

Slough Borough Council

Information needed	Details
Report To:	Cabinet
Date:	21 October 2024
Subject:	Proposed Adoption of the Slough Trading Estate Simplified Planning Zone (SPZ) 2024
Lead Member:	Cllr Paul Kelly, Planning
Chief Officer:	Pat Hayes
Contact Officer:	Daniel Ray
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:	A: Draft Version of Slough Trading Estate SPZ (2024 – 2034) as proposed to be adopted incorporating amendments following consultation B: Mandatory Design Code as secured by Condition 13 of the SPZ C: Summary of Consultation responses and amendments made.

1. Summary and Recommendations

- 1.1 The purpose of this report is to request Cabinet approve the Simplified Planning Zone for 2024 – 2034 for the Slough Trading Estate for adoption. This will come into effect upon the expiration of the current Simplified Planning Zone (concluding on the 24th November 2024) and will run for 10 years from this date.

Recommendations:

Cabinet is recommended to:

Delegate the adoption of the Simplified Planning Zone for the period 2024 to 2034 to the Chief Planning Officer subject to the signing of a Section 106 Legal Agreement and to agree to delegate responsibility of varying the Road Widening Lines (pursuant to the Highways Act 1980) to facilitate highway safety, transport and cycleway improvements within the Trading Estate.

Reason: The adoption of the Simplified Planning Zone will lead to significant benefits to the Borough. The proposed uses, including data centres, are appropriate for the Trading Estate and already benefit from planning consent through the existing SPZ, however the additional height sought through the proposed new SPZ has afforded the Council an opportunity to introduce strict new design and materiality criteria, an

updated landscape strategy; and seek substantial obligations which align with the Councils Corporate Plan. In addition, the introduction of an SPZ is a single opportunity to secure a comprehensive mitigation package, rather than responding to piecemeal development.

Alongside the benefits secured by way of planning, other direct benefits include a significant uplift in Business Rates as well as re-affirming the Borough's position as a key economic powerhouse for the UK and has a key role in ensuring the Country's data resilience, meeting national targets to secure data centre capacity.

Commissioner Review

Commissioners have reviewed the report and made no comment.

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 the proposal for a new SPZ. A new SPZ aligns with the Council's Corporate Vision and Priorities in relation to Economic Development and employment within the Borough, this report seeks Members support to the adoption of the SPZ and to delegate responsibility of Highway Improvements to the Chief Planning Officer to facilitate sustainable transport and permeability improvements which will ensure journeys to/from the trading estate are less reliant on the private car as well as improving journeys through the Trading Estate between other destinations in the borough.

2.2 The Slough Trading Estate has benefited from the longest running and most extensive Simplified Planning Zone (SPZ) in the country. The New SPZ Scheme represents a forward-thinking approach to the planning system and can be regarded as a flexible planning tool utilised to drive investment into the Borough and to retain important occupiers and businesses on the Trading Estate and in Slough. It also embodies how a partnership between public and private bodies can be an effective device at promoting economic growth providing Slough a competitive advantage which cannot be replicated elsewhere. The SPZ allows businesses to respond to the structural changes seen in the economy and facilitates the Trading Estate further becoming a cluster of technological innovation and a catalyst for the growth of digitalisation and development which meets the needs of modern businesses as well as the country's increasing demand for data storage. Consequently, Slough will be able to respond quickly to new economic and business trends that may come about over the next ten-years putting it ahead of the competition. This New SPZ Scheme characterises the world we live in today and its parameters facilitates growth and intensification of an existing trading estate that does not compromise on quality of development. This will be guaranteed through the Design Code appended to the SPZ which ensures a high degree of quality buildings that respect the urban form with enough flexibility to meet the needs of businesses. There will also be significant contributions within the Section 106 Agreement for the SPZ, which will deliver a number of improvements to the infrastructure, environment and accessibility in and around the Trading Estate that also encourages economic development and provides a real investment in the skills, training and education for the people of Slough.

