

Slough Borough Council

Report To:	Cabinet
Date:	20 th March 2023
Subject:	Simplified Planning Zone – Slough Trading Estate
Lead Member:	Councillor Mann – Housing and Planning
Chief Officer:	Pat Hayes – Executive Director Property and Housing
Contact Officer:	Daniel Ray – Group Manager Planning & Building Control
Ward(s):	Farnham Ward, Haymill and Lynch Hill Ward Cippenham Green and Britwell Ward.
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	Appendix 1 – Proposed SPZ Boundary Appendix 2 – Proposed/Existing SPZ Boundary Appendix 3 – Statutory Provisions for Slough Trading Estate Simplified Planning Zone

1. Summary and Recommendations

- 1.1 This report sets out the background and context to the Simplified Planning Zone (SPZ) at the Slough Trading Estate and gain authorisation to notify the Secretary of State for Levelling Up, Housing and Communities that the Council intends to work on a new Simplified Planning Zone within the Borough.

Recommendations:

Cabinet is recommended to:

- a) Agree to the Council working with SEGRO to develop a new SPZ and to notify the Secretary of State for Levelling Up, Housing and Communities of the Council's intention to do so.

Reason:

- 1.2 The notification will allow the Council to work with SEGRO (the applicant) to review and explore the to be submitted documents and to make a future recommendation to cabinet whether it would be beneficial for Slough to adopt a new SPZ.

- 1.3 The notification of the Council's intention to work on a new SPZ does not bind the Council to adopt or agree to a new SPZ. An assessment as to whether it is economically, environmentally or socially appropriate to do so would take place following formal assessment of the to be submitted proposal.
- 1.4 The Council are required to notify the Secretary of State for Levelling Up, Housing and Communities that it intends to work on the development of an SPZ, it is part of the formal legislative process but it does not require permission from the Government to do so.

Commissioner Review

Commissioners have reviewed the report and are content with it.

2. Report

Introductory paragraph

- 2.1 This report sets out the background to the Slough Trading Estate, the context of a Simplified Planning Zone and indicative proposal for a new SPZ. A new SPZ may align with the Council's Corporate Vision and Priorities in relation to Economic Development and employment within the Borough, this report seeks to gain authorisation to continue to work on the development of an SPZ without committing to adopting to any proposal.

Options considered

- 2.2 The options considered are:

- a) To agree to notify the SoS for LUH&C so that the Council are able to explore the Economic benefits (and others) of SEGRO's request for a new SPZ to Slough.

The formal notification to the SoS is required under the "Town and Country Planning Act 1990 section 83, Schedule 7, paragraph 2, notification of proposals" which requires the Local Planning Authority to notify the Secretary of State of their intention to make a Simplified Planning Zone and the date preparations will begin. As such notification needs to take place before formal work on the development of an SPZ takes place, regardless of whether the Council decide to adopt the SPZ in the future. The Council can opt to withdraw from the process at any time.

- b) To not explore a detailed submission. This is not recommended as it does not provide the flexibility and opportunity for consideration of the merits and de-merits of a new SPZ which would be considered during the formal process and prior to the recommendation to cabinet to adopt or not adopt the proposal following the formal processes of developing an SPZ. While Planning Applications will be brought forward within the Trading Estate regardless, to agree to work on the proposal would not allow a full and holistic consideration of the benefits and de-benefits of the proposal which may significantly limit the inward investment potential of the Trading Estate for Slough

Background

- 2.3 The Slough Trading Estate is the largest business area within the Borough and has historically provided high levels of employment to the town as well as the wider area.

- 2.4 Originally founded in 1920, the Estate has expanded over the last 100 years and in more recent years has benefited from the adoption of three Simplified Planning Zones, the first being designated in 1995, renewed in 2004 and the current SPZ last adopted in 2014.
- 2.5 The owners of the STE, SEGRO are now seeking to renew / designate a new SPZ with an area of 162.3 ha (Appendix 1), which is a slight increase from 156ha from the currently adopted SPZ (Appendix 2).

