that greater certainty will be achieved for DM. Other responses which attracted in excess of 40% included a faster consenting process and a more streamlined consenting process – which can broadly be read as one; as well as reduced cost to landowner/developer to gain PPiP(A) and reduced risk to landowner/developer due to earlier consent – which can also be viewed collectively. The modest majority who feel that additional consented land will be delivered does not however follow through to additional delivery of housing, which attracted only 24% (this accords with the consultation comments at 3.21 above).

3.25 A good majority of respondents agree (58%) or strongly agree (12%) that the proposed reform would provide greater certainty. Just over 30% disagree that greater certainty would be provided by affording PPiP to allocated sites.

3.26 Twenty additional responses on benefits of the reform were received in text format. Perceived benefits included:

- The opportunity to identify constraints/issues at LDP stage and subsequently allow studies to be carried out and information provided at an earlier point in the process
- Can provide greater clarity and certainty for communities
- Can allow detailed issues to be undertaken from the outset with a greater role for comprehensive masterplanning
- The role and primacy of the LDP would be strengthened and would reduce speculative applications
- Greater ability for developers to access finance and justify greater scope of study and information to support a PPiP

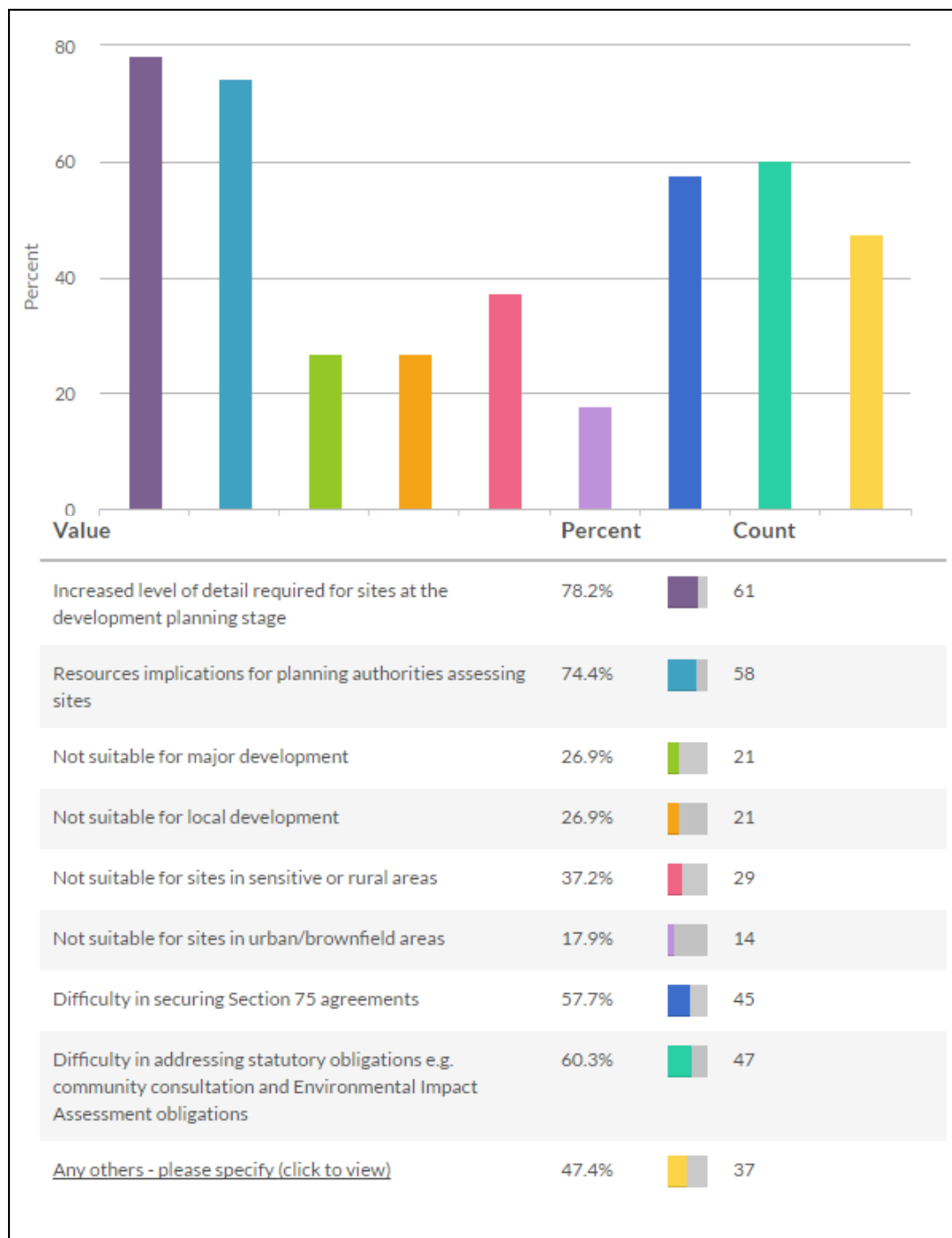
Comments converged around a greater level of detail at LDP preparation stage helping to identify potential issues and ‘show-stoppers’ which can deem a site unviable.

Two responses stated that the true benefits of this reform can only be identified when specifics around affording PPiP to allocated sites are set out and clarified by the Scottish Government through legislative change and associated guidance. The mechanisms used in granting PPiP to allocated sites, the information needed to secure this status, as well as that required post allocation are therefore vital to the realisation of key benefits.

Disbenefits of the Reform

3.27 The anticipated disbenefits of the reform as selected by survey respondents are shown on Figure 4. The two major concerns of Council planners are the increased level of detail being required at the Development Planning stage (78%) and the related resource implications (74%). A majority (60%) foresee difficulty in addressing statutory obligations regarding community consultation and Environmental Impact Assessment and difficulty (58%) in processing Section 75 legal agreements. Further to this, 37% feel the reform is not suitable to sites in sensitive or rural areas, and 27% anticipate disbenefits with the proposal.

Figure 4



3.28 Thirty-seven of 78 respondents made additional comments on perceived disbenefits. The main themes embedded in these written responses were:

- LDPs may become too rigid and restrict potential alternative uses if unit numbers are confirmed with PPiP allocations
- Increased number of sites with consent but will not guarantee delivery
- Prolonged LDP preparation stage and greater burden upon this which will require resource commitment from consultative bodies

- Conditions attached to allocations and the delivery of infrastructure
- Greater local authority resource at front end of the process whilst fee income declines
- Implications associated with removing an allocation and legal ramifications surrounding a loss of land value
- Threat that the process may discourage smaller sites 'applying' for allocation in the LDP due to greater upfront costs

3.29 These disbenefits acknowledge that the reform will result in a greater level of detail being required for sites at the Development Planning stage and perceive this as a disbenefit directly related to resource implications for Councils assessing these sites. It is clear that issues are anticipated relative to Section 75 agreements, the role these play in the process post allocation and how the delivery of infrastructure is dealt with sites afforded PPiP allocation. A majority of respondents expect issues around statutory obligations such as community consultation and EIAs, with clarity sought on responsibilities in this regard and what which stage of the process these are carried out. The issue of fee income also featured frequently in written responses. The legal status of the LDP has been questioned and several comments showed anticipated disbenefits as a result of a more prescriptive and rigid Development Plan.

Integrating PPiP(A) and the Development Plan

3.30 The next question sought views on the proposed reform in the context of the potential wider reforms and any required changes to the Development Planning system. Written responses were made by 70 of the 78 respondents. These identified a wide range of issues currently associated with PPiP applications which would essentially be brought a step forward in the planning process:

- General concern was again raised around the level of detail required at an early stage and the timescales involved in identifying and carrying out necessary assessments to demonstrate the viability of a proposal site. This would contribute to a prolonged Development Planning process.
- A greater awareness of the process would be required and the level of community consultation clarified. A lengthy LDP preparation stage and greater detail and volume of information being required to secure an allocation could conflict with the Scottish Government's objectives of achieving a faster and more streamlined planning process.
- The cost implications of promoting a site requiring a substantial package of supporting information may result in land being allocated owing to financial support, possibly undermining the efficacy of the role of the Development Plan in selecting the most appropriate rather than the most-heavily-backed sites. From a local authority perspective, greater funding and resourcing should be designated to the front end of the process to carry out site appraisals at the Call for Sites stage. It was suggested that this could be done as a joint venture between the site promoter and the local authority with key agency involvement to ensure site viability, infrastructure needs and equitably distribute costs. This would lead to resources and costs only

being expended on essential technical and environmental assessments to demonstrate site viability if it is identified as a 'preferred option' by the local authority. This can reduce risk for developer and ensure that the opportunity for speculative applications made on white land post Development Plan adoption are limited.

- The role and purpose of the Development Plan in the context of the reform is also called into question. The proposed reform would deal with the 'lawful change of use of land, rather than the identification of land for development'. As above, the meaning and parameters of a PPiP(A) is sought. Further clarity is necessary regarding the status of PPiP and how its associated detail could be varied over time owing to market conditions and circumstantial change. Early identification of infrastructure requirements is a key issue and mechanisms to secure the delivery of these is essential.
- Other themes identified by respondents in relation to Development Planning were:
 - Clear timescale for local authorities to provide certainty of a site's inclusion in the Development Plan should be considered
 - Greater role for Masterplans and Development Briefs at an early stage to establish details around site capacity, access, landscaping, biodiversity
 - Development Plan primacy can be reinforced by removing ability to apply for PPiP outwith the Development Plan preparation process
 - Local hearing system to consider representations on allocations
 - Developer Obligations should be identified upfront with a statutory requirement for Heads of Terms to be established at LDP stage
 - Greater detail in conditions attached to PPiP
 - Fee regime to enable planning authorities to resource the assessment of sites on EIAs, ground conditions and infrastructure matters – could be derived from the English scale of fees

Barriers to Implementation

3.31 Sixty-four of 78 local authority respondents anticipate barriers associated with what information will be required at the LDP stage, the detail of what is required, the role of developers in resourcing this and how this is dealt with and staffed by the planning authority. Specific comments included:

- Increased complexity of the Development Planning process which will require greater front-loaded resources
- Securing commitment from developers early in the process with no certainty of an allocation
- Quality of information brought forward by developers and the costs involved in producing this – resource implications for local authorities in assessing this

- Challenge around Section 75 agreements and Developer Obligations, time scales in concluding these
- Development Planning staff do not share Development Management skills
- Key agency involvement and timing of engagement should be ensured at LDP preparation stage
- Level of public consultation and role and timing of this

Developing these themes, concerns were raised around the time scale implications in the preparation of the LDP and that whilst reforms would front load the development process 'it is unlikely to make the system any quicker' and has the potential to 'slow down delivery of housing'. It was suggested that the LDP should be a more flexible and dynamic document which has the ability to adapt to changing market conditions. This could be achieved by utilising development briefs and masterplans. It was acknowledged that significant regulatory change would be needed and that communities and members of the public are made aware of these to ensure public involvement at the correct stage. It was felt that an opportunity for more locally based decision-making could be introduced and that a 'twin-tracked' approach to site promotion and PPIp can negate prematurity. There is a challenging issue regarding management of the LDP preparation stage and the resources required in assessing what is essentially a high influx of PPIp applications at the front end of the process.











Some respondents identified that PPIp is not widely utilised at present other than when a landowner seeks to dispose of a site with the benefit of planning permission and question the 'benefit of "blanket" PPIp in terms of development plan allocation'. Issues surrounding the securement of infrastructure and the timescales in delivering this were also anticipated. Should this be dealt with by Section 75 agreement, a certain time window must be specified to conclude and register this agreement in order to avoid prolonging the process, which is currently seen as a problem.

Proposals best suited to PPIp Reform

- 3.32 Respondents were asked which development proposals PPIp(A) might be appropriate for in a development plan (Figure 5). A small majority (55%) of respondents believe that granting PPIp to Development Plan allocations is best suited to major development; urban sites and housing sites, whilst 44% and 43% feel local development and brownfield sites would also be suited to the reform. It was felt that smaller sites and rural sites would be least suitable. There were 23 additional comments, ranging from all allocated sites being suitable, to strategic developments, regeneration and economic development areas, simplified planning zones¹⁹ and indeed no sites being suitable.

¹⁹ This may be a tautology if simplified planning zones by definition have planning consent

Figure 5

Value	Percent		Count
Major development	54.7%		41
Local development	44.0%		33
Less than 5 units of housing only	25.3%		19
Urban sites	52.0%		39
Brownfield sites	42.7%		32
Rural sites	25.3%		19
Greenfield sites	34.7%		26
Housing	54.7%		41
Mixed use development	34.7%		26
Other - please specify (click to view)	30.7%		23

Resource Impact of the Reform

3.33 Seventy-one of 78 respondents identified a resource impact upon local authorities if the proposed reform is enacted. Specific comments included:

- Greater resourcing needed at Development Planning stage and integration of Development Management staff early in the process
- Impact on time scales and costs involved in LDP preparation and how this will balance with performance targets regarding Plan production
- Development Management staff will be required to produce conditions to attach to sites allocated PPiP at Development Plan stage with little certainty that these sites will be developed
- Greater role for a Forward Planning Team or enhanced pre-application discussion and engagement with developers/land owners to identify key issues and supporting information required
- Fees should be charged at LDP stage to reflect and cover costs expended by the local authority in assessing and appraising bid sites
- A separate Development Management team likely to be required for applications which are a departure from, or are not allocated in, the LDP
- Anticipated skills deficit in understanding viability, development economics and developer contributions relative to deliverability of sites
- Greater community involvement and engagement at the Development Planning stage leads to greater costs for local authorities

In summary, planning authorities recognise and are considering the impacts of the likely front-loading of resources at the Development Plan preparation stage. A large number of comments relate to the integration and transfer of development management staff into development planning and the skills challenges that this will bring in both directions.

Significant concern is raised regarding the impact that a restructuring of staff will have upon the lead-in times for the preparation and adoption of LDPs when considered together with the increased information and technical assessments likely to be required to secure a PPiP allocation. A greater level of detail and volume of the LDP relative to conditions, infrastructure and associated site information 'could be counterproductive to the planning reforms undertaken within the last decade'.

