

Empowering Planning to deliver great places

Simplified Planning Zone housing pilots

Pilots Fund

October 2016

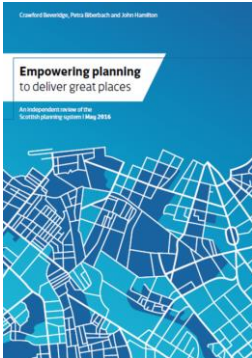


SIMPLIFIED PLANNING ZONE (SPZ) HOUSING PILOTS

Planning Review and Scottish Government Response

In September 2015, an independent panel was appointed by Scottish Ministers to review the Scottish planning system.

The report of the panel, "[Empowering Planning to Deliver Great Places](#)¹" was published in May, 2016. The Planning Review Independent Panel, noted in their report



"We were inspired by the flexibility provided by Simplified Planning Zones and propose that their principles could inform an adaptable approach to zoning areas of land for development including housing. These areas would be identified to incentivise development by creating greater certainty as well as flexibility and should be rolled out across Scotland. This approach could help to kick start high quality housing development at a large scale in the immediate future, but their impact would be much greater if pump priming of funding was made available to help establish them. We recommend that the new approach would relax current restrictions on SPZs in Scotland to allow for greater flexibility in their timescales, reduce procedure and enable them to come forward for schemes which fall under the EIA Regulations."

Recommendation 14 from the Review Panel is:

- The SPZ concept should be rebranded and evolved into a more flexible and widely applicable zoning mechanism which identifies and prepares areas to make them 'investment ready.'

Ministers published their [response to the report of the independent planning review panel](#) in July 2016. Our response set out the intention to consult fully on a White Paper in Autumn / Winter 2016 to enable a Planning Bill to be brought forward in 2017, and indicated it would seek views on proposals for tools to support housing delivery. This will be a means for us to gather more views on how to increase the scope of SPZs, including in relation to EIA, whilst considering how to reduce procedure and speed up the preparation process.

In our response we also **committed as an Immediate Action to take forward pilot Simplified Planning Zones for housing**, and this has been included in our [Programme for Government](#)². We are now seeking interested authorities to come forward to work with us on a number of pilots to explore different uses of SPZs for housing and inform what changes to legislation might be required to better enable the use of an SPZ style approach to support housing delivery.

¹ Planning Review webpages <https://beta.gov.scot/policies/planning-architecture/review-planning-system/>

² A Plan For Scotland: The Scottish Government's Programme For Scotland_2016-17
<http://www.gov.scot/About/Performance/programme-for-government>

BACKGROUND

What is a Simplified Planning Zone (SPZ)?

A SPZ is an area where the need to apply for planning permission is removed for certain types of development. A SPZ requires the preparation of a SPZ Scheme, by the planning authority, which details the types of development and nature of uses that are permitted together with any limitations, conditions and guidelines that a development proposal must comply with. Should a development proposal comply with the SPZ Scheme applications for planning permission will not be required.

How are SPZs prepared?

The stages for preparing an SPZ including the steps for consultation and engagement are set out in Circular 18/1995 Simplified Planning Zones and the Town Centre SPZ How To Guide.

Essentially, planning authorities are required to consider in which part or parts of their area it is desirable to create SPZs and to keep that question under review. Where they decide that it would be desirable to make an SPZ scheme, they must prepare one.³ The preparation process includes; notifying Ministers of the intention to prepare a SPZ; a per-deposit consultation with key parties including Transport Scotland, landowners, the community council and any other local authority whose area would be within the scheme's boundary; preparation of the SPZ scheme; a 6 week deposit stage for representations; and the opportunity for Ministers to call-in the scheme for their own approval. Where objections are received the authority can consider these themselves or arrange a public local inquiry, and if the scheme raises strategic planning issues or substantial local controversy Ministers have the power to direct a PLI takes place. There is also provision for modifications to be made to the scheme, with an associated on-deposit period, opportunity for objections and inquiry/ hearing. As part of the Planning Review we shall look at how this process can be streamlined.