Why this SPZ is so special?

- The largest SPZ in the country
- The longest running SPZ in the country
- The most significant community investment [s106] package for an SPZ, with a value more than 10x greater than the current [2014] SPZ
- The first ever SPZ Design Code
- A 'Slough First' focussed package for skills, training, employment opportunities and business development
- An exemplar of effective public and private partnership working
- A demonstration of the council's role as a proactive enabler of investment
- An innovative use of planning tools to drive the growth of modern, sustainable business

3. Options considered

- 3.1 *A) To adopt/approve the proposed Simplified Planning Zone 2024-2034 and delegated authority to vary the Road Widening areas within the Trading Estate to allow road widening which facilitates transport and cycle way improvements.*
- 3.2 *This option is recommended, it is considered that the adoption of the SPZ will lead to significant benefits to the Borough and nationally.*
- 3.3 *B) To not adopt the Simplified Planning Zone 2024-2034 etc.*
- 3.4 *This option is not recommended. To not adopt the SPZ would be to the detriment of the Borough. This is a single opportunity to benefit from a comprehensive mitigation package which brings forward significant public benefit in terms of sustainable travel and economic and environmental benefits. Given the value of Data Centres and the attractiveness of the Slough Trading Estate as a business location, individual planning applications for , development will inevitably come forward in any event and it would not be possible to negotiate a comprehensive package of mitigation when dealing with individual unlinked planning applications. The development would be permitted regardless and piecemeal mitigation would not bring about extensive change and improvements and be less valuable in financial terms.*
- 3.5 *C) To seek further negotiation in respect of changes to uses, additional conditions or further obligations.*
- 3.6 *This is not recommended, Officers are of the opinion that the benefits and mitigations secured through the conditions and obligations within the document and accompanying legal agreement accord with Community Infrastructure Legislation and the tests of Planning Conditions as defined within the Planning Act and associated legislation. To request further mitigation may lead to challenge and a perception (real or otherwise) of "purchasing" the consent.*

Background

- 3.7 Slough Trading Estate is both the largest business area in the Borough but also is the largest Trading Estate in single ownership within Europe. The Trading Estate provides around a quarter of all jobs in Slough and is important to the local economy and the prosperity to the town as a whole.
- 3.8 In order to facilitate the development of the Trade Estate the Council has adopted successive 10 year Simplified Planning Zones (SPZ) for the last thirty years. The

first SPZ was adopted in 1994, then 2004 with the most recent to this proposal in 2014. The third SPZ is due to conclude in November 2024 and as such the adoption of a fourth SPZ for the period 2024 to 2034 is presented to Cabinet following significant discussion and negotiation regarding the Local Planning Authorities requirements and a public consultation exercise which concluded on 19th August 2024.

What is a Simplified Planning Zone?

- 3.9 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.
- 3.10 Conditions applied to the SPZ seek to 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 Design Code and s106 agreement which would mitigate the impacts of the development that takes place over that ten year period.

What are the benefits of a Simplified Planning Zone

- 3.11 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:
 - 3.12 Flexibility to respond quickly and effectively to changes in market demands and tenants' bespoke requirements.
 - 3.13 Certainty for owners and occupiers about what development is acceptable to the Council under the scheme, and will therefore not require detailed planning approval.
 - 3.14 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.
 - 3.15 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.
 - 3.16 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 is realised through physical and financial obligations, a summary of which is set out within the report.