A substantial number of respondents felt that a fee is justifiable at the LDP bid stage and should be a true reflection of the work carried out by the local authority, firstly in identifying specific issues associated with each site, secondly in assessing the supporting information provided by the developer and lastly in producing and attaching conditions and developer obligations.

Development Plan Scope

3.34 Respondents considered that impacts on the scope of the Development Plan would relate to the number of sites allocated, how the process of the LDP will influence this and the certainty in the delivery of these sites. Of the 63 written responses:

- 16 anticipated fewer bid sites and allocations within the Development Plan
- 10 respondents anticipated no impact upon the scope of the Development Plan
- 6 were unsure of the impact as a result of the reform
- 5 felt there would be more allocations
- 2 thought fewer larger sites would be included

Other answers suggested that the reform can counter land banking by placing a statutory timescale on delivery of allocated sites or face having these sites removed from the Development Plan.

The 16 respondents who expected fewer allocated sites within the Development Plan primarily saw this as direct consequence of the upfront cost associated with carrying out the required technical assessments to accompany a bid for PPiP allocation, as well as the timescales involved. This would limit the number of prospective applicants and may also exclude individual land owners who cannot finance the necessary supporting information, but would not prevent speculative applications post-adoption. This has the potential to result in a significant reduction in smaller sites being allocated and a concentration of fewer large sites. If this occurred, it was suggested that local authorities may have to compulsorily purchase land to meet housing land supply requirements and recover this expense through increased application fees. Contrary to this however, 10 respondents anticipated no change in the Development Plan as the Council are required to allocate an established number of units dictated by the Housing Needs and Demand Assessment.

Others stated that changing market conditions will dictate demand for housing and therefore influence the willingness of developers to incur initial costs at LDP preparation stage. Deliverability of sites and the alignment of infrastructure funding to allow this on

larger sites requires to be clarified through LDP detail and consideration should be given to establishing thresholds around site capacity to 'provide certainty to the community and consultees'.

Additional Comments

3.35 The questionnaire provided an opportunity for additional comments, which attracted 53 written responses. Eleven respondents stated clear objection to the reform, compared with 8 fully in support. A further three were undecided on the whether the reform would be beneficial to the evolution of the planning system in Scotland. Seven respondents questioned the need for the reform. The most frequent themes are noted as follows, in descending order:

- 10 respondents supporting the reform in principle are concerned about the practicalities and logistics of this in practice regarding local authority workloads, upskilling and employing additional staff and the scope of work involved with a front loaded Development Plan process. It was broadly felt that the system is too complex at present and the reform would further exacerbate this.
- 7 respondents questioned the need for the reform in light of the low number of PPiP applications within the system relating to allocated sites. The reform does not make provision for cumulative impact of development or changing economic and market circumstances which will have legal consequences if developers wish to vary conditions and legal agreements put in place with a PPiP allocation.
- 3 replies envisaged negative implications arising due to lengthier LDP preparation conflicting with the Scottish Government's objective of achieving a faster and more streamlined planning system.
- 3 local authorities stated that a current allocation in an LDP equates to the principle of development being established and that the reform would achieve little in this regard.
- 3 respondents felt that the reform would do little to speed up the process as the same level of supporting information will be required regardless.
- 3 were concerned about loss of fee income.
- 3 identified that the reform would not guarantee enhanced delivery.

Summary

3.36 The research programme included twenty extensive consultations with community organisations, developers, planning authorities, professional bodies and infrastructure agencies, and an online survey of planning authorities which attracted seventy-eight responses.

3.37 There is a broad base of conditional support for the proposed reform to grant planning permission in principle to sites allocated in the development plan – PPiP(A). The conditionality around the reform is complex and nuanced. A broad summary of the responses made during consultations and the survey is provided below:-

- The proposed reform would **boost the primary of the development plan**. All participants could vest greater trust and effort in plans which clearly determined development outcomes, without further challenge based upon the principle of the allocated land use. The scope for speculative applications may reduce.
- The main source of conditionality of support for the proposed reform is the **substantial front-loading** which this implies for the development planning process, around technical studies, infrastructure and community consultation. Given the potential scale of this front-loaded work, minimum site sizes and formal information processing agreements were discussed as potential requirements for PPIP(A).
- **Communities** would gain if an earlier and better engagement process around the LDP was created and implemented (some planning authorities already have public events between the call for sites and MIR stages). The current system is reactive and can frequently be adversarial and politically-influenced. Communities would benefit from greater certainty through their participation in the plan-making process, perhaps around collaborative charrette-type events. Communities' early involvement, particularly by young people and families, would help to promote confidence in the planning system and its outcomes.
- **Landowners and developers** would gain greater certainty of viability and value, in return for greater upfront commitment. Potentially this may require an opt-in approach rather than elevation of all allocated sites to PPIP(A). "Reverse gears" would be required to re-consider and potentially remove non-performing sites.
- **Planning authorities** would require to integrate better their development planning and development management functions. More than two-thirds agree that this will provide greater certainty to development management (nearly one-third disagree, on specific matters which can help to inform the analysis and mitigation of barriers to the proposed reform). The task of consulting on, preparing, examining and adopting a development plan will be greatly increased by the proposed reform. The need to provide for subsequent flexibility of the development plan is a concern (for developers as well as planning authorities).
- All participants would require to undertake significantly more **up-front work** at the LDP stage to create a plan or a suite of sites capable of being elevated to PPIP(A). For **key agencies** this up-front work would require to be sufficient for them not to advise against a granting of planning permission.
- Consultees questioned whether delivery of consented land alone would be sufficient to accelerate **development delivery**, or whether further barriers in the infrastructure sectors or property markets would continue to dampen delivery.

4 Case Studies and Scenario

Introduction

- 4.1 A suite of case studies has been prepared and analysed for this study. The case studies serve three purposes:
- To develop a broad understanding of the journey which development proposals take through the planning system.
 - To understand how the current planning process is functioning for development proposals (where those include a PPiP stage), and highlight any issues arising.
 - To then understand how the journey of development proposals through the planning system might change if PPiP(A) status is granted with development plan allocations.
- 4.2 Each of the selected case studies is either housing or housing-led development. Each has been through a PPiP stage – rather than moving directly from LDP allocation to a detailed planning application – and has resulted in development on the ground. Finally, the consultants sought to identify a mixture of sizes, phasing, applicants and types of location across the suite of case studies. By agreement with the Scottish Government, one PPiP application which has not progressed for planning reasons is included.
- 4.3 Identifying case studies which met each of these criteria – housing/ housing-led, PPiP, started on-site and reasonably diverse – proved less than straightforward. Much of the planning activity post-2009 was in the aftermath of a recession when new development was at a low ebb. And, as noted in Chapter 2, only a fraction (4.5%) of applications are for PPiP and most of those (4.2%) are smaller local developments. The exception is the Aberdeen and Aberdeenshire area, where a strong development market up to 2014/15 was fuelled by the oil and gas sector. For this reason, four of the nine case studies are from the North-East of Scotland.
- 4.4 The case studies are:
1. Land at the former Gateside Commerce Park, West Road, Haddington, East Lothian which was subject to a PPiP application for 112 houses by Manse LLP.
 2. Fairmilehead Water Treatment Works, Edinburgh. A development of 130 houses by CALA Homes and David Wilson Homes which is currently on site.
 3. Abbey Road, Elderslie, Renfrewshire. An application for PPiP by David Howel, Clarendon Planning & Development and Dawn Homes for 150 houses on an allocated site, which was refused.
 4. Torrance Park, Holytown, North Lanarkshire. A development of 131 houses by Taylor Wimpey for which landowner Murray Estates secured PPiP.
 5. Robroyston, Glasgow. A development by Miller Homes and Barratt Homes currently on site.

6. Oldfold Farm, north of Aberdeen. A 550-house development by CALA Homes.
 7. Countesswells, Aberdeen. A 3000-house, multi-phase development with community and business elements promoted by the Countesswells Consortium (Stewart Milne Homes, Heron Property and IDJ Properties).
 8. Stoneywood, Aberdeen. A multi-phase development of around 425 homes, including a private rented sector development which emerged subsequent to PPiP having been granted and in response to market circumstances.
 9. Monymusk, Aberdeenshire. A development of 44 houses by Kirkwood Homes.
- 4.5 The nine case studies presented below follow a standard format of an introduction followed by a flowchart through the planning process, annotated with key points and summarised in bullets after each example and conclusions. The re-imagining of each case study into the proposed new PPiP(A) world is Ryden's, and was not discussed with the developers or landowners for these sites.

Case Study 1

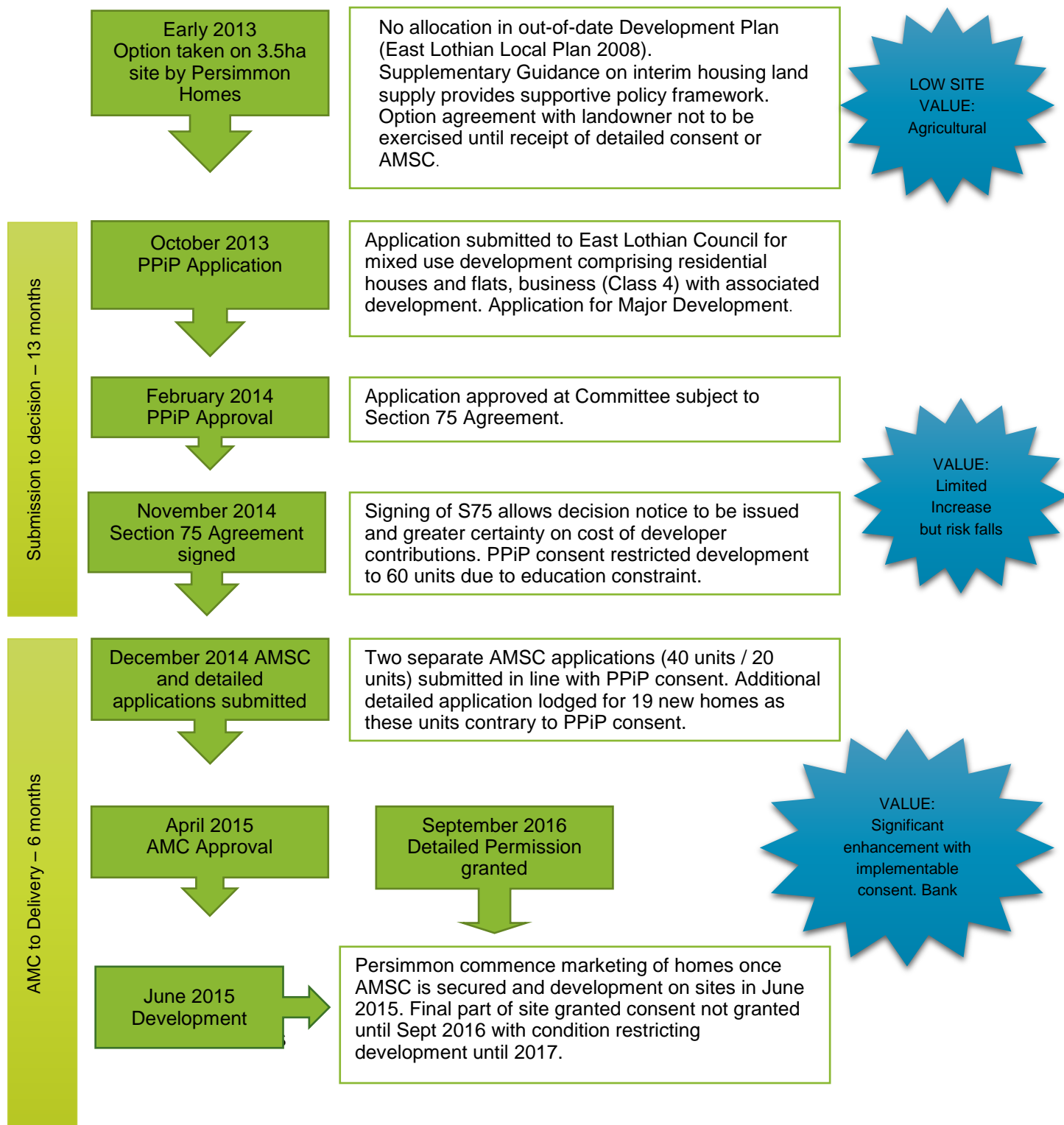
Site Location: Land East of Gateside Commerce Park, Haddington, East Lothian

Applicant: Persimmon Homes

Applicant Type: Housebuilder

Application Reference: 14/00219/PM

Development Description: Planning permission in principle for mixed use development comprising residential houses and flats, business (Class 4) with associated development



Conclusions

- 4.6 Persimmon Homes took an option in 2013 on a site which was not allocated in the out-of-date East Lothian Local Plan (2008). There was an acknowledged shortfall in housing land supply in East Lothian and supplementary planning guidance was supportive of housing. Persimmon Homes submitted a planning application for a mixed-use development in 2013, which was approved at committee within the statutory 4-month timescale. S75 legal agreements took a further 9 months to conclude. Persimmon started on site 6 months after the submission of the AMSC application, which is a fast turnaround, perhaps due to East Lothian's recognised shortfall in housing land supply.
- 4.7 The PPiP application was submitted between two LDPs and as there was a recognised shortfall in housing land supply the PPiP was granted. Persimmon Homes took as little as two years to begin on site after taking an initial option on the land. With an out-of-date LDP and a shortfall in housing land supply, the existing PPiP process was still applicable in this case.