What it doesn't mean

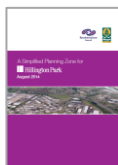
A loss of standards of development, amenity or protection for the environment. These standards remain or can be enhanced through a positive SPZ scheme, which can set out upfront the design expectations.

A SPZ only removes the need to apply for planning permission, other consents including Roads Construction Consent, Listed Building Consent, a Building Warrant and any licenses are still required, where applicable.

Existing SPZs in Scotland

Until recently there had been little take up in the production and use of SPZs, with only two SPZs currently operational in Scotland.

The Hillington Park SPZ, which covers a business estate area, was the first in over 20 years, and received an Award⁴ in the 2015 Scottish Awards for Quality in Planning, and is shortlisted for this year's RTPI's Excellence in Decision Making in Planning Award.



As part of our Town Centre Planning Pilots Programme⁵ we supported the creation of the first town centre SPZ for Renfrew, which permits a number of town centre uses, and with particular interest to housing delivery it allows the conversion of upper floors to flats.



³ Circular 8/1995 <http://www.gov.scot/Publications/1995/08/circular-18-1995#a21>

⁴ SAQP 2015 booklet <http://www.gov.scot/Publications/2015/11/4983/10>

⁵ http://www.scotlandstowns.org/town_centre_planning_pilots

Other European zoning approaches

Elsewhere in the UK and Europe, a variety of zoning approaches are used to speed up or remove the need for individual planning consent.

In Ireland, they have Strategic Development Zones (SDZ). These are designated where in the opinion of the Government, and when proposed by the Minister, specified development, which is of economic or social importance to the State, may be facilitated to take place. An SDZ is initiated by a government Order and the draft planning scheme to implement the order shall be prepared not later than two years after the making of the order. The planning scheme is approved either by the planning authority or An Bord Pleanála on appeal. Subsequent applications for development within the SDZ area either accord with the scheme and are granted permission by the planning authority in the normal manner or if they do not accord with the scheme are refused. There is no recourse to An Bord Pleanála for either a first or third party planning appeal on these decisions. Examples of SDZs in Ireland include Dublin Docklands⁶, Adamstown⁷, Clonburris, where they have been used to deliver significant housing numbers and support urban regeneration at key locations.

In England, Local Planning Authorities have been able to produce Local Development Orders (LDO) since the introduction of the 1990 Town and Country Planning Act. LDOs grant automatic planning permission for specified development in defined areas and can reduce bureaucracy, improve the speed of decision-making and improve certainty for landowners, communities and developers.

“LDOs embody a fundamental shift on the part of local authorities from waiting for the market to come to them with a proposal, to initiating development activity by granting permission for the kind of development that they want to come forward on a site.

With an LDO in place for specified development on an identified site, planning consent should be easier, less expensive, less risky and faster for developers as there is no need to prepare a planning application, pay fees and wait for a decision.

The benefits for councils who take this pro-active approach are varied, from the enhanced reputation as an attractive place to do business, to encouraging landowners and developers to seize the opportunity to develop on stalled sites, creating good places and to enable faster more flexible delivery enabling them to meet their own development priorities and achieve a competitive return.”⁸

The LDO approach has also been used, such as at Cherwell, to support the development of self and custom build housing, though the use of ‘plot passports’⁹, setting out guidelines such as maximum height, depth and building materials while giving self builders freedom to work within this framework without the need for consent. The idea of ‘plot passport’ schemes has also been used in the Netherlands. At the Almere¹⁰ district, a large area has been masterplanned by the Council into a series of districts, with self build plots identified. Each home comes with a ‘passport’ which acts as a building permit, this specifies the main restrictions – usually just the height, any gaps required between homes, and the line of the front and the back of the properties.

We are keen to explore how schemes or zones of this nature could operate in Scotland and what changes would be required to legislation.