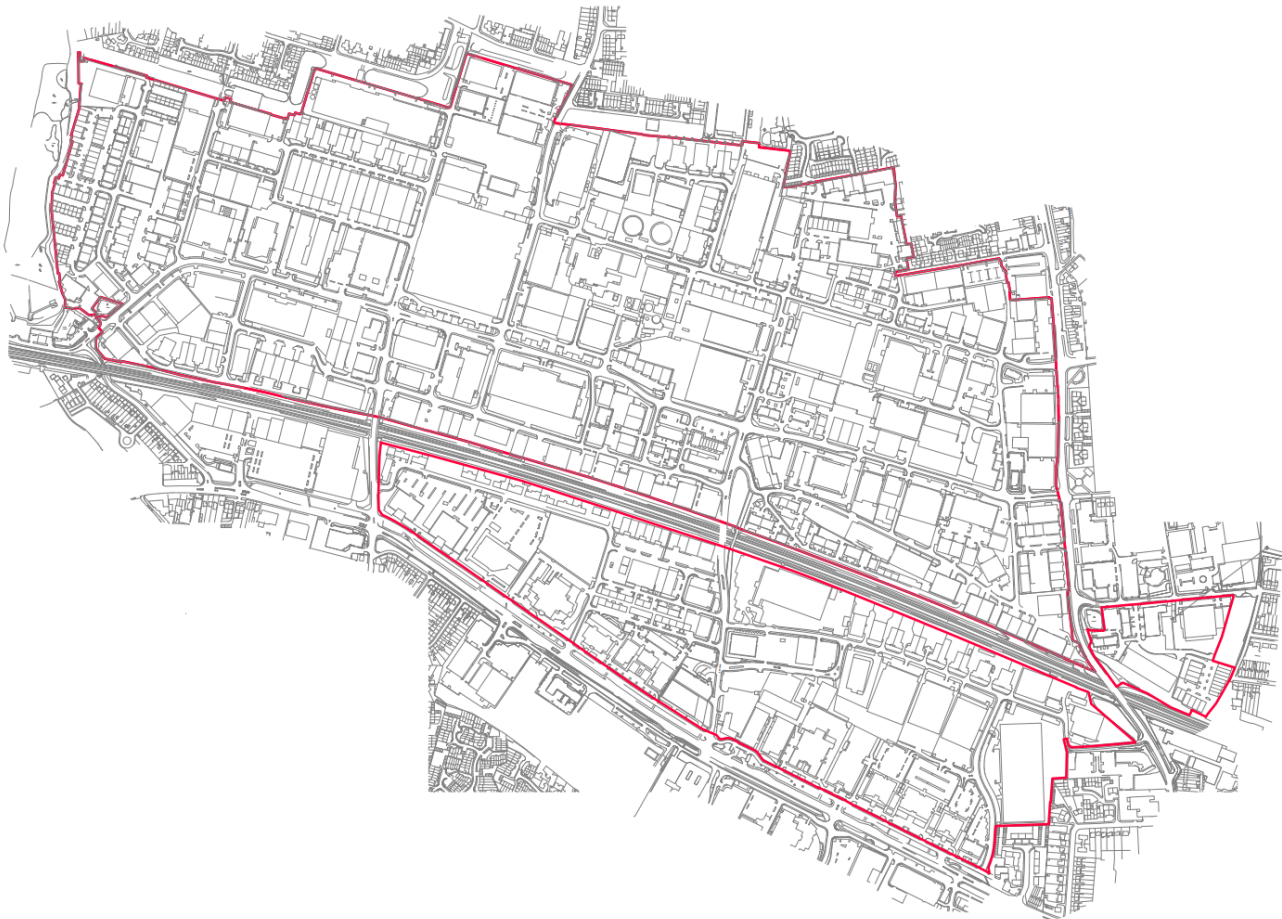
Contents of the Simplified Planning Zone 2024

- 3.17 The key parts of the renewed SPZ are as follows:
 - Planning permission is granted for B2 (General Industrial), B8 (Storage and Distribution), Data Centres, Class E (limited to some retail, financial and professional services) and Sui Generis (Hot food takeaway) (note Class E and Sui Generis are limited by conditions to locations and maximum floor space) and other development such as changes of use (subject to the approved

uses), extensions, Solar Panels, Demolition, Decked Car Parking and Refurbishment works as well as CCTV (all of which are subject to limitations, conditions etc.).