Case Study 2

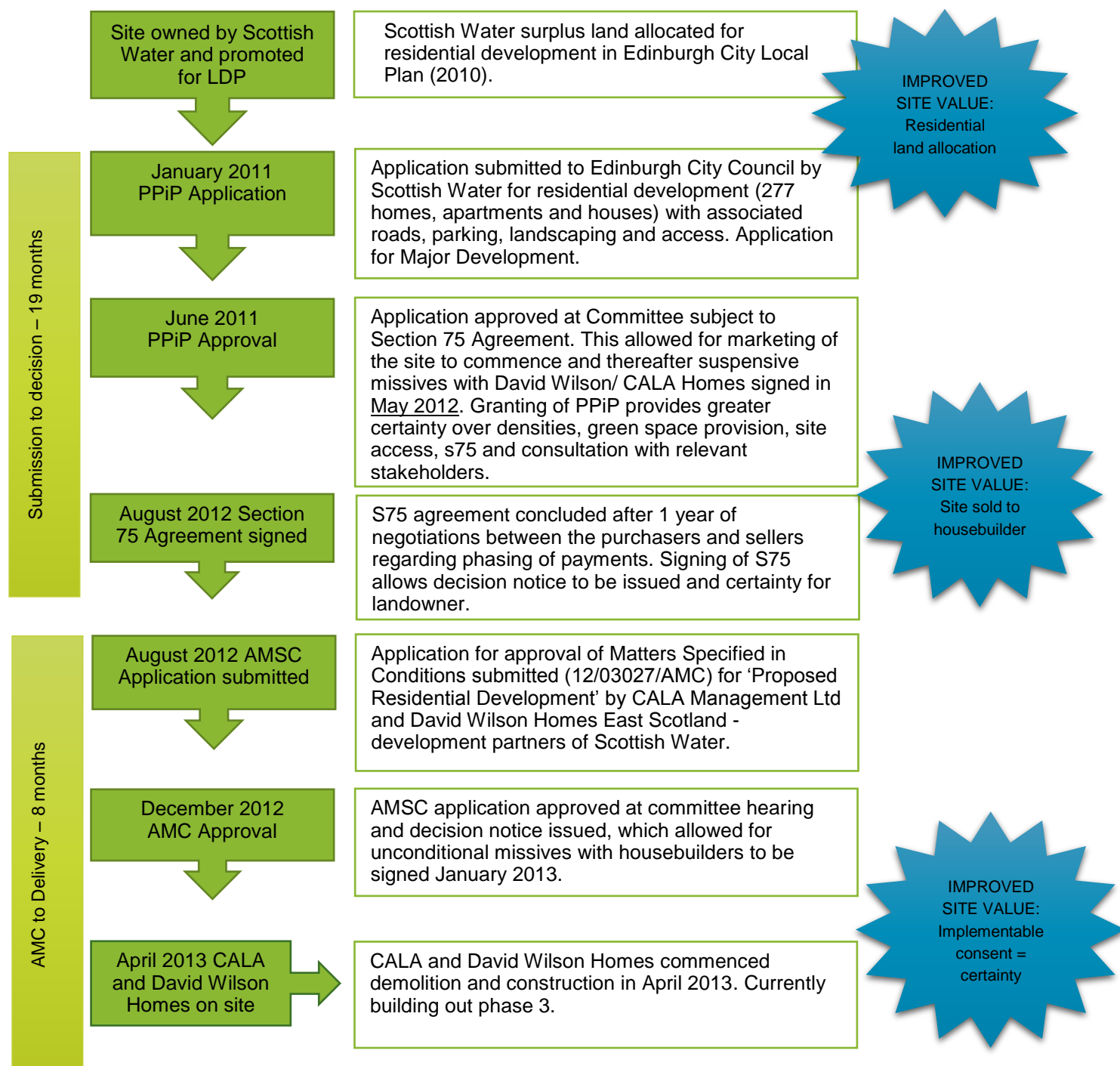
Site Location: Fairmilehead Water Treatment Works, 55 Buckstone Terrace, Edinburgh

Applicant: PPP - CBRE / Scottish Water; AMSC – DWH/ CALA

Applicant Type: Agent

Application Reference: 11/00188/PPP

Development Description: Planning permission in principle for residential development with associated roads, parking, landscaping and access.



Conclusions

- 4.8 The site was formerly used as water treatment works owned by Scottish Water and latterly identified as surplus land to their requirements. Scottish Water promoted the site for residential use and was allocated in the Edinburgh City Local Plan 2010. A PPiP application was then submitted in 2011 and approved with S75 agreements concluded 19 months later. Approval of the PPiP allowed the application to be sold to David Wilson and CALA homes who jointly submitted the AMSC application in August 2012. It took 8 months from submission of the AMSC for CALA and David Wilson to commence works on site.
- 4.9 If PPiP(A) had been available in this case, the site could have secured PPiP(A) in the Local Plan (2010) allowing for an MSC application to be submitted the following year instead of PPiP, theoretically saving almost two years, if front-loading of all technical work and consultations had been possible, the site had been operationally decommissioned early enough, and market conditions had permitted.

Case Study 3

Site Location: Site bounded to South of No's 2 to 28 Abbey Road, Elderslie, Renfrewshire

Applicant: Barratt & David Wilson / Dawn Homes West Scotland

Applicant Type: Housebuilder

Application Reference: 15/0470/PP

Development Description: Erection of residential development with associated access, infrastructure and landscaping (in principle).



Conclusions

- 4.10 The site was promoted and allocated in the 2014 Local Development Plan as an additional housing site with a presumption in favour of a continuation of the built form. The case officer recommended approval for the PPIp lodged in 2015 on the basis that housing satisfied the planning policy. However, the application was refused at committee due to councillors' local knowledge of the site relating to traffic issues. Following the refusal, a planning agent submitted an appeal to DPEA in January 2016, which is still awaiting determination.
- 4.11 If the proposed reform had been implemented during the preparation of the Renfrewshire LDP 2014, the site at Elderslie would have benefited from PPIp(A) status. The site clearly satisfied the council's requirements for allocation as a housing site in the LDP and then, was considered acceptable in terms of policy assessment for the PPIp application. If the site had merited PPIp(A) status during development planning, it would not have required to be determined at committee and an MSC application could have been submitted shortly after the adoption of the LDP in 2014.

Case Study 4

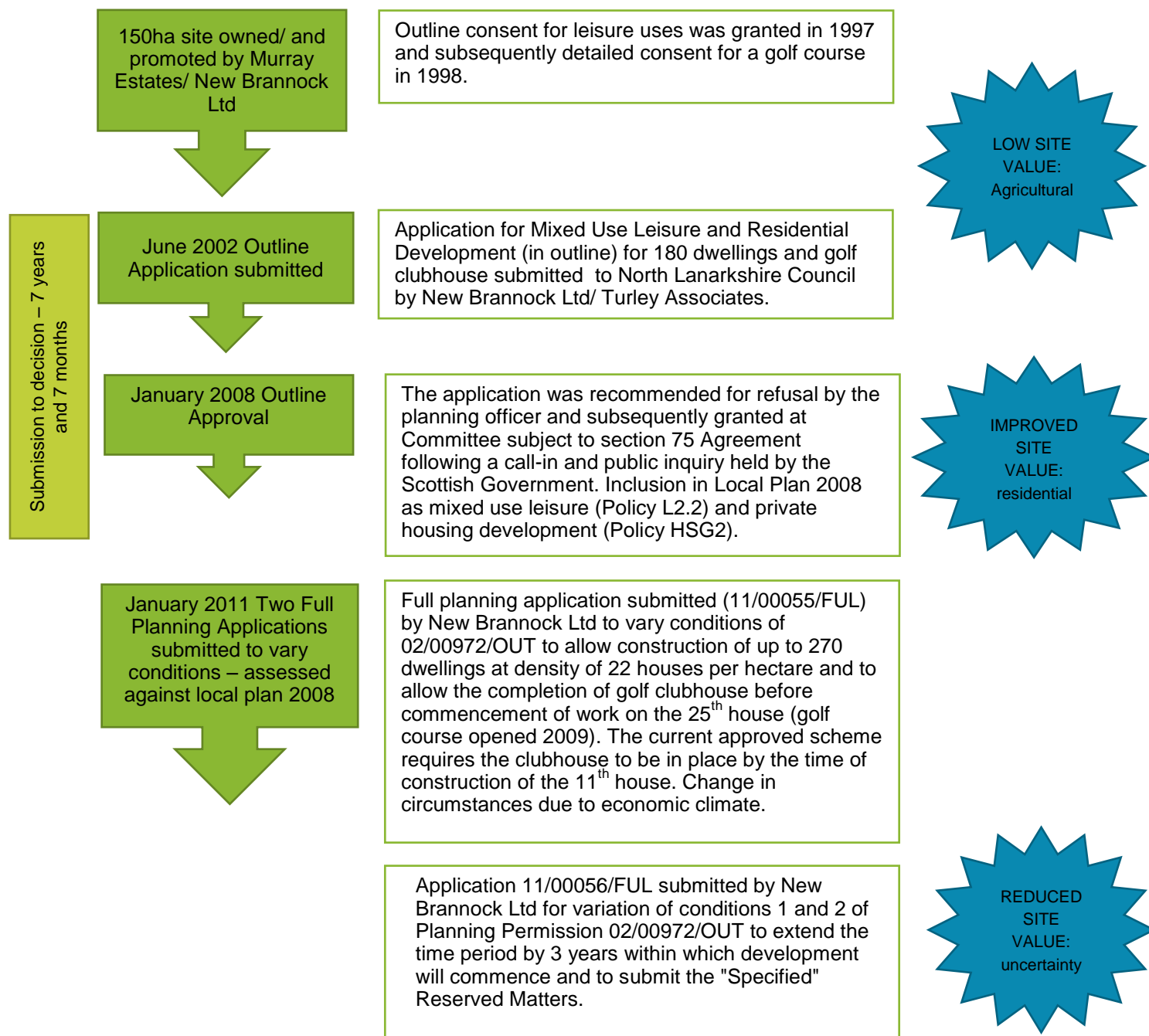
Site Location: Torrance Park, Legbrannock Road, Holytown, North Lanarkshire

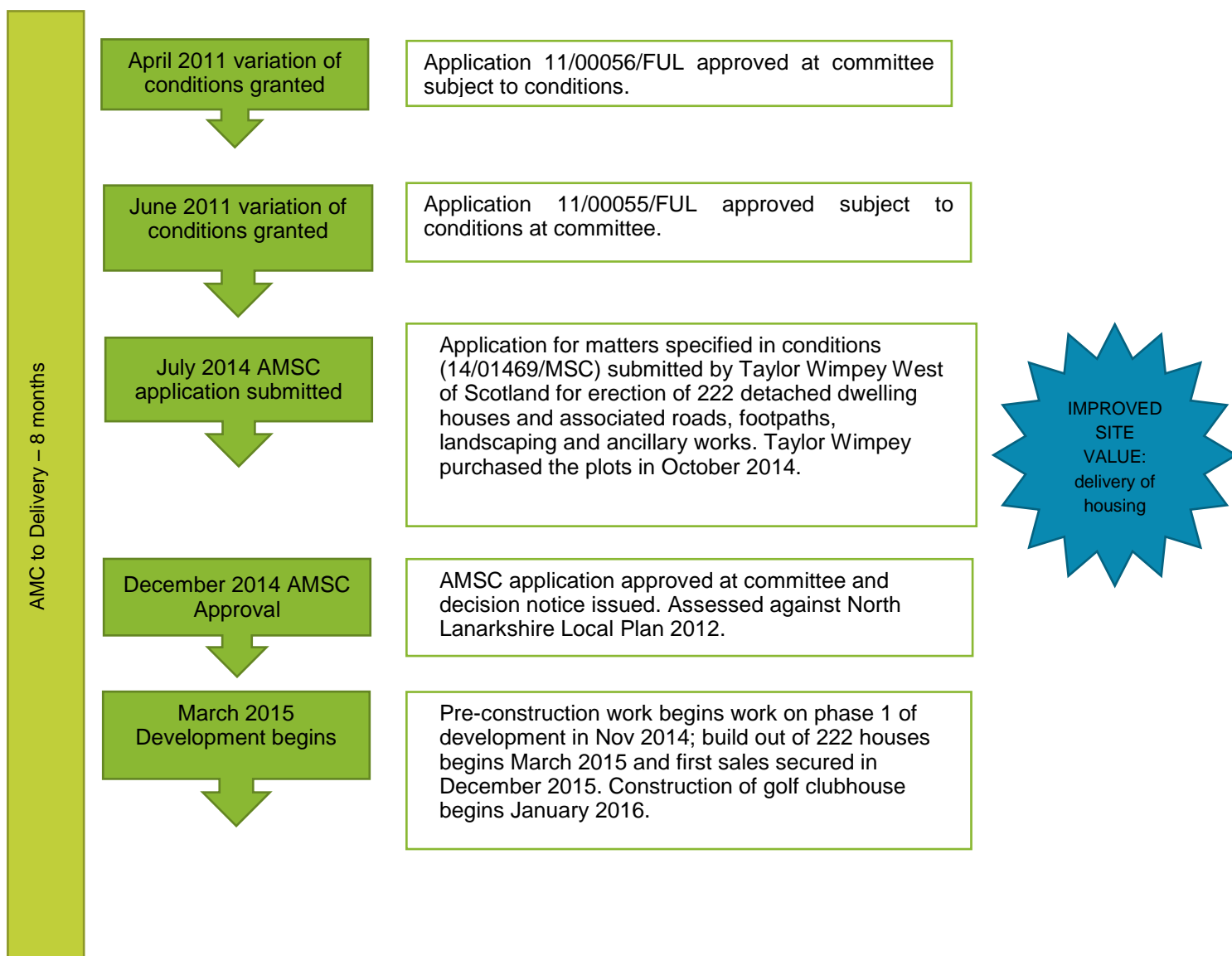
Applicant: Murray Estates PPIp/ Taylor Wimpey AMSC

Applicant Type: Agent

Application Reference: 02/00972/OUT

Development Description: Mixed use leisure and residential development





Conclusions

- 4.12 Murray Estates have had a long term land interest at Torrance Park, which was allocated as greenbelt and leisure development in the 2001 Local Plan. The outline application submitted was contrary to policy in 2002 and initially recommended for refusal as there was not sufficient evidence to justify a departure from the plan. However, the application was subsequently granted 6 years later, following a public inquiry and call-in by Scottish Ministers. Due to economic conditions submission of the detailed application was delayed and two full planning applications were submitted requesting extensions to timescales and an increase to the number of proposed housing units to ensure financial viability of the scheme. Twelve years after the outline application was submitted, Taylor Wimpey purchased plots which were then developed within 8 months. This case has evolved through the lifespan of 3 North Lanarkshire Local Plans and difficult economic instability.
- 4.13 Had the reform existed in 2001, Torrance Park would not have been allocated for the mix which is now on site. In those circumstances, it may be that the proposals would have continued to evolve through an application for a different mix, rather than seeking a PPIp(A) which did not meet the landowner's aspirations. The potential compression in timescales through PPIp(A) is probably illusory in this particular case. On balance it is more likely that the application route would have progressed as above.