⁶ North Lotts and Grand Canal Dock SDZ Planning Scheme <http://www.dublincity.ie/main-menu-services-planning-urban-development-plans-local-area-plans/north-lotts-grand-canal-dock>

⁷ Adamstown SDZ Planning Scheme

<http://www.sdcc.ie/services/planning/strategic-development-zones/adamstown/adamstown-sdz-2014>

⁸ PAS Preparing housing Led LDOs http://www.pas.gov.uk/45-local-development-orders/-/journal_content/56/332612/7658454/ARTICLE

⁹ <https://www.architecture.com/RIBA/Contactus/NewsAndPress/Membernews/PracticeNews/2015/July2015/16-July2015/Selfbuildplotpassportsreplaceplanningconsent.aspx>

¹⁰ <http://www.selfbuildportal.org.uk/homeruskwartier-district-almere>

PILOTS

Areas we want SPZ housing pilots to explore

As part of the pilots phase we want to work with partners to explore how SPZs could be used to support housing in a variety of contexts, for example

- to support town centre living (town centre gap site, as well as upper floors);
- to support urban regeneration;
- to promote diversification of housing types and supply, and innovative housing delivery¹¹ eg;
 - to promote self and custom build (and help smaller groups cut through red tape/ potentially exploring use of plot passports within a SPZ scheme);
 - to support SMEs' contribution to housing development;
 - to deliver better outcomes eg for young people, age friendly placemaking
- to be targeted towards meeting areas of particular or acute need, or local priorities
- to test how SPZs might be used to kick start / fast track high quality housing development at a large scale, as suggested by the Review panel.



Benefits of housing SPZs

- Streamlined and simplified planning process , whilst aligning with the development plan, saving time, money and effort to developers and investors
- Positive Development Management tool using proportionate planning controls
- Promotional tool encouraging positive investment decisions through the certainty provided by the SPZ Scheme
- Promotes collaborative working¹²
- Potential approach to enable innovative forms of housing
- Opportunity to explore innovative approaches to infrastructure first and new packages to support housing delivery.

Scope / Context

However, as the the pilots are to be taken forward in the short term they will need to operate within the existing legislative framework¹³. This, as the Review Panel indicated, means some restrictions on the types of development they can be used for:

- ✘ SPZ schemes themselves do not require environmental assessment. Consequently, the SPZ Regulations 1995 prescribe that an SPZ cannot include development which would require an EA and 1995 SPZ Order provides that no SPZ scheme shall have effect to grant planning permission for development requiring EA. In particular for the for housing pilots it will be necessary to consider Schedule 2 of the EIA Regulations, and its category of urban development with a 0.5 ha threshold, and whether the proposal would have a significant environmental effect.
- ✘ SPZs can not be established within conservation areas.
- ✘ Other restrictions set out in Circular 18/1995 are National Scenic Areas, SSSIs, approved green belts, and any other area excluded by an Order made by the Secretary of State.