What is a Simplified Planning Zone:

- 2.6 In short an SPZ is a defined area (as defined by a red line boundary) that grants Planning Permission for a range of pre-agreed uses for a period of ten years.
- 2.7 Conditions applied to the SPZ may limit the size, scale, appearance (and other restrictions or allowances) and uses permitted within the SPZ for a ten year period. In addition the SPZ would be accompanied by a s106 agreement which would mitigate the impacts of the development that takes place over that ten year period.

What are the benefits of an SPZ?

- 2.8 The SPZ provides SEGRO, the owners of the Estate, with a number of commercial advantages as it seeks to deliver bespoke premises which serve the needs of modern businesses and provide the sort of facilities that are necessary to continue to attract inward investment and retain its competitive position locally and nationally. These advantages include:
- Flexibility to respond quickly and effectively to changes in market demands and tenants' bespoke requirements
 - Certainty for owners and occupiers about what development is acceptable to the Council under the scheme, and will therefore not require detailed planning approval
 - Speed of development being brought forward- as individual applications are not required and consistent parameters are established by the SPZ, they are not subject to the normal planning permission timeframes
 - Marketability of the Estate in a way which enhances the perception of the trading estate for investment, and has led directly to companies choosing to locate and expand on the estate.
- 2.9 This flexibility and certainty of development in turn benefits Slough's economy, the uplift in the amount of Business Rates received and a s106 package that mitigates the impact on the Borough and beyond, this could be through physical and financial obligations.

What does the existing SPZ permit?

- 2.10 The existing SPZ (as set out in Appendix 2) permits a range of planning uses including B1 (Offices), B2 (Industrial), B8 (Storage and Distribution), A5 (retail) and Sui Generis (all other uses that do not fall into a particular use class). These Use Classes pertain to the now superseded Use Class Order and instead are defined within the new Use Class Order (September 2020). The scale and size is limited through conditions that limit development areas and uses, heights of buildings, level of parking etc.

2.11 The existing SPZ (Appendix 2), as well as some Planning Applications (as the proposals have not fallen within the schedule of approved uses/height/scale limitations of the SPZ) has led to the 698,825sqm of existing floor space within the STE

What are SEGRO proposing for the SPZ?

2.12 At present, Officers have had initial discussions regarding the proposed SPZ; this includes procedural matters, what documents/information would be required to be submitted and what range of uses and parameters are being sought by the applicant that could take place within the ten year life of the SPZ.

2.13 The applicant is seeking to replicate the same uses they currently have permission for, but defined within the new Use Class Order (September 2020).

2.14 Early indications show that SEGRO are looking to retain/refurbish approximately 459,400sqm of the existing 698,825sqm floor space currently present on site. In addition they are seeking to redevelop and provide a total of 527,000sqm or redeveloped and new floor space which would lead to a total of 986,400sqm of floor space which would be a net increase of 287,575sqm of floor space.

2.15 It is anticipated that the proposal would include an intensification of Data Centres within the STE along with additional Industrial, multi-level Industrial (e.g. vertical storage), Research and Development and Retail and Services.

2.16 SEGRO propose that the intensification of development would be through the allowance of additional height within parts of the STE which would ultimately be controlled through a heights parameter plan and would be accompanied by a mandatory design code that would sit alongside the SPZ.

Please note:

2.17 At present the above is for background and context information purposes only, the overall scale and size and nature of the proposal is to be formally submitted and in any case, the final proposal will be tested and assessed by officers and subject to public consultation if the project develops further. The Council are not bound to agree to the proposal nor does this report seek to make a view on the acceptability of this or any other proposal.

2.18 Furthermore, any proposed SPZ, regardless of proposed uses, scale, heights etc. will have social, environmental and economic impacts on the Borough. These would include matters related to transport, impact on the highway network, ecological, air quality etc. and these impacts would be considered through the production of the SPZ. Mitigation will be required and these would, if supported, be controlled through the use of Planning Conditions, physical works and improvements taking place and/or financial commuted sum payments all secured through a Section 106 Agreement that would accompany any adopted SPZ.

2.19 The full impact including the benefits, risks and issues resulting from the yet to be seen proposal would be fully considered by the Council's Planning experts, appointed Legal team and commissioned external consultants (e.g. Highways, Climate experts, Design Team) and would be reported back to Cabinet as part of the recommendation to adopt, or not adopt.