Case Study 5

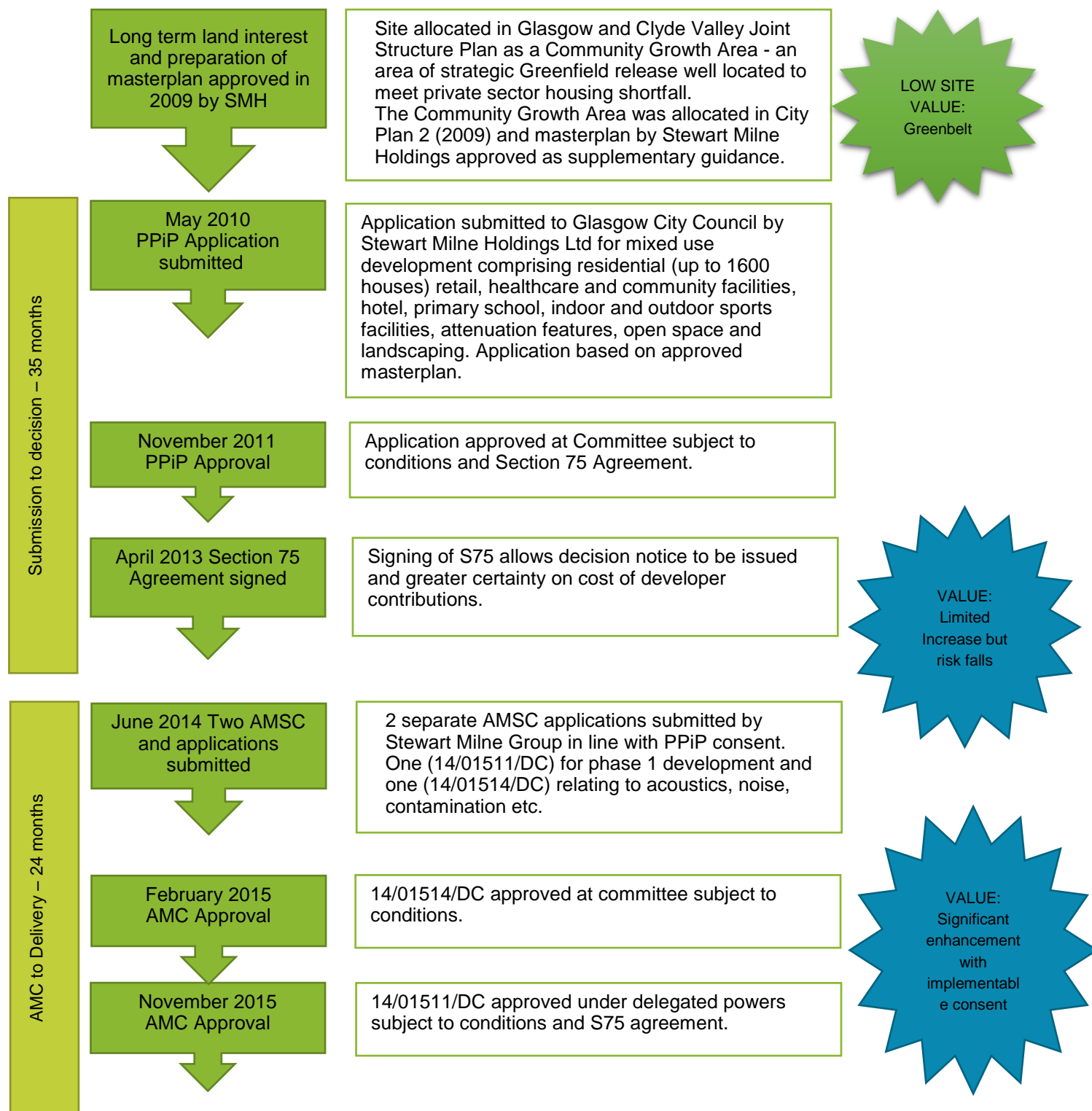
Site Location: Site at Robroyston Road / Robroyston Drive, Glasgow

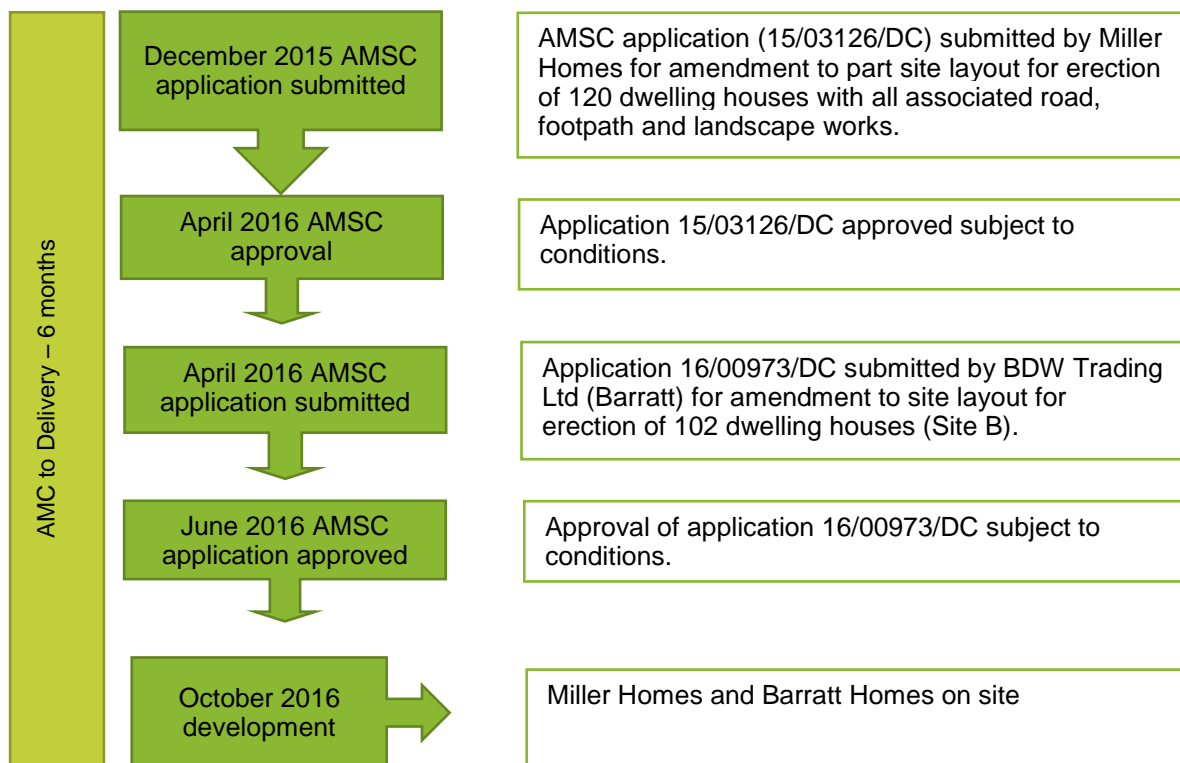
Applicant: PPIp secured by Stewart Milne Holdings – Miller Homes & Barratt Homes on site

Applicant Type: Housebuilder

Application Reference: 10/01286/DC

Development Description: Planning permission in principle for residential development with associated roads access, park and ride, retail, healthcare and community facilities, hotel, primary school, indoor and outdoor sports facilities, open space and landscaping.





Conclusions

- 4.14 The greenbelt site was allocated as a Community Growth Area (CGA) in the 2006 Glasgow and Clyde Valley Joint Structure Plan and allocated in the Glasgow City Plan 2 in 2009 as a new strategic housing site to meet the shortfall in private sector housing. City Plan 2 stated that the CGA would require a masterplan approved by the Council to consider the physical and environmental constraints in more detail, prior to the submission of planning applications for development. A masterplan submitted by Stewart Milne Holdings was approved in 2009 (pictured overleaf) enabling the subsequent submission of a PPiP in 2010. Due to the PPiP being determined at planning committee subject to S75 legal agreements, the decision period for the application was just short of 3 years. Beyond the determination of the PPiP, four AMSC applications have been submitted over a period of 2 years. The reason for several AMSC applications has been due to a change in market circumstances, impacting on the viability of the scheme and therefore, requiring alterations to design layouts.
- 4.15 If the PPiP(A) had been in place, compressed timescales could potentially have been achieved between the current masterplan and PPiP stages (3 years). The concept of the CGA at Robroyston/ Millerston has been developed since 2000 and the Council undertook a comprehensive planning study for the area in 2006 to inform City Plan 2. Sufficient technical studies and analysis could, therefore, have existed or been procured to enable the approval of the PPiP/masterplan at LDP stage to establish a PPiP(A). A further AMSC application would then still be required to satisfy detailed design of layouts and infrastructure. The existing application required several AMSC applications due to changes in market circumstances, which cannot be predicted and might still have occurred if PPiP(A) was in place. The exact degree of the time compression and acceleration of development is therefore difficult to assess, but it appears positive.



Robroyson/ Millerston Community Growth Area (Stewart Milne Holdings)

Case Study 6

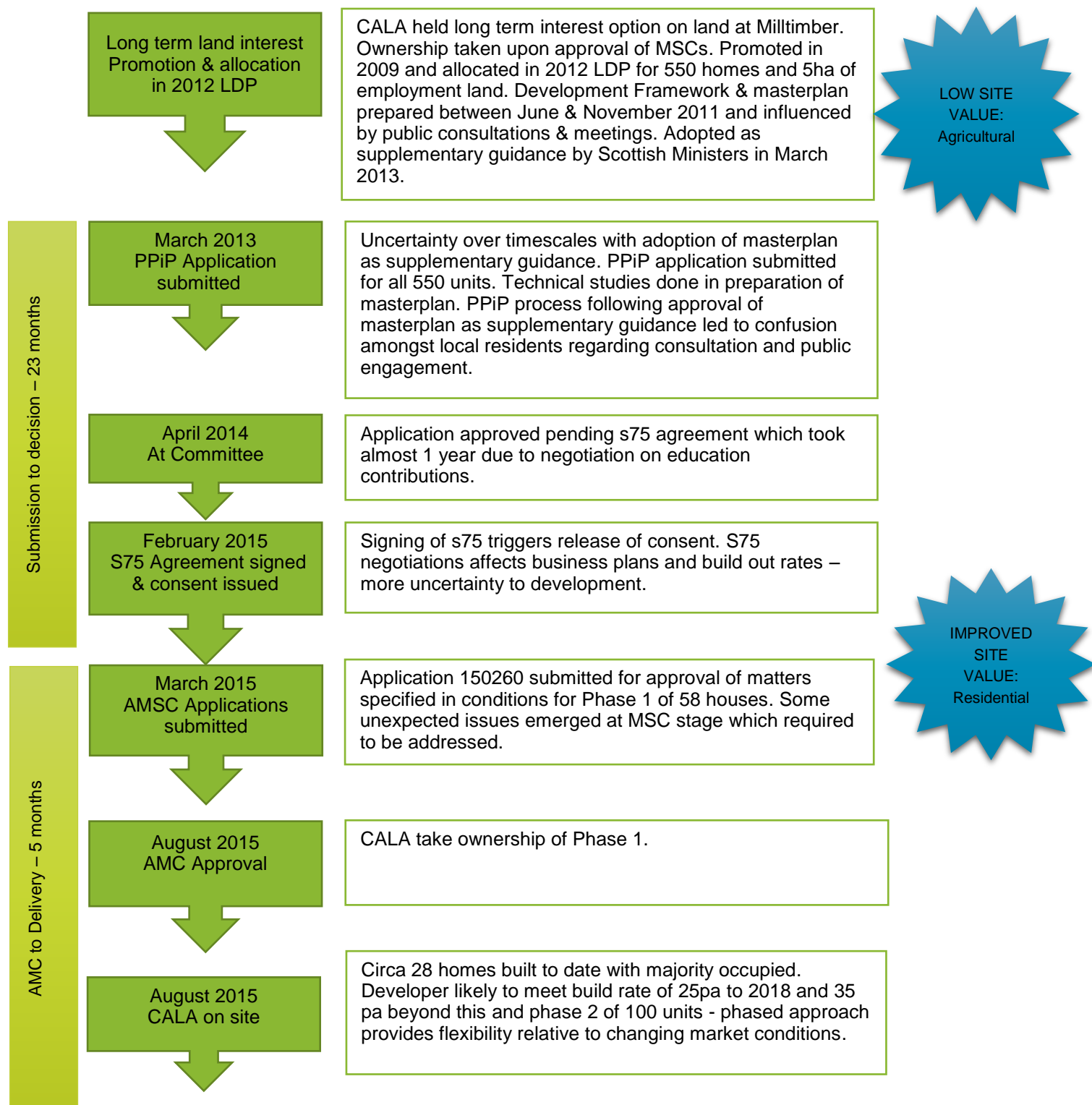
Site Location: Oldfold Farm, North Deeside Road, Aberdeen AB13 0HQ

Applicant: CALA Homes

Applicant Type: Housebuilder

Application Reference: 130378

Development Description: Planning permission in principle comprising approx. 550 house units, commercial, primary school, associated ancillary uses and infrastructure improvements including road junction formation on A93



Conclusions

- 4.16 Under the current PPiP process the developer promoted the land as a bid site to the Aberdeen LDP 2012, whilst simultaneously preparing a Development Framework and Masterplan during 2011. This ensured that many of the technical assessments and supporting information were available early in the process. However issues were identified by Scottish Water during the MSC stage which could have been addressed by earlier engagement with key agencies. PPiP was lodged in March 2013 and secured consent subject to the conclusion of a Section 75 agreement in April 2014. Section 75 negotiations extended this period by almost 1 year, with consent issued in February 2015. MSC applications were submitted and approved by August 2015 as per the site plan below, with CALA on site immediately.
- 4.17 Theoretically, had the proposed PPiP(A) reform been in existence, Oldfold would have benefitted from that consent upon the adoption of the Aberdeen LDP in June 2012 with a Section 75 agreement in place. MSC applications could have followed timeously after the site's allocation and these approvals secured by late 2012, with CALA on site during the early part of 2013. Therefore, the reform could conceivably have reduced the time scales in site delivery by in excess of 2 years.