¹¹ Recommendation 16 of the Planning Review

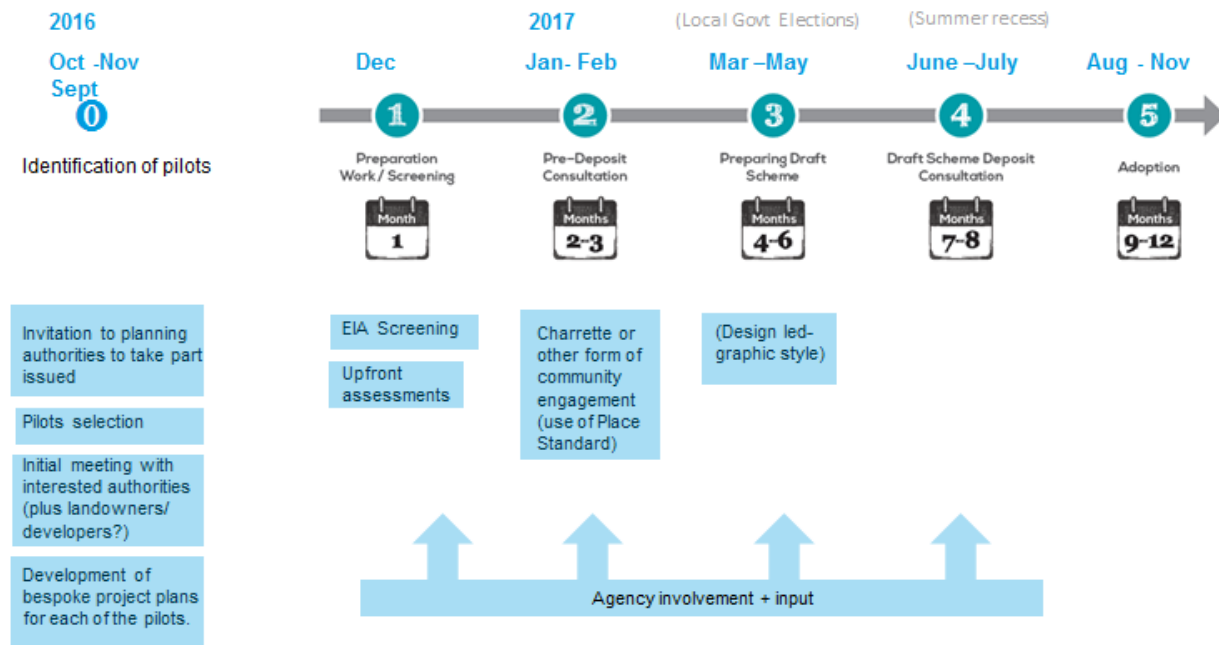
¹² Renfrew Town Centre | Simplified Planning Zone "How To Guide"

http://www.scotlandstowns.org/town_centre_planning_pilots

¹³ The Town and Country Planning (Simplified Planning Zones) (Scotland) Regulations 1995
The Town and Country Planning (Simplified Planning Zones) (Scotland) Order 1995

Approach Process and project management

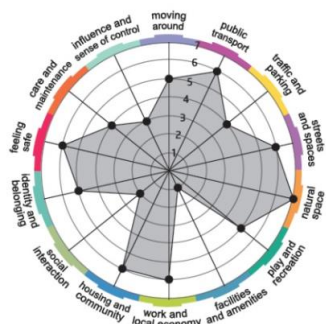
The selected will be expected to develop and use a bespoke project management plan identifying keys steps, timescales and any risks to delivery. The illustrative timeline below is adapted from the Town Centre SPZ How To Guide, and sets out a process that allows for the pre-deposit consultation, 6 week deposit consultation, and assumes there will be no inquiry or modifications to the draft scheme.



Community Engagement

We will expect the SPZ housing pilots to be demonstrators of good community engagement, for example making use of the tools and techniques like the Place Standard and charrettes.

Place Standard – How good is Our Place?



Policy Linkages

As part of expressions of interest to be a SPZ housing pilot, applicants will need to set out the details of how the site(s) they are interested in taking forward as housing SPZs are covered in the development plan, eg as allocated sites, existing housing proposal or otherwise. Given the current EIA restrictions to the scope of SPZs, we are willing to work with interested authorities in looking at site selection and EIA screening.

All of the housing pilot SPZ schemes will be expected to align with Scottish Government policies and principles for development and place, to support the creation of sustainable, mixed housing developments such as: Scottish Planning Policy; Designing Streets; Creating Places; and the Town Centres' First Principle.

We will also expect the pilots to consider upfront, how other consents can be frontloaded and thought about in the development of the SPZ scheme for example RCC, so that this is not a barrier later down the line.

Style of SPZ scheme

In developing the SPZ schemes we will be expecting the pilots to make use of mapping and graphic techniques to set out the design expectations for the site.



FUNDING OFFER

As part of our commitment to taking forward actions from the Planning Review the Simplified Planning Zone housing pilots are being supported with a budget of £150,000. We are looking to support around 3-4 pilots, with a grant offer of around £30k - £50k each.