- Maximum heights of buildings ranging between 3m and 38m
- Parking cap
- 6% of all plots given over to landscaping with no more than 50% of the built form to cover a plot or 60% in the case of data centres.
- A mandatory design code including both built form parameters, materiality and landscaping, that all new development must adhere to
- Amended highway safeguarding areas
- The creation of new cycle ways and pedestrian crossings
- Bus service between Burnham Station and Farnham Road
- Highway Requirements for servicing, manoeuvring and parking within the sites
- Retention and enhancement of sensitive sub-zones to protect the amenity of nearby residential areas.

3.18 The extent of the SPZ is demonstrated below:



3.19 Whilst the uses to be provided within the SPZ are to be as per the previous SPZ, the new SPZ once again seeks an increase in heights which are to be controlled by way of height zones which are as follows:

Location/use class	The maximum height of development, including plant and machinery (including screening or enclosure but excluding stacks / flues which can be a maximum of 3m higher than the maximum height specified for that zone)
Development Height Zone 36m	36m
Development Height Zone 31m	31m
Development Height Zone 25m	25m
Development Height Zone 20m	20m
Development Height Zone 18m	18m
Development Height Zone 15m	15m
Development Height Zone 12m	12m
Development Height Zone 7m	7m
Development Height Zone 3m	3m



LEGEND

- Site Boundary
- Excluded Zone (Power Station sub-station) (Maximum building height: 20m) (Overhead power lines: 7m) (DP just 4m)

Minimum Building Heights Permitted

- Development Height 36m
- Development Height 31m
- Development Height 25m
- Development Height 20m
- Development Height 18m
- Development Height 15m
- Development Height 12m
- Development Height 7m
- Development Height 3m

- 3.20 It is considered that given the current SPZ in place across the area, the scale and magnitude of change; in terms of economic development, industrial uses, the power station and general extent of development within the Trading Estate is well established. The scale of development permitted by the existing SPZ has resulted in notable change to the character and townscape of the local area. Whilst the proposed SPZ scheme does include increases in the scale and height of potential development which would be delivered, against this context; this reflects the current market requirements for maximising the efficiency of the space available, promoting alternative uses, (including provision of data-centres), without expanding beyond the traditional extent and boundary of the estate.
- 3.21 The increased massing and height proposed however is extensively mitigated by way of a mandatory design code and updated design based conditions, which all new development is required to adhere to. Coupled with this, the SPZ scheme would bring forward a new landscape design code, which would assist in providing a hierarchy to local streets within the trading estate, a mix of hard/soft landscaping and planting of new trees/hedgerows to assist in greening the Trading Estate at the same time as uplifting the architectural merit of future development. The scheme would also securing high sustainability requirements by reaching a Very Good rating of BREAM and efficiency performances of all buildings and extensions developed under the SPZ. This will lead to a significant and marked stepped change in the appearance of the Trading Estate and would mitigate the impact on the wider area; leading to a betterment of the natural and historic environment by bringing forward new development which would, due to their character and appearance, blend in with the Chiltern Hills when viewed from key historic views from Windsor Castle and help break-up and potentially screen, the poor architectural merit of existing development, such as previous data centres and the Power Station through the use of appropriate materials, architecture and colour palettes.
- 3.22 In addition all of the conditions applied to the current SPZ, have been reviewed and updated to make sure that they are “future proofed” as far as possible for the next ten years. The changes aim to promote sustainable design and construction, alongside additional transport measures. These conditions are considered to reduce impacts from future development, on the street scene, adjoining residential amenity and the surrounding townscape context. This includes measures to address flood risk, drainage, landscaping, archaeology and ecology, and promote walking and cycling.