Approved Phase 1 MSC Site Layout



Case Study 7

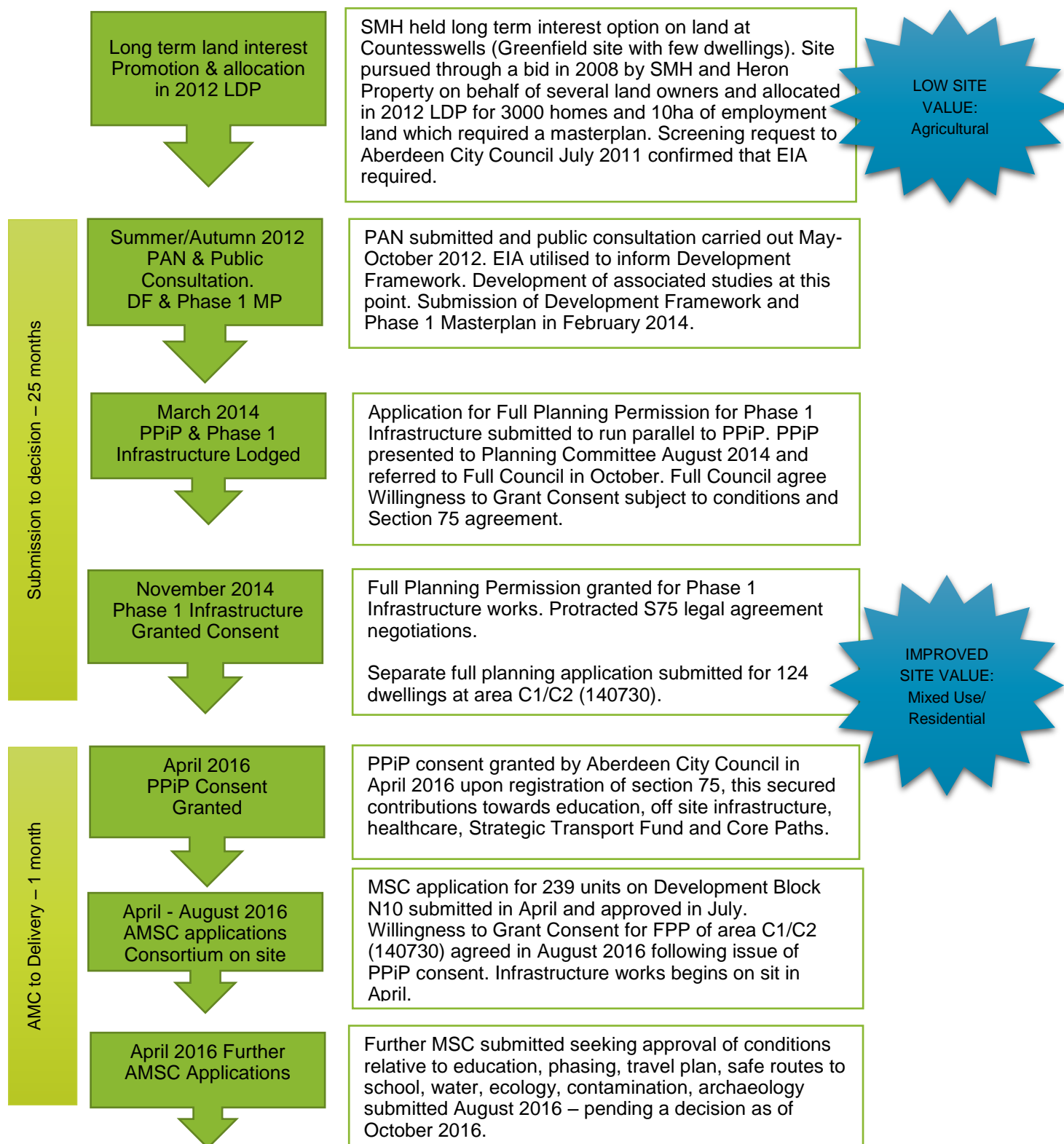
Site Location: Countesswells, Aberdeen

Applicant: Countesswells Consortium (Stewart Milne Homes, Heron Property and IDJ Properties)

Applicant Type: Housebuilder

Application Reference: 140438

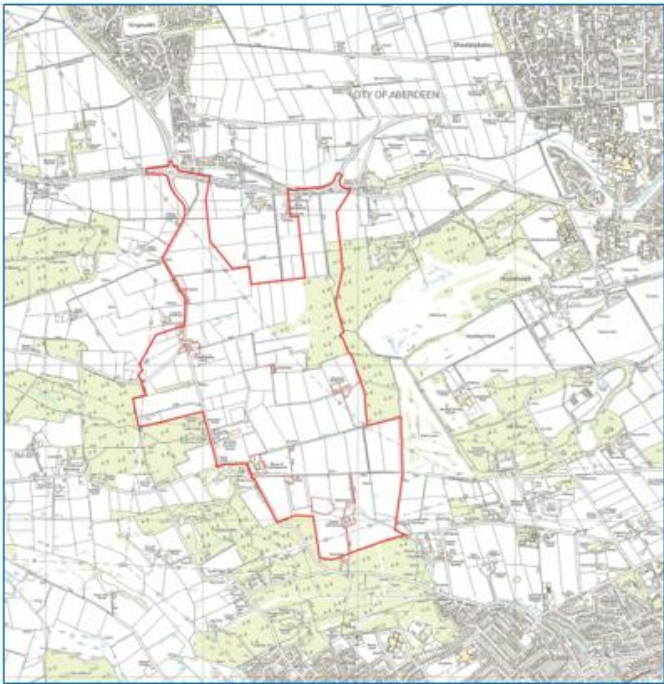
Development Description: Residential-led mixed use development including approximately 3000 homes, employment, education, retail, leisure and community uses and associated new and upgraded access roads, landscaping and ancillary engineering works.



Conclusions

- 4.18 Several land owners are represented by the Countesswells Consortium. The site was allocated in the Aberdeen LDP 2012. A screening request in 2011 confirmed that an EIA was required, which was prepared in tandem with public consultation informing the site Development Framework & Phase 1 Masterplan over a period of around 21 months. Overall PPIp application and application for Full Planning Permission for Phase 1 Infrastructure were submitted in March 2014, with the latter approved in November 2014 (see plans). The PPIp application secured a Willingness to Grant from the Council in October 2014 and concluded its Section 75 in April 2016, with phased applications for MSC (see below) submitted immediately afterwards. The development commenced in August 2016.
- 4.19 Theoretically, the site at Countesswells could have secured PPIp(A) upon the LDP adoption in February 2012. It is likely that the EIA and infrastructure requirements would have been identified as key components in the deliverability of the site and come forward as part of the Consortium's bid. Assuming public consultation had been carried out as part of the LDP preparation and a Section 75 was concluded and registered upon adoption, the applicants could have concluded AMSCs and moved on to site by winter 2012/13. However, considering the scale, and the requirement for EIA and extensive infrastructure, this time scale may have been prolonged.
- 4.20 In an alternative world where Countesswells was not developer-led in a strong market, this settlement expansion for Aberdeen City might initially have been promoted firstly by a more passive landowner, or identified by the planning authority. In those circumstances, the technical and masterplan work may have been much more limited, potentially meriting a LDP allocation rather than a PPIp(A). This is a complex consideration and is presented as a suggestion only to illustrate how the distinctions between LDP allocations and PPIp(A)s could potentially operate. The comparison with Robroyston (case study 5) is informative however, as Glasgow City Council did promote that particular allocation to a high technical standard rather than simply allocating it, and presumably would have used that work to support a PPIp(A).

Approved PPiP Location Plan



Approved Phase 1 MSC: Block N10 for 239 units



Case Study 8

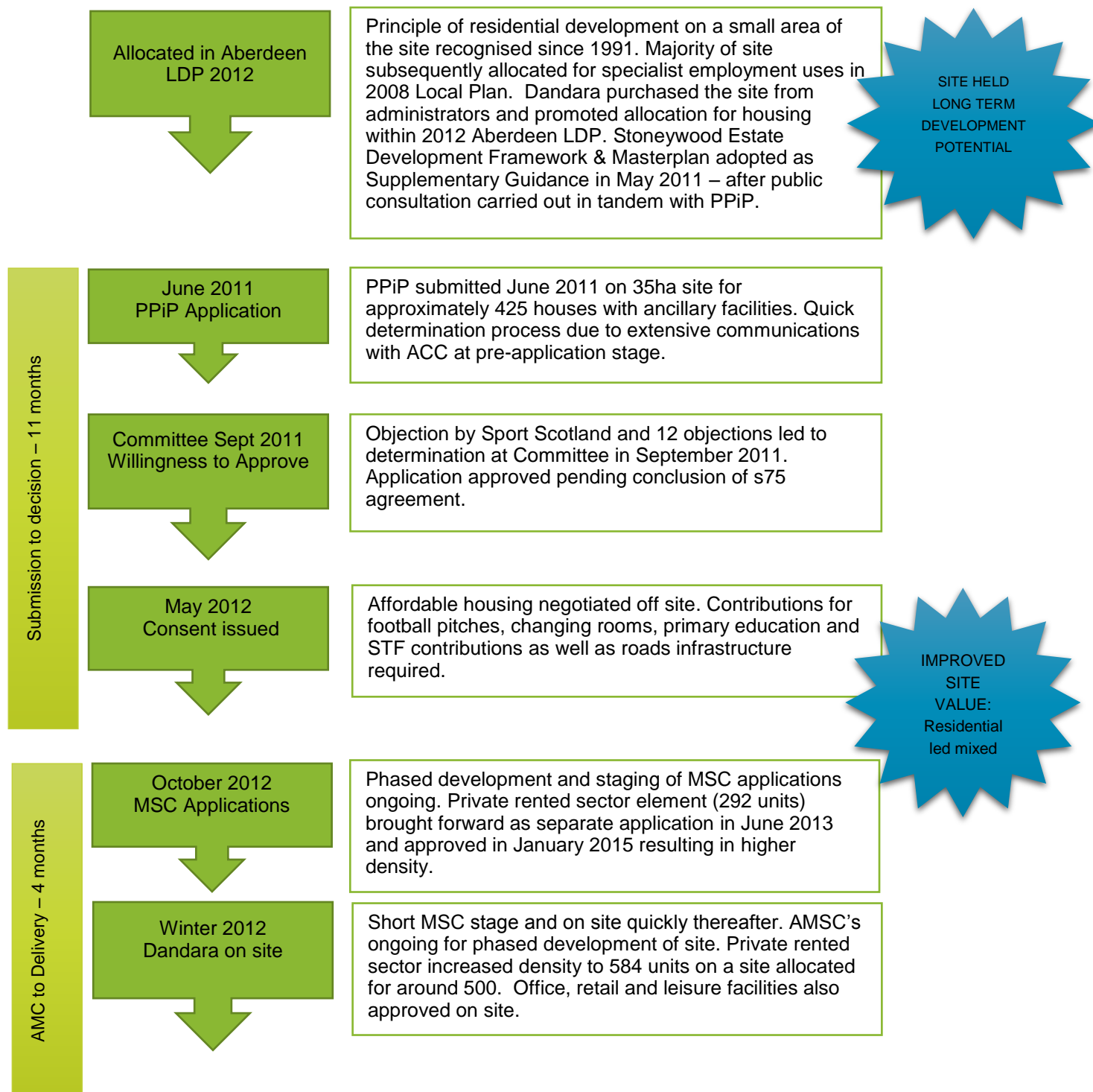
Site Location: Stoneywood, Bucksburn, Aberdeen

Applicant: Dandara

Applicant Type: Housebuilder

Application Reference: 110790

Development Description: Proposed residential development on site allocated for around 500 units with a mix of supporting & ancillary facilities including a neighbourhood centre, landscaping, open space and recreational facilities



Conclusions

- 4.21 Land at Stoneywood Terrace was identified for development in the 1991 Aberdeen City District Wide Local Plan (82 units). The 2008 Aberdeen Local Plan subsequently identified the entire Estate for specialist employment uses. Dandara purchased the land from administrators and moved forward with the promotion of the site for a residential led mixed-use development with the preparation of a Development Framework and Masterplan which was approved in May 2011. A mixed-use PPiP application was submitted in June 2011 and received Willingness to Approve at Committee in September 2011 and consent was issued in May 2012 following the conclusion of a Section 75 agreement. The land was allocated in the Aberdeen Local Development Plan 2012. MSC applications were brought forward on blocks and a separate application for Full Planning Permission was lodged for the development of Private Rented Sector units which resulted in higher numbers of units and increased density.
- 4.22 In the context of the proposed reform, the scale of site encompassed by the PPiP submitted by Dandara in 2011 was not allocated in its entirety until February 2012 when it was included in the Aberdeen LDP. A 20-hectare site had been included in the Aberdeen Local Plan 2008 for employment use, with a small scale brownfield site at Stoneywood Terrace included. Therefore, allocation of the site with the benefit of PPiP for residential led mixed use was not conceivable prior to February 2012. Preparation of the Development Framework & Masterplan may have taken place within the same time period as in reality and enabling Dandara to move on to site by winter 2012. This demonstrates the value of early public consultation to inform the Masterplan and PPiP submission. However, the developer felt that this was too prescriptive and required revisiting to make changes at AMSC stage.