REQUIREMENTS

All applicants should be able to demonstrate that their project will support one or more of the following:

- town centre living (town centre gap site/ conversion of upper floors);
- urban regeneration;
- diversification of housing types and supply, and innovative housing delivery eg;
 - to promote self and custom build (and help smaller groups cut through red tape/ potentially exploring use of plot passports within a SPZ scheme);
 - to support SMEs' contribution to housing development;
 - to deliver better outcomes eg for young people, age friendly placemaking
- meeting areas of particular or acute need, or local priorities;
- kick starting high quality housing development at a large scale;
- implementation of the local development plan.

All SPZ pilot schemes will be expected to take an approach that harnesses the existing and potential assets of the place and support the development of sustainable communities and contribute to the Scottish Government's vision of delivering high quality, sustainable places.

All proposals should be informed by Scottish Government policies and principles, such as: Scottish Planning Policy; Designing Streets; Creating Places; The Place Standard; the Town Centre First principle.

Eligibility

The fund is open to local authorities, as the bodies identified in the legislation as responsible for preparing SPZ schemes. However, we are also interested to receive joint applications involving partner organisations interested in being involved in the pilot SPZs for example landowners, developers, housing associations, third sector organisations, groups interested in self- and custom build and delivery bodies.

We will look favourably on applications that can show development delivery and viability has been considered or that are hoping to use an SPZ as part of a proactive approach to unlocking sites.

Use of funding

The funding is to support the creation of SPZ schemes to deliver feasible housing projects. It can be used to assist in the preparation of SPZ schemes including for any Environmental Assessment screening, consideration of environmental issues, preparation of upfront assessments, to support community engagement exercises, and for design and masterplanning work.

We envisage the preparation of the SPZ to be led by the local authority development plan team. Where successful projects require to select and appoint design specialists, or other consultant to support the preparation of the SPZ scheme this will be the responsibility of the grantee. The procurement process for this exercise should be conducted within the normal practice and processes of the grantee's organisation. Scottish Government procurement rules do not apply. However, the project sponsor should be able to demonstrate that the process followed delivers best value for money and quality of service. Further material on selecting a suitable design team can be found [here](#) .

Sharing experience / informing and developing legislation

As part of the funding offer the selected pilot partners will be expected to work closely with Scottish Government officials to share their experience. They will be expected to inform and actively help develop proposals for any changes to the SPZ legislative framework and suggest what other non-legislative changes that might be required to support SPZs' use and effectiveness as a tool to support high quality housing delivery.

APPLICATION PROCESS AND DEADLINES

Submitting your application / expression of interest to be a SPZ housing pilot

What to include:

- Summary - The 2 page summary of your proposal should also be included (The proforma can be found on pages 9+10 of this document and as a separate Word document online.)
- Full application / expression of interest
Proposals should not exceed 8 pages in length, and should be submitted in A4 format. (Details of points to cover are set out on pages 11+12)

All proposals should be submitted electronically marked 'SPZ Housing Pilot' and submitted by close of business on **Friday 11th November** by email to kristen.anderson@gov.scot (hardcopies are not required). Please note: once the application has been submitted no further information will be accepted, unless it is expressly requested by the Scottish Government.

Completed applications returned by the deadline will be considered by an independent panel including officials from the Planning & Architecture Division and Directorate for Housing & Social Justice.

If all of the funding is not allocated through the initial application phase then a second tranche of applications may be sought.

Grant will be paid in arrears and must be claimed before 31st March 2017. If expenditure has not been incurred by that point, Scottish Government may pay grant for activity beyond 31st March 2017 if the applicant can demonstrate that a financial commitment has been made such as by providing evidence of a signed contract with the service provider prior to 31st March 2017.

If you require any assistance in taking forward your application, please contact Kristen Anderson, Senior Planning, Placemaking & Housing, Planning and Architecture kristen.anderson@gov.scot or on 0131 244 7091.

ANNEX A

SUMMARY APPLICATION FOR GRANT / TO BE A SPZ HOUSING PILOT

Project name/location:	
Proposing local authority:	
Other collaborating organisations:	

Contacts	Position in organisation	Contact e-mail & phone
Person making application:		
Additional contact:		

Type of housing delivery to be supported eg town centre living, regeneration, self/custom build, mainstream etc	
<p>What are the anticipated outcomes of this project? This should describe the opportunity for housing delivery, enhancing quality as well as how the pilot will explore issues and provide experience and information to inform the Planning Review.</p>	

Grant applied for:	£
Please provide a breakdown of the anticipated spend:	
What will this funding help to achieve?	