- 2.19 For clarity, the Saved Policies from the Local Plan 2004 support economic growth and the Trading Estate as a strategic employment area for the Borough. The current SPZ and any new SPZ would be supported in principle by the Local Plan and should a new SPZ be adopted, the emerging Local Plan would be mindful of this. In actuality the Policy context and the SPZ organically support each other and there is no conflict between the two.
- 2.20 Finally, it is accepted that development is likely to take place within the Trading Estate regardless of whether an SPZ is adopted. However, to fully understand whether the applicant's proposal is in the best interests of the residents of the Borough and consider the holistic development potential over a 10 year period to be able to consider such a proposal is viewed as a good opportunity, especially where the Council is not bound to enter into the proposal.

3. Implications of the Recommendation

3.1 Financial implications

- 3.1.1 There are no financial implications as a result of Cabinet agreeing to the recommendation to notify the SoS of the development of an SPZ. There will be financial implications in relation to the adoption, but not to develop a draft SPZ that would be subject to future public consultation.
- 3.1.2 As outlined later in the report (workforce implications) the Council's resource attributed to the project will be underwritten by the applicant (SEGRO) through a Planning Performance Agreement.

3.2 Legal implications

- 3.2.1 The Legal implications as a result of agreeing to the Officer recommendation are limited. The process of notifying the Council's intention to work with SEGRO on the development of a new SPZ does not bind the Council to adopt said SPZ. Instead the progress of the SPZ workstream would be reported back to Cabinet as appropriate and the draft document (should it get to that stage) would be subject to public consultation. The procedural steps and legislation requirements for developing and adopting an SPZ is set out in Appendix 3.
- 3.2.2 The adoption of the SPZ itself would be subject to Cabinet approval and the legal implications at that stage would be reported.

3.3 Risk management implications

- 3.3.1 There are no risks in agreeing to the reports recommendation as it only binds the Council to notify the SoS of the Councils intention to work on a new SPZ.
- 3.3.2 The risk however is in not agreeing to the recommendation as it would not allow the Council to fully understand the economic, social, environmental and financial benefits the proposed SPZ may have on the Borough and SBC. To not do so would result in Officers and Members not being fully informed to allow a formal decision to be made as to whether a new SPZ is in the best interests of the Borough and Council.

3.4 *Environmental implications*

- 3.4.1 At this stage there are no Environmental Impacts as a result of the Councils intention to notify the SoS that the Council intends to work on the development of a new SPZ with SEGRO. The proposed SPZ itself will be subject to an Environmental Impact Assessment Screening Opinion which will set out the Environmental Impact of the proposed SPZ and the “worst case scenario” of the development (in transport, air quality, heritage and landscape impacts among others). This is undertaken in accordance with The Town and Country Planning (Simplified Planning Zones) Regulations 1992, Regulation 22 Assessment of Environmental Effects and the Town and Country Planning (Environmental Impact Assessment) Regulations 2017.
- 3.4.2 The Council will review this Screening Opinion, if the proposed SPZ is considered to have “significant effects on the environment” that are not able to be mitigated in relation to the requirements of the EIA regulations, then an SPZ cannot be pursued.
- 3.4.3 Any environmental implications that can be mitigated would be secured through the conditions of the SPZ approval and obligations secured within s106 agreement.
- 3.4.4 As discussed at 2.19, all implications, economic, environmental or other, such as transport, air quality etc. would be considered during the proposal and unless mitigated through conditions, physical works or financial mitigation, the proposal would not be considered acceptable.

3.5 *Equality implications*

- 3.5.1 The equality implications will be considered throughout the process but are limited in relation to agreeing to notify the SoS with the Councils intention to work on the development of a new SPZ. Should the project reach the stage of a draft SPZ, this would be subject to public consultation as well as an Equalities Impact Assessment.

3.6 *Workforce implications*

- 3.6.1 There will be significant pressures on Planning Officers and colleagues (e.g. Air Quality and Highways Officers) in relation to the project. Notwithstanding this, the applicant SEGRO, has agreed to enter into a Planning Performance Agreement to cover the Officers time as well as any external resource required to deliver the Councils workstream in relation to the project.

3.7 *Property implications*

- 3.7.1 The Council own/lease a small number of properties within the Trading Estate, these would be subject to the same opportunities and limitations associated with the SPZ.

4. Background Papers

- 4.1 None