3.23 **Section 106**

- 3.24 Accompanying the SPZ document itself is a robust and comprehensive S106 agreement. The key elements of the S106 are as follows (minimum contribution outlined below however negotiation continues):
- i) £4.3m towards Sustainable Transport by way of a new bus service between Farnham Road and Burnham Train Station connecting to existing bus provisions.
 - ii) Car Club provision within the estate
 - iii) £4.3m towards Highway Improvements including a cycleway and landscaping along Buckingham Avenue, Farlie Road and Buckingham Road
 - iv) Biodiversity Improvements to Liverpool and Leigh Road, Weston Road and the pocket parks on Farnham Road to value of £100,000

- v) Skills, Education and Training £2m
- vi) £1m towards Landscape and Biodiversity improvements and maintenance.
- vii) Economic Development £500k
- viii) £250k per hectare of Data Centre development (pro rata) towards further Economic Development (approximately £7m over the 10 year period should the anticipated data centre scenario be realised)
- ix) £100k towards public art within the Trading Estate
- x) A contribution towards Air Quality measures
- xi) Highway Safeguarding Zones for adoption of private land to widen roads for sustainable travel solutions and improvements
- xii) An annual monitoring fee of £60k (£600k over the lifetime of the SPZ)
- xiii) Annual monitoring reports to review compliance with the SPZ and to allocate unspent monies (e.g. an underspend on bus provision towards other sustainable transport measures)

3.25 This amounts to a S106 package equating to an approximate value of £20m of mitigation and improvements.

3.26 Consultations undertaken

3.27 A draft version of the SPZ was subject to consultation between 8th July and 19th August. A total of 10,638 addresses were consulted as well 65 stakeholders (e.g. DfT, National Rail etc.) as well as adverts in local and national media, a total of 19 responses were received. A summary of these responses and the Council's requirement to address these observations is contained within Appendix C.



3.28 Eight of the responses supported the renewed SPZ, two were no objections subject to conditions (included), four offered observations with no support or objection made, one deferral of comments (deferral of support subject to further information for Active Travel England (further information received to address the

comment)) and two received with no comments (acknowledgement of consultation).

- 3.29 Two objections were raised, one from a member of the public who had concerns relating to the metallic form and appearance of buildings popping up within the estate. (Officers consider that this is mitigated through the detailed provisions of the Design Code and associated design conditions applied to the SPZ scheme). The second related to air quality (largely relating to the power station and Mars which are not subject to the SPZ scheme, and is considered an existing concern not related to the SPZ renewal), and additional traffic concerns, (which are mitigated through the reduction of vehicular journeys; through the reduced scale office floor space anticipated by the SPZ, and intensification of lower journey requirements (data centres); alongside securing the provision of cycle ways and buses.
- 3.30 The final objection was received from Wexham Court Parish Council who commented on the Technical Summary. Objections related to lack of public benefit (specifically business rates go to central government – response: a percentage goes to the government a percentage is retained by SBC), the impact on the townscape and heat associated with the buildings (the height of the buildings distort the skyline – this is mitigated through the design code and there are sustainability requirements secured as well as the need for further environmental permits from the EA) and that there is no specific benefit to Wexham Court Parish Council (specifically the Technical Summary doesn't outline how the SPZ would work in partnership with the Parish Council). It must be noted that the obligations and conditions contained within the SPZ can only mitigate the impacts of the development to comply with CIL regulations.
- 3.31 A presentation of the proposed SPZ was given to Slough Borough Council's Planning Committee on the 25th September 2024. At the time of this report being authored the presentation was yet to take place. Any feedback of relevance shall be presented by way of addendum to Cabinet.

4. Implications of the Recommendation

4.1 Financial implications

4.1.1 The direct financial implications to the Council associated with the adoption of the SPZ result from contributions being made by the applicant under Section 106 of the Town and Country Planning Act 1990 (as amended). Under the provision of the Planning Act, specifically instruments under S106 and The Town and Country Planning (Simplified Planning Zones) Regulations 1992 whereby any impacts of the proposed uses being agreed can be mitigated through appropriate obligations. These can be physical works (e.g. the requirement of the developer to provide sustainable travel measures to ensure modal shift from vehicle to other modes of travel) or financial. Where financial obligations are paid to the Council, these are legally ringfenced to provide mitigation.