Summary of Proposal

ANNEX B Completing your full application / expression of interest

In no more than 6-8 pages, your proposal should address the following themes:

1. Vision and Aims

- 1.1 Proposals should **demonstrate how they will contribute to the Scottish Government's vision of delivering high quality, sustainable places.**
- 1.2 You should provide detail on:
- The **nature** of the pilot project; eg
 - town centre living (town centre gap site/ conversion of upper floors);
 - urban regeneration;
 - diversification of housing types and supply, and innovative housing delivery eg; self and custom build, to support SMEs' contribution to housing development; to deliver better outcomes eg for young people, age friendly placemaking
 - meeting areas of particular or acute need, or local priorities;
 - kick starting high quality housing development at a large scale;
 - implementation of local development plans.
 - The project's **relevance to the Scottish Government's policies and principles** for development and place, regeneration, and community empowerment;
 - **Any wider benefits to the community**, including economic, health, environmental , green network, and social issues;
 - Expected contribution of a SPZ to increasing site **effectiveness**;
 - Expected **contribution to housing delivery** (likely number of housing units / tenure/ mix).
 - The style of SPZ envisaged / degree of control / flexibility

2. Process, Site and Engagement

- 2.1 Proposals are also expected to set out a **clear commitment to the idea of a SPZ scheme** / potential housing development, including:
- Confirmation of the local authority's support for the SPZ proposal.
(Note: local authority support should be from across all relevant departments and services); plus
 - Proposals should either:
 - a) demonstrate buy-in from key stakeholders; landowners / developers; or
 - b) where a site(s) has not yet been confirmed contain a strategy outlining how relevant stakeholders and interests will be engaged.
- 2.2 **Process and project management**, proposals are also expected to include:
- An indicative programme of activity
 - How /Who will be undertaking the work to prepare the scheme. In particular whether the grantee expects to prepare the SPZ scheme in-house or use consultants for whole of parts of the process. Where consultants are to be commissioned detail on the process being used to select and appoint any design / consultant team, including proposed timescales for the appointment process should be set out.
 - An indicative list of groups and individuals who are likely to be involved in the SPZ process. We expect multi-disciplinary teams to be assembled to support each pilot project
 - Risks identified and how these will be managed.
- 2.3 Where a **site(s)** has been selected, please set out
- whether it has already been the subject of any form of public engagement exercise
 - the site's development plan status / any details set out in an LDP Action Programme

- whether the Council has pre-screened it for EIA / any potential EIA issues
- any other site issues / constraints (landscape; flooding; transport etc;)
- details of interest in the SPZ process from any associated landowner /developer; and
- confirmation the site is not within any of the areas currently excluded from being suitable for an SPZ eg conservation areas, National Scenic Areas, SSSIs, approved green belts.

2.4 We will consider applications from planning authorities who are enthusiastic and committed to the SPZ concept, that have not finally chosen a site to work on, where they can demonstrate that site selection will be a key part of the learning from the pilot. Such applications should set out a clear indication of how they intend to; go about the selection process; ensure any site / project selected does not require EIA; and take account of viability and deliverability.

3. Suitability, Outputs and Implementation

3.1 Proposers should demonstrate why a SPZ is seen as a suitable method of taking forward their project (Why an SPZ? Why now?).

3.2 Learning, Skills and Contribution to Review

- Detail on how local authority skills will be used and developed as part of the SPZ housing pilot;
- How the pilot will further knowledge on SPZs; and **contribute to the Planning Review.**

3.3 You should include in your application:

- An indication of how the grant funding will be allocated/ spent.
- Priorities for action
- Information on how the SPZ scheme will be taken forward once adopted. This should include:
 - how housing will be delivered;
 - who will be involved in delivery these (including detailing community involvement); and
 - an indication of timescale to get the site 'shovel ready'.