Case Study 9

Site Location: Monymusk, Aberdeenshire

Applicant: Kirkwood Homes

Applicant Type: Housebuilder

Application Reference: APP/2011/2294

Development Description: Erection of residential development of up to 44 units

Allocated in
Aberdeenshire LP 2006
& 2012 LDP

Site owned by Monymusk Estate, masterplan prepared and approved at Marr Area Committee in September 2007. Allocated as site EH1 in 2012 LDP for 43 units. Kirkwood developed land to the south for 30 homes (Phase 1).

LOW SITE
VALUE:
Agricultural

August 2011
PPiP Application

PPiP submitted for 44 units on 1.99ha site – above that noted by the Aberdeenshire LP (30 units). Proposed units acceptable in terms of density and layout, siting and design - 1 representation received.

February 2013
Delegated Approval

Application approved subject to conditions and conclusion of section 75 agreement prior to issue of consent.

November 2013
FPP Application
submitted

Application APP/2013/3644 submitted for full planning permission 44 homes, 11 affordable units. Full application pursued due to slightly larger red line boundary than secured under PPiP.

IMPROVED
SITE
VALUE:
Residential

April 2014
FPP Approval

Land transferred to Kirkwood Homes upon securing MSC consent. Value enhanced upon consent receipt but principle of land use and numbers attained through PPiP.

Summer 2014
Kirkwood on site

Majority of homes now constructed and sold. Site to the north being promoted for future use.

Submission to decision – 18 months

AMC to Delivery – 6 months

Conclusions

- 4.23 Kirkwood Homes has a longstanding association with land at Monymusk, owned by Monymusk Estate. A masterplan was approved at Committee in September 2007. A PPiP was submitted for land allocated in the Aberdeenshire LDP 2012, and deemed acceptable in terms of layout, siting and design although it exceeded the allocation. The application was approved in 2013 upon conclusion and registration of a Section 75 agreement. Kirkwood Homes submitted an application for Full Planning Permission in November 2013 as the site boundary was required to be slightly larger than under the PPiP. Approval was secured in April 2014.
- 4.24 If allocated in the 2006 Aberdeenshire Local Plan with the benefit of PPiP(A), a masterplan may have come forward in tandem or later, potentially adding to the time scales involved but informing MSC applications. Development could have been on site in theory by 2008, but in reality this is a site in a rural location which was subject to boundary changes and increased unit numbers beyond the allocation, while market conditions at that time are likely to have delayed progress in build out. On balance some acceleration of development is likely to have been achieved via PPiP(A) in this instance, but not the full 5 years implied by the gap between LDP and PPiP.

Planning and development appraisal

4.25 The nine case studies presented above build upon the research in Sections 2 and 3 in order to demonstrate how planning and development involving a PPIP stage works in practice. In broad terms, there are four potential stages:

1. undesignated brownfield or greenfield land
2. a specific allocation within the Development Plan
3. achieving Planning Permission in Principle, and
4. application(s) for matters specified in conditions in order to achieve a detailed planning consent.

4.26 Each of these stages is now appraised in turn. The reference case is presented as a hypothetical development scenario, although it is based on and blended from fully detailed actual appraisals. It considers the case of a large, notional 100-acre (40 hectares) land parcel which a landowner perceives as being worthy of promotion for long term housing provision. Unpacking the four stages above to provide greater detail:

1. Undesignated Brownfield or Greenfield Land

4.27 At this stage in the journey, the site will be prone to a large number of imponderables and perceived risks for a developer or speculator. This will include lack of certainty in respect of:

- whether the site may be considered suitable for residential development;
- contamination / remediation;
- the stability of the substrata to accommodate development and the impact upon potential density and type of foundations required;
- the scale and mass of any future envisaged development;
- how the site may compete with other potential housing allocations;
- information on site servicing;
- drainage or sewerage provision;
- capacities of existing infrastructure and utilities and;
- flood risk.

Against this backdrop an unallocated site clearly requires significant de-risking in order to identify and potentially unlock meaningful value.

4.28 Pricing will be aligned to existing land use. For brownfield sites this may be *de minimis*. In the case of greenfield sites, price may be influenced by underlying agricultural land values which, in turn, are impacted upon by soil classification and the yield / crop potential or otherwise of the land itself. For the notional 100 acre site, a party may unearth evidence of underlying pricing for undeveloped land at, say, £5,000 per acre overall. This may lead them to a view that pricing at that point in time may be c. **£500,000.**

2. Specific allocation within the Development Plan

4.29 A specific allocation for housing de-risks matters to an extent, however, the landholding would still need to compete with others within the Development Plan. Most of the imponderables referred to in Section 1 above will continue to remain in place, other than

there being a recognition that the local planning authority would seem mindful to consider residential development as an appropriate land use.

- 4.30 At this stage in the process most parties will still give consideration to the underlying land value or pricing at 4.28. Parties may also assemble data of other residential land sales within the wider area. This may begin to inform a view on the potential upside or reward that could be sought if successfully disposed of once consented for residential development. This potential uplift in value becomes the driver to navigate land through the planning process. There is still a great degree of subjectivity at this stage as transactional evidence of land sales can be misinterpreted depending upon the circumstances.
- 4.31 The other difficulty in appraising land transaction evidence is understanding the net developable acreage rather than simply the gross area of the site. The net developable area can be significantly smaller due to a number of reasons including the configuration of the site, topography, landscaping, tree planting, substrata, flood risk, and so on. Furthermore, land may already have made some progress through the planning process. It is vital to understand which stage in the process a site was at the date of the sale. All of these factors influence pricing and, as such, simply dividing sales prices by the size of land parcel can lead to a wide variety of capital rates per acre.
- 4.32 An alternative may be to consider land sales on a price per unit or price per plot basis, however, once again this can be influenced by the type of residential accommodation envisaged, its size, mix, density and envisaged exit pricing.
- 4.33 Residential land sales may suggest, say²⁰, £400,000 per net developable acre in headline terms. After high level adjustments for site servicing costs and Section 75 costs, pricing may be 20% lower, at £320,000 per acre. Furthermore they may assume a 50%²¹ chance of securing this over 70% of the site.
- 4.34 Phasing the land sales at 10 years of 10 acres each leads to the net present values²² shown on Figure 6. The current value of the phases declines from £2.24 million²³ for the first phase in year one, to £1.218 million in the tenth and final year / phase. The total net present value of all ten phases is £16.83 million. This is a £16.33 million uplift on the underlying land price of £0.5 million. The assumed 50% chance of securing this deflates it to **£8.17 million based upon a development plan allocation**. The development plan allocation in this instance has significantly increased the **notional land price**.

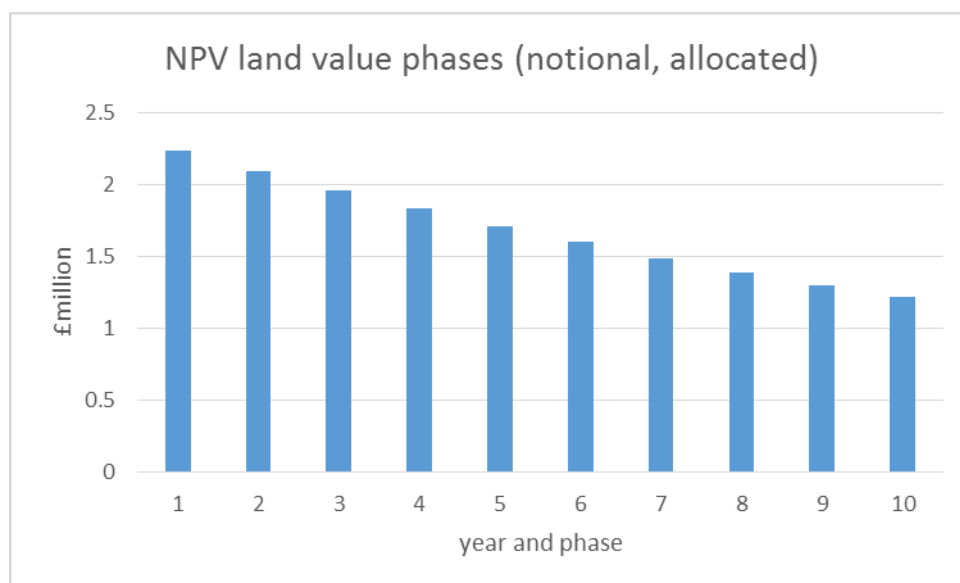
²⁰ While this is presented as a hypothetical situation the figures are in fact adapted from actual development appraisals, hence the apparent degree of accuracy.

²¹ The assumption of a 50% probability of securing the development reflects both market perception and option appraisal guidance at this early stage in a development proposal; clearly this could vary greatly by project

²² Discounted at 7% per annum

²³ £320,000 per acre @ 10 acres = £3.2 million @ 70% assumed developable area = £2.24 million

Figure 6



3. Achieving Planning Permission in Principle

4.35 Planning permission in principle ought to enhance the underlying land pricing as it reduces planning risk by enabling a number of significant issues to be addressed with the local planning authority. Greater clarity ought to be gained in respect of the envisaged density of development, infrastructure requirements and Section 75 contributions. This enables a potential developer to model a proposed compliant scheme.

4.37 At this point in the process, a developer may well consider a hypothetical portion of the site and run an appraisal on that in isolation in order to establish a gross rate per acre and also a net rate per acre having reflected anticipated developer contributions, infrastructure costs and the like. This may be potentially to support phased disposal to multiple developers. A notional 10-acre site may be used in order to establish a base line for land pricing. A hypothetical appraisal²⁴ has been run on this first parcel.

4.38 At this stage there is likely to be greater clarification around ancillary costs and the Section 75 Agreement. This leads to site servicing costs and an education contribution lower than the round figure of £100,000 per acre suggested at the PPiP stage (around 45% lower in the particular examples used, although of course it might have ended up higher).

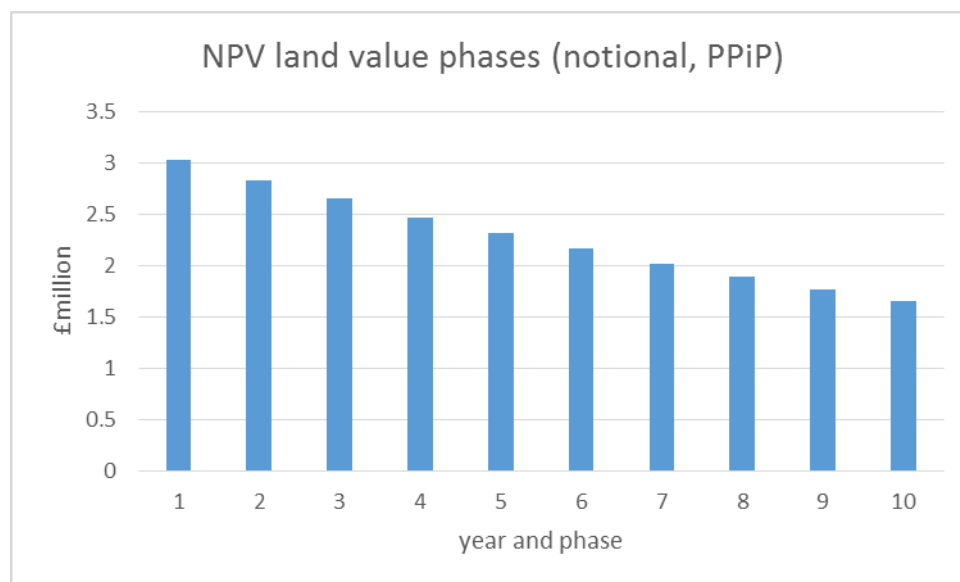
4.39 This development appraisal – rather than land sales – approach suggests a purchase price of £3.03 million for the first phase. Applying this across the ten tranches as at

²⁴ Assumptions:

- 6 months mobilisation and 6 months construction (phased). 2 sales per month
- Market sales prices, build costs and unit sizes drawn from actual appraisals
- Density of 10 units per net developable acre = 100 units (actually 102 per parcel across whole site)
- Cost contingencies, finance, finance fees, acquisition costs, professional fees, SDLT, purchaser's fees, NHBC (or equivalent) insurance all standard market data and assumptions from actual appraisals
- Developers' target profit 20% of value / 25% of cost
- Affordable housing of 15% blended from range of 0% to 25% (so 85 units are assumed for sale)

paragraph 4.34 for the allocated site leads to the figures shown on Figure 7. The higher phase values and total NPV of £22.78 million is due to the value-engineering through designing the development and cost-engineering through project planning, appraisal and negotiation.

Figure 7



4.40 At this stage the development proposal has secured PPiP. There is however still a degree of planning risk in that the design or density may require further refining and that greater detail will be sought in terms of site servicing and abnormals by commissioning geotechnical reports, environmental reports, site investigation reports and independent research in respect of utilities and site servicing capacities. As such, a necessarily subjective deduction is required to allow for unforeseen risk. It may not be unreasonable to anticipate a 'discount' in the order of 15%, producing a figure of **£19.36 million**.

4.41 This is an improvement on the notional £16.83 million for the allocated land, and a vast improvement on the risk-adjusted £8.17 million at the point of allocation. As noted above this uplift is due to the much-improved certainty of development and the related cost- and value- engineering (up to a point, with some technical matters still to be fully determined).

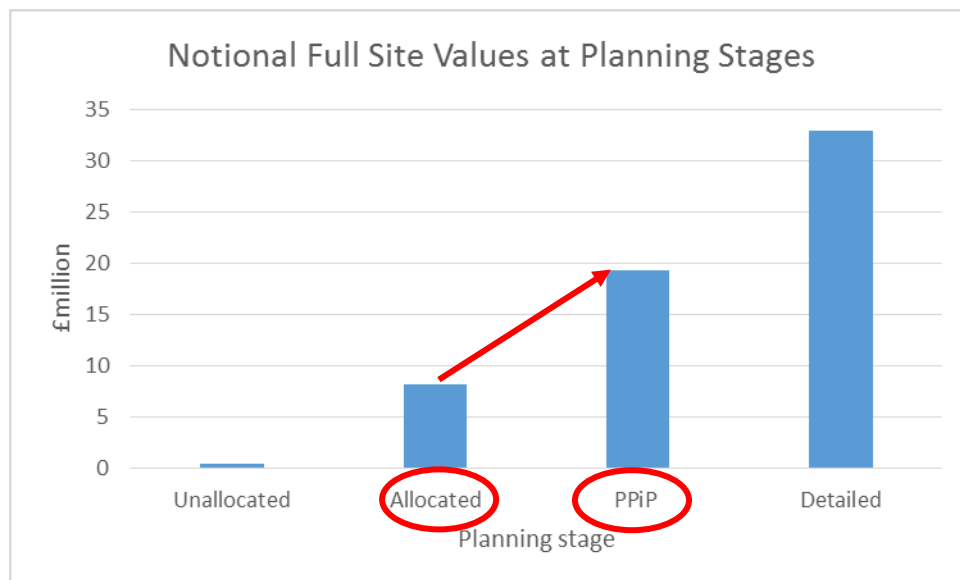
4. Application for MSC in order to achieve a detailed planning consent

4.42 During this fourth and final stage of the process, the aim is to further de-risk the project. A much more detailed appraisal may well be undertaken at this stage embracing infrastructure costs and abnormal costs, possibly extending to the whole (100 acre) site to understand future cash flows. In the scenario being modelled, there is now sufficient detail and interest to plan for four housebuilders and one RSL developing simultaneously, rapidly creating a sense of place and choice of stock. Accordingly, costs²⁵ at this stage have been modelled in detail from commissioned reports.

²⁵ Earthworks, core roads & footpaths, community spaces, education, power, drainage, gas, water.

- 4.43 This much more detailed appraisal now that the investment in place-making, timing of cashflows and planning contributions are fully understood yields a residual price for the entire site of £32.93 million. This represents a further significant uplift over the PPiP stage, due to the yet more detailed planning of the site infrastructure and the mixing and phasing of the development to meet market demand. Again, this is not a given and unexpectedly high infrastructure or abnormal costs, or changes in market conditions, can dramatically change the land price / value as it is a residual of (and magnifies all costs and returns).
- 4.44 With this caveat in mind, Figure 8 indicates the general step-wise trend of uplifts in values which might be anticipated moving from no allocation, to a site allocation, to a site with PPiP and then detailed consent. While the example is project-specific, the broad model is applicable to sites of different size, mix and location, again though assuming some stability of costs, development proposal and market conditions. For example the residual land value can be broken down into phases, acres/ hectares or indeed individual buildings (usually referred to as the “plot value”, which in the hypothetical example is estimated at an average of just under £33,000 per house).

Figure 8



- 4.45 For this study, the appraisal provides market-based evidence of a value uplift from development plan allocation to PPiP, which has the potential to be brought forward along with the technical work and consultations which would be required for a PPiP(A).

Summary

- 4.46 This section has assessed nine case studies of significant developments which have been through a PPiP stage and are now on-site (and one which is not on site). The process of each has been reviewed and an alternative route in the “PPiP(A) world” proposed.
- 4.47 Within the current planning system, several routes exist to secure the principle of land use and development of sites:

- Local authorities **designate land through the development plan** for a range of major transport and infrastructure projects, large scale land release sites for new communities and allocations for specific land uses such as residential, employment and retail. Individual sites can be promoted through a LDP Review process seeking inclusion for specific land uses.
- **PPiP applications** are brought forward on both these allocated and on unallocated sites to establish the principle and viability as well as the parameters of detailed submissions. Additional AMSC applications are then also required.
- Applications for **Full Planning Permission** include the details excluded by PPiP, usually layout, siting and design, as well as access and drainage detail.
- **Simplified Planning Zones** and **Enterprise Zones** can assist at an early stage by establishing development principles, thus removing barriers and lowering costs.

4.49 In this context, assessing the alternative “PPiP(A) world” route for case studies is not straightforward. Furthermore, the reform is not yet specified in any detail and it is not known how site promoters would have acted (other than an assumption of maximising their commercial opportunity and return). The possible outcomes are also conditioned by the particular projects selected in a thin market.

4.50 Bearing those points in mind, seven of the nine case study developments might potentially have been accelerated by up to 2-3 years each, through front-loading of work to secure PPiP(A) rather than having to make a separate application outside of their development plan allocation, although two of the case studies did have protracted MSC periods as they sought to respond to changing market conditions. Two case studies emerged through different routes: long term and speculative at Torrance Park; and rapid response to a housing land supply shortfall at Gateside; and it is judged here would most likely not have taken the PPiP(A) route. The development volume associated with these nine case studies is substantial, comprising many thousands of houses and associated development which might potential have been accelerated to some degree.

4.51 The wider impacts of confirmed development plan primacy and certainty for communities, planning authorities and key agencies had (some of) the allocated case studies benefited from the PPiP(A) reform is noted here but is not analysed.

4.52 In terms of public consultation, eight of the nine case studies were included in their respective LDPs. These sites would have been subject to general public – rather than site-specific - engagement at the MIR stage, at the discretion of the planning authority. They would also have been subject to consultation at the Proposed Plan stage when neighbour notification would have taken place in respect of preferred site options. Again, eight constituted major development and thus would have required a formal 12-week consultation period pre-application. Sites requiring a masterplan or development framework would have had further public consultation and engagement. Upon submission of an application (for Major or Local development), the public will have been afforded a 21-day window to comment on proposals. Depending upon the local authority’s Scheme of Delegation, objectors may have been afforded the opportunity to address local Councillors if the application was referred to Committee for determination. Under the proposed PPiP(A) reform there would be a likely requirement to front-load

this site-specific sequence into what is currently a more general public consultation at the plan-making stage.

- 4.53 The additional value which is created during the planning process was considered in the planning and development scenario. That hypothetical appraisal exhibits value uplifts as a result of (stepwise) increasing planning certainty, cost engineering as the development and its infrastructure are investigated and negotiated, and value engineering as the development proposals are adapted and optimised for their target markets.
- 4.54 The value uplift between development plan allocation and PPIp - or some portion of it depending upon the details of the PPIp(A) reform - has the potential to be brought forward along with the technical work and consultations which would be required to support it.

5 Summary and Key Principles

Introduction

- 5.1 The Scottish Government appointed Ryden, in association with Brodies, to deliver a **research project to consider how closer integration of development planning and development management procedures can better support housing delivery**. The research was commissioned in response to Recommendation 27 of the Independent Review of the Planning System: Empowering Planning to Deliver Great Places (May 2016). Recommendation 27 is reproduced below.

27. The certainty provided by the development plan in development management should be strengthened.

To incentivise this, allocated sites should be afforded planning permission in principle, could be exempted from pre-application consultation requirements and could benefit from fast-tracked appeals. Conversely, where non allocated sites are being proposed for development a charrette or similar fuller consultation or mediation exercise could be required.

- 5.2 This final section summarises the research findings and presents a set of key principles for consideration by the Scottish Government in drafting the forthcoming White Paper.

Summary

- 5.3 Planning Permission in Principle (PPiP) establishes the principle of land use and the conditions to be met by the development. PPiP applications are a small minority of all planning applications. Major PPiP applications are comparatively few in number, but may concern very large housing-led sites (community growth areas) in order to establish the principles of development.
- 5.4 Consultation and survey work identified **conditional support for the proposed reform**. It would boost the primacy of the development plan, and create certainty (in different forms) for all participants – communities, developers and landowners, infrastructure agencies and planning authorities. The main source of conditionality around support for the reform is the intensive front-loading of technical assessments, consultations and plan-making which would be required to allocate sites with PPiP: a “**PPiP(A)**”. The question of whether planning reform alone would materially accelerate delivery of development, or whether further barriers in the infrastructure sectors or property markets would continue to dampen delivery, was raised during the survey work.
- 5.5 A detailed review of 9 case studies with a PPiP stage identified that PPiP(A), *ceteris paribus*, could **potentially have accelerated development delivery** in the majority of cases – some of which are very large sites indeed – always assuming that the front-loading of the process had been designed and implemented successfully and developers chose the PPiP(A) route. Wider impacts of such a reform could have included supporting development plan primacy and creating certainty, for all

stakeholders and not just the developers promoting the sites. Appraisal of a hypothetical planning and development scenario exhibited staged uplifts in value due to increasing planning certainty and value and cost engineering, including an uplift from allocation in a plan to PPIp / PPIp(A) which has the potential to be brought forward.

- 5.6 The research therefore provides evidence and support for the proposed reform, in order to boost development plan primacy, promote certainty and accelerate delivery of development. This is subject to a number of concomitant actions – principally related to the front-loading of the planning process – to ensure that PPIp(A) delivers the same certainty as PPIp. These are addressed in the key principles set out below.

Key Principles

- 5.7 Building upon the research presented in this report and summarised above, the table over the following pages sets out the key principles of the proposed reform to create a PPIp(A) planning consent linked to the allocation of sites in development plans. The principles are complex, interlocking and will interact with other existing and proposed parts of the modernised planning system. It is not possible to fully integrate and test these principles within this research report, which is presented at a point in time between the completed Planning Review and the forthcoming White Paper.
- 5.8 Conceptually, the proposed PPIp(A) reform splits the planning process into:
- a **collaborative democratic stage** to secure in-principle planning consent for qualifying sites within an adopted LDP
 - a subsequent **technical stage** marshalling planning authorities, developers and infrastructure providers around conditions, Section 75 agreements and MSC applications

PPIP(A): Key Principles

Principle and benefits	Changes, barriers and mitigations
<p>Sites allocated in development plans are afforded Planning Permission in Principle (Planning Review Recommendation 27).</p> <p>Promotes primacy of the development plan, increases certainty for all stakeholders, and accelerates and increases certainty of delivery.</p> <p>The objective is to avoid any significant differences between PPIP(A) and PPIP. That might involve changing the provisions in the Planning Act to refresh and update the form and concept of PPIP (including PPIP(A)).</p>	<p>Principally the front-loading of the planning process to award selective, conditional, deemed consent at LDP stage.</p> <p>This is reviewed below for the requirement for site selection, concomitant planning legislative process changes and further work required.</p>
<p>Legislative form</p> <p>Legislative change is required to specify what a PPIP allocation represents, what is required to achieve this status and the role of conditions.</p>	<p>The Planning Act would be amended to state that specific, qualifying sites when allocated with PPIP(A) in the LDP would result in a deemed grant of planning permission in principle. This would then trigger all of the other legislative provisions which would apply to an express grant of PPIP, and in particular the time limit provisions (see below).</p> <p>Statutory procedures would require to be introduced for the opt-in approach, any associated information requirements, any additional consultation and any other procedures for proposed/ opted-in PPIP(A) sites (see below for consideration of each of these points).</p> <p>As above, the objective is to avoid any significant differences between PPIP(A) and PPIP. That might involve changing the provisions in the Planning Act, to refresh and update the form and concept of PPIP (including PPIP(A)). For example, there could be scope to delay imposing conditions and dealing with developer contributions / Section 75 until later in the process. However it is important to avoid PPIP(A) becoming a watered-down PPIP, which would be of less significance and value, and may undermine the delivery benefits.</p>
<p>Qualifying site threshold</p> <p>Given the potential scale of front-loaded work and the desire to achieve better and greater</p>	<p>The reform should adopt the major planning application threshold. The notional level of design detail and potential for revision would suggest that the 2-hectare minimum site size should be the main trigger for a</p>

<p>outcomes, a minimum site size is proposed for PPiP(A).</p>	<p>potential PPiP(A) (see “opt-in” below). However, to avoid excluding high density brownfield proposals which could benefit from the proposed reform, the 50-unit housing threshold should also be used. As an ongoing review, monitor the English PIP proposal that minor developments (1-9 houses under English planning policy) may apply directly to planning authority to be awarded PIP without full technical details. Once PPiP(A) is formalised, it may be that smaller, non-complex, serviced and possibly brownfield sites in Scotland might merit that status within LDPs.</p>
<p>Opt-in</p> <p>The elevation of all (or all major) LDP housing / housing-led sites to PPiP(A) could create an enormous workload and make unreasonable demands of more passive landowners and sites which are earlier in their planning processes.</p> <p>In conjunction with the major sites and land use criteria proposed here, supported by masterplanning, an opt-in would create a focus on volume and quality of housing delivery, as envisaged by the Planning Review. It would create a front wave of housing sites for earlier and more certain delivery.</p>	<p>An opt-in approach is proposed. Site promoters within the LDP process could elect to become PPiP(A) applicants and enter that process too.</p> <p>All non-PPiP(A) sites allocated within the LDP would benefit from the existing status, unchanged, and would go through the PPiP or full planning application process at the appropriate time. Some may potentially seek their elevation to PPiP(A) at the next LDP review rather than separately submitting a planning application; this could be at the discretion of the planning authority dependent upon the site history and the length of time it may previously have held an allocation.</p> <p>Pre-LDP, site promoters could also be offered an “opt-out” if they decided to no longer pursue PPiP(A) but fall back to an allocation instead.</p> <p>The outcome would be a two-tier LDP:- allocations, and PPiP(A)s. This would balance sound planning, sustainable development place-making with the desire to accelerate some, inevitably well-resourced, sites.</p> <p>The potential scale of PPiP(A)s should be estimable from LDPs using assumptions about plan cycles, housing needs, land use allocations and site sizes, site maturity and promotion and assumptions about success rates over time.</p>
<p>Development types / use classes</p> <p>PPiP(A) is proposed to apply to housing and housing-led sites identified in LDPs, in order to help create certainty and accelerate delivery (see also opt-in and size threshold).</p>	<p>Housing is the largest land use and is currently under-delivering development on a national scale. The potential for a huge volume of PPiP(A) interest and applications should be considered and appraised.</p> <p>Research is required to identify the scale, scope and any phasing of this application pipeline (phasing may happen as sites are brought forwards, through LDP cycles and some for example will already have masterplans and supporting technical information, requiring mainly a formal community and agency engagement process). Although there</p>