3.4 Implementation and delivery

- Identification of relevant funding or other resources to support delivery ambitions.

SPZ Housing Pilots: conditions of grant

1. Project proposers will be required to provide all necessary base information for the charrette and make all preparatory arrangements. These costs will not be grant-fundable.
2. The form and content of any SPZ scheme will vary according to the aims of the project and nature of the place. Details should be agreed between the design team, project team and the Scottish Government in advance of any award of grant.
3. Appropriate, inclusive community engagement should be carried out. The format and timescale proposed should be devised to meet individual circumstances.
4. Grant cannot be paid to cover any VAT applicable to the project.
5. The maximum grant likely to be awarded to any one project is expected to be in the region of £30,000-£50,000. Grant will only be awarded where the proposal is in line with the criteria set out in this document.
6. The Scottish Government's standard conditions for the offer of grant apply
7. After discussion with the project sponsor, a payment schedule will be agreed. Grant payments will be made in line with the payment schedule, funding will be withdrawn if insufficient progress has been made.
8. Grant will be paid in arrears and must be claimed before 31st March 2017. If expenditure has not been incurred by that point, Scottish Government may pay grant beyond 31st March 2017 if the applicant can demonstrate that a financial commitment has been made by providing evidence of a signed contract with the service provider prior to 31st March 2017.
9. All agreed deliverables and conditions for the award of grant will be required to be met before grant is paid. Scottish Government officials may require to be involved as observers at projects successfully securing grant funding.

LINKS | BACKGROUND READING

- Planning Review – Scottish Government website
<https://beta.gov.scot/policies/planning-architecture/review-planning-system/>
- A Plan For Scotland: The Scottish Government's Programme For Scotland_2016-17
<http://www.gov.scot/About/Performance/programme-for-government>
- Scottish Planning Policy
<https://beta.gov.scot/publications/scottish-planning-policy/pages/2/>
- Creating Places
<https://beta.gov.scot/publications/creating-places-policy-statement-architecture-place-scotland/pages/9/>
- Designing Streets
<https://beta.gov.scot/publications/designing-streets-policy-statement-scotland/>
- The Town and Country Planning (Simplified Planning Zones) (Scotland) Regulations 1995
<http://www.legislation.gov.uk/ukxi/1995/2043/contents/made>
- The Town and Country Planning (Simplified Planning Zones) (Scotland) Order 1995
<http://www.legislation.gov.uk/ukxi/1995/2044/contents/made>
- Circular 18/1995 Simplified Planning Zones
<http://www.gov.scot/Publications/1995/08/circular-18-1995>
- Renfrew Town Centre | Simplified Planning Zone “How To Guide”
http://www.scotlandstowns.org/town_centre_planning_pilots
- Renfrewshire Council Development Planning webpages
(contains details of the SPZs at Hillington Park and Renfrew Town Centre).
<http://www.renfrewshire.gov.uk/article/2151/Development-Planning>
- Dublin - North Lotts and Grand Canal Dock SDZ Planning Scheme
<http://www.dublincity.ie/main-menu-services-planning-urban-development-plans-local-area-plans/north-lotts-grand-canal-dock>
- Adamstown SDZ Planning Scheme
<http://www.sdcc.ie/services/planning/strategic-development-zones/adamstown/adamstown-sdz-2014>
- Planning Advisory Service (PAS) ‘Preparing housing Led LDOs’
http://www.pas.gov.uk/45-local-development-orders/-/journal_content/56/332612/7658454/ARTICLE

 [/ScotGovPlanning](#)

 youtube.com/channel/UCFXVlacEAuv_YMbbaekmoTQ

 uk.pinterest.com/creativeplaceSG/

 www.flickr.com/photos/sgpad

 blogs.scotland.gov.uk/planningarchitecture

 npfactionprogramme.com

 www.gov.scot/Topics/Built-Environment/planning

 www.eplanning.scot/ePlanningClient