	<p>may be a first wave of interest, it is not anticipated that all potentially qualifying sites will immediately seek this status - some will prefer allocations and others will target the current routes for planning applications as preferred or (at least initially) quicker.</p>
<p>Front-loading</p> <p>The information and engagement required to support PPIp(A) consents will be brought into the early rather than mid development plan process. This will remove overlaps between increasingly technical demands for larger site allocations and subsequent PPIp requirements.</p> <p>The proposal seeks to create balance between the certainty required for site delivery, and a desire not to overload the process with full technical appraisals at LDP stage.</p> <p>Greater and better public participation and community engagement should be an achievable outcome of the reform.</p>	<p>Early engagement with communities and neighbours, probably equivalent to the current 12-week PAC, will require an LDP preparation phase likely to involve site bids and a MIR / proposed plan consultation period including advertising, notifications, publications and exhibitions.</p> <p>Some planning authorities already exceed the minimum 6 week period. and engage for 12 weeks at MIR and Proposed Plan stages.</p> <p>Removing the PAC stage from planning applications into the LDP may require legislative change (this also forms part of Recommendation 27). It may also be appropriate to conduct further consultations at the MSC stage when detailed designs are available for communities to see, noting however that all of the main land uses principles are established by PPIp(A) and this is an opportunity to guide rather than object to the proposals. A research project into community engagement commissioned by the Scottish Government is running parallel to this study.</p> <p>Early engagement with key agencies around a formal menu of information requirements for a PPIp(A) will be essential. Early engagement with agencies in LDP and action programme preparation is gradually becoming enshrined; this would further formalise and improve that process, including helping to sieve out undeliverable / undesirable sites.</p> <p>The information requirements for PPIp(A) will require full consideration and possibly definition in legislation, advice or guidance, perhaps including a form of information processing agreement. The research in this report indicates that a masterplan with supporting information on site capacity, drainage, ground conditions (Phase 1 survey), transport statement or assessment (depending upon the scale of site), flood risk assessment and potentially a habitat survey would be appropriate. SPP places an onus on planning authorities to deliver sustainable economic growth, housing and better places, not simply development.</p>
<p>Appeals</p> <p>The potential for fast-track appeals is one of the supporting measures made in Recommendation 27.</p>	<p>The proposed structure for PPIp(A) would not require fast-track planning appeals. The Examination in Public, or replacement gate-check process, would provide that opportunity for applicants. The only requirement for appeal would be at the MSC stage.</p>

<p>Section 75 Agreements and Conditions (MSCs)</p> <p>Early in-principle agreement to create sufficient understanding and certainty for all parties – applicants, planning authorities and agencies.</p>	<p>Section 75 agreements for PPiP(A)s would be subject to draft heads of terms within the LDP at the time of adoption and included in the Action Programme.</p> <p>The requirement for contributions could change over time, necessitating a review mechanism. That could then be addressed as part of the Action Programme update in consultation with the site promoter.</p> <p>The Schedule of Conditions attaching to a site would be reviewed at the Examination in Public stage of plan preparation; this would include specifying remaining information to be sought at the detailed planning stage. This process would require to be appraised, specified, and then set out in legislation.</p>
<p>Priority and processing</p> <p>Processing priority should be given to allocated sites over unallocated sites. Those conforming to the development plan, including PPiP(A)s would be determined quicker and statutory timescales should be adhered to.</p>	<p>Greater certainty of plan allocations and delivery should, over time, reduce (but not eliminate, in a functioning market) speculative applications on unallocated sites to meet shortfalls. Some LDPs now have policies which set out mechanisms for bringing forward sites to meet shortfalls, and this appears to be something that is being encouraged by SPP. This should further reduce opportunities for speculative planning applications.</p>
<p>Planning authority reform</p> <p>Better integration of development planning and development management at the plan-making stage to support the reform.</p>	<p>Resource-planning, increased internal and external funding, multi-skilling and team rotation among planners, creation of 'delivery' team via integration of DP and DM (some authorities already have this). Potential for outsourcing of some technical work (not formal adjudication of PPiP(A) candidate sites) should be considered, alongside shared services across planning authorities. There may be potential to encourage multi-skilling of planners to improve professional experience and smooth workload across development planning and management.</p>
<p>Duration of PPiP(A)</p> <p>Sufficient certainty is required to allow investment in high costs of securing PPiP(A). But the plan must retain some responsiveness to changing circumstances and revised strategies for and/ or under-performance by sites.</p>	<p>PPiP(A) should have a statutory time limit to progress to approval of Matters Specified in Conditions and commencement on site. Potentially if development is not progressed then sites could fall back to a standard LDP allocation, or eventually out of a plan altogether at the next LDP or any interim review.</p> <p>In the interests of balance between effort / investment and value /</p>

	<p>certainty, the duration of the consent could be extended from the current 3 years to subsist for the LDP's (current) full 5 years, when sites would be reviewed for delivery intentions rather than simply being rolled over into the next plan. This is a tentative suggestion given that the duration of LDPs and provisions for reviewing site allocations are also being considered by the Scottish Government, and a precautionary approach to considering the time limit is recommended.</p>
<p>Planning fees</p> <p>Potential for loss or front-loading of planning fees depending on decrease in PPIp route and charging mechanism for PPIp(A) route.</p>	<p>Brought-forward certainty and value for landowners and developers can be hypothecated via costs and planning fees to support this front-loading of the proposed reform.</p> <p>Loss of later PPIp application fees requires to be costed for potential replacement earlier in the process at LDP, against the degree of certainty being created, quality of service being offered, and other cost-sharing between applicant and planning authority. Later fees for MSC applications might reasonably be increased given the degree of development certainty which is embedded at that stage.</p>
<p>Environmental Impact Assessment</p> <p>Balance environmental protection against reasonable information requirements and certainty of delivery through PPIp(A).</p>	<p>EIA screening may be triggered by sites described in these PPIp(A) principles, through the size, nature and location of the proposals potentially having a significant environmental impact.</p> <p>At present, EIA can be required both at both PPIp and AMSC stage (though if sufficient information is provided at PPIp stage the latter should rarely be required). Strategic Environmental Assessment (SEA) is required for LDPs. Consideration should be given to whether SEA, or an adapted form of SEA, can partly satisfy the requirements of the (currently in force) EIA Directive in respect of individual PPIp(A) sites. Alternatively, the legislation could state that PPIp(A) would be granted subject to conclusion of the EIA (should it be required) prior to submission of MSC application. This would defer an onerous and expensive task until after a site had been 'de-risked', although it would retain the risk of the EIA identifying barriers to development. The location(s) of EIA(s) within PPIp(A)s requires further advice.</p> <p>SEA within the planning system is also currently the subject of a parallel research project commissioned by the Scottish Government.</p>

Annex A

Applications for Planning Permission in Principle by Planning Authority and Year (MAJOR)

Local Authority	Major PPiPs 12-13	Major PPiPs 13-14	Major PPiPs 14-15	Major PPiPs 15-16	4 Year Average
Aberdeen City	3	4	4	4	4
Aberdeenshire	7	7	10	4	7
Angus	0	3	3	3	2
Argyll & Bute	2	1	0	0	1
Cairngorms	1	1	0	0	1
Clackmannanshire	0	0	0	0	0
Dumfries & Galloway	2	3	1	0	2
Dundee City	0	0	0	1	0
East Ayrshire	2	3	1	1	2
East Dunbartonshire	1	0	2	2	1
East Lothian	0	3	8	3	4
East Renfrewshire	1	0	0	0	0
Edinburgh, City of	9	6	6	11	8
Falkirk	1	1	1	2	1
Fife	6	12	6	11	9
Glasgow City	12	5	9	4	8
Highland	3	4	2	8	4
Inverclyde	2	0	0	0	1
Loch Lomond & The Trossachs	0	0	0	0	0
Midlothian	1	1	1	4	2
Moray	0	2	0	0	1
Na h-Eileanan Siar	0	0	1	0	0
North Ayrshire	2	3	0	6	3
North Lanarkshire	4	5	5	3	4
Orkney Islands	0	0	2	0	1
Perth & Kinross	2	6	2	3	3
Renfrewshire	3	1	3	2	2
Scottish Borders	2	3	0	0	1
Shetland Islands	0	0	1	0	0
South Ayrshire	1	2	1	0	1
South Lanarkshire	2	2	3	5	3
Stirling	1	2	2	2	2
West Dunbartonshire	1	0	0	0	0
West Lothian	4	8	5	3	5
SCOTLAND	75	88	79	82	81

Applications for Planning Permission in Principle by Planning Authority and Year (LOCAL)

Local Authority	Local PPiPs 12-13	Local PPiPs 13-14	Local PPiPs 14-15	Local PPiPs 15-16	4 Year Average
Aberdeen City	19	19	5	17	15
Aberdeenshire	216	193	253	269	233
Angus	45	31	34	36	37
Argyll & Bute	114	136	144	100	124
Cairngorms	1	0	1	0	1
Clackmannanshire	7	8	5	4	6
Dumfries & Galloway	74	66	73	66	70
Dundee City	1	1	3	2	2
East Ayrshire	7	12	13	8	10
East Dunbartonshire	6	2	4	1	3
East Lothian	13	10	12	2	9
East Renfrewshire	4	5	3	3	4
Edinburgh, City of	3	10	4	8	6
Falkirk	16	13	9	16	14
Fife	70	58	77	53	65
Glasgow City	3	5	4	6	5
Highland	284	288	274	243	272
Inverclyde	3	5	3	1	3
Loch Lomond & The Trossachs	4	7	2	6	5
Midlothian	9	6	7	11	8
Moray	86	49	36	55	57
Na h-Eileanan Siar	45	27	18	14	26
North Ayrshire	2	4	2	0	2
North Lanarkshire	12	9	12	11	11
Orkney Islands	27	27	29	18	25
Perth & Kinross	111	93	96	94	99
Renfrewshire	8	3	4	3	5
Scottish Borders	62	59	53	67	60
Shetland Islands	13	19	15	16	16
South Ayrshire	7	9	13	15	11
South Lanarkshire	16	25	30	15	22
Stirling	32	28	24	31	29
West Dunbartonshire	5	0	2	1	2
West Lothian	22	17	13	18	18
SCOTLAND	1,347	1,244	1,277	1,210	1,270

STAKEHOLDER CONSULTATION

RESEARCH PROJECT TO CONSIDER PLANNING PERMISSION IN PRINCIPLE FOR SITES ALLOCATED IN THE DEVELOPMENT PLAN

Ryden has recently been appointed by the Scottish Government to undertake research to consider whether Planning Permission in Principle (PPiP) could or should be granted to sites when they are allocated in the Development Plan.

Granting PPiP with the allocation of a site has been highlighted by the independent Planning Review panel as a potential means to enhance the certainty provided by the Development Plan in development management (Recommendation 27, Empowering Planning to Deliver Great Places, May 2016).

In light of this recommendation, on behalf of the Scottish Government we are seeking to:

- Understand the impact in practice, including on development viability, of the current PPiP process step by step
- Consider how this would change if PPiP was afforded at the Development Plan stage
- Consider what would prevent this happening and suggest potential remedies
- Establish the impacts of this potential reform – benefits and disbenefits for all concerned.

In order to gain the insight of stakeholders in Scotland, we are undertaking a range of consultations in the form of semi-structured interviews. We would appreciate your response on the following issues:

1. The independent Planning Review panel recommended that there was a need to enhance the certainty provided by the Development Plan in development management. Do you think that granting Planning Permission in Principle to sites allocated in the development plan is a means to achieve this/why?
2. What are the key benefits that would arise specifically from granting PPiP consent with the allocation of a site in a Development Plan?
3. What do you see as the key disbenefits and / or challenges of introducing this reform?
4. In your experience, what organisations chose to use PPiP applications at present and why? (prompt – bank finance requirement?)
5. What stakeholders would benefit the most from this proposed reform and is there anyone who it might have a potentially negative impact on / why? (prompt –developers, landowners, the local community, planning authorities, key agencies, those promoting phased development, finance requirements)
6. This possible reform should be seen in the context of potential wider reforms to the Development Planning system. How do you think the preparation of Development Plans would need to change if PPiP was afforded to sites allocated in the development plan? (prompt – encourage discussion on whether all allocated sites should be granted PPiP or a more tiered approach whereby only those that go through a proscribed process, are only certain types suitable to be granted PPiP through the Development Plan)
7. What barriers do you foresee to the implementation of this reform, and how might these be addressed? (prompt – would changes to appeal process / environmental assessment / community consultation etc be required if reform introduced) Do any particular challenges arise specifically for phased development realised over a number of years?

8. What do you anticipate will be the impact on the balance of information required at different stages (e.g. on appraisals / assessments submitted)?
9. Do you have any further comments on this proposal?
 - Thank respondent for participation.
 - State that notes will be sent to consultee for approval.
 - Check respondent is happy for comments to be attributed to them (note: not used)

CONSULTEES

Daniel Lewis, Aberdeen City Council

Jill Paterson, Angus Council

Nick Waugh, Buccleuch Estates

Derek Lawson, CALA

Linda Hamilton and Ben Wilson, City of Edinburgh Council

Dorothy McDonald, Clydeplan

Scott Ferrie and David Liddell, Directorate of Planning and Environmental Appeals

Stuart Young, Dunecht Estates

Tony Harris, Edinburgh Association of Community Councils

Catherine Wood and Greg Limb, Gladman Scotland

Malcolm McLeod, Highland Council

Nicola Barclay, Homes for Scotland

Allan Rae, Kirkwood Homes

David Wood, Planning Aid Scotland

Niall Murphy, Pollockshields Community Council

Kate Houghton, Royal Town Planning Institute Scotland

Aileen MacKenzie, Scottish Water

Annie Russell and Kenny Shand, Springfield Properties

Alison Irvine, David Torrance and Morag MacKay, Transport Scotland

Tom Barclay, Wheatley Group (and co-chair of Joint Housing Policy Delivery Group)