4.1.2 In this instance, physical and financial obligations have been secured through S106 (subject to signing) to a value of circa £20,000,000 (actual amount will vary subject to the overall floor space of Data Centre built out). The financial contributions to the Council largely relate to considerable contributions towards Skills, Education and Training, Economic Development purposes as well as financial contributions for improvements towards the Farnham Road Pocket Parks, annual monitoring.

4.1.3 The key elements of the S106 are summarised as follows split between revenue and capital. These represent minimum contribution and are subject to further negotiation continues.

	Revenue £M	Capital £M
i. £4.3m towards Sustainable Transport by way of a new bus service between Farnham Road and Burnham Train Station connecting to existing bus provisions.	4.3	
iii. £4.3m towards Highway Improvements including a cycleway and landscaping along Buckingham Avenue, Farlie Road and Buckingham Road		4.3
iv. Biodiversity Improvements to Liverpool and Leigh Road, Weston Road and the pocket parks on Farnham Road to value of £100,000		0.1
v. Skills, Education and Training £2m	2.0	
vi. £1m towards Landscape and Biodiversity improvements and maintenance.		1.0
vii. Economic Development £500k	0.5	
viii. £250k per hectare of Data Centre development (pro rata) towards further Economic Development (approximately £7m over the 10 year period should the anticipated data centre scenario be realised)	3.5	3.5
ix. £100k towards public art within the Trading Estate		0.1
xii. An annual monitoring fee of £60k (£600k over the lifetime of the SPZ)	0.6	
xiii. Annual monitoring reports to review compliance with the SPZ and to allocate unspent monies (e.g. an underspend on bus provision towards other sustainable transport measures)		
	10.9	9.0

4.1.4 The following elements of the draft S106 do not currently have a value attached to them.

- ii. Car Club provision within the estate
- x. A contribution towards Air Quality measures
- xi. Highway Safeguarding Zones for adoption of private land to widen roads for sustainable travel solutions and improvements

4.1.5 It must be noted, where there are physical obligations, such as the provision of a bus service and the introduction of new cycle ways, where monies are not spent to the financial caps, the monies will revert to SBC to provide further schemes and mitigation to the benefit of the Trading Estate and Borough. All implementation costs will be funded from the already secured s106 monies.

4.1.6 In all instances it is important to ensure that all of the above are incorporated in to the Council's Medium Term Financial Strategy and Capital Programme and that the Council does not inherit unknown ongoing liabilities from this investment. All decisions on how funds are to be allocated must be subject to the appropriate governance decisions.

4.1.7 The increase in rateable area will increase the collectable National Non-Domestic Rates (NNDR) from companies. The actual value of the increase is difficult to predict from this distance, and as the Council is currently a contributor to the national NNDR scheme through a tariff, not all of the additional NNDR raised will be kept locally.

4.1.8 The new government is likely to review the NNDR scheme which will also be the subject of a review of our Business Rate baseline. As such there will be the opportunity for the Council to lobby that its policy to support expanding enterprise should be rewarded by allowing more money to be kept locally to invest in services for residents.

4.2 *Legal implications*

4.2.1 There are no direct legal implications as a result of approving/adopting the SPZ. The making, consultation and adoption process of the SPZ has followed the regulations as set out within relevant sections of the Town and Country Planning Act (1990)(as amended) and The Town and Country Planning (Simplified Planning Zones) Regulations 1992 as well as the granting of the consent which is bound by the Planning Conditions and S106 obligations as set out within the document and accompanying Legal Agreement as well as following the regulatory processes of the Highways Act 1980 in relation to Road Widening Lines to facilitate the transport improvements associated with the Simplified Planning Zone.

4.3 *Risk management*

4.3.1 The table below summaries the key risk and mitigation

<i>Risk</i>	<i>Description</i>	<i>Management</i>
<i>Judicial Review</i>	<i>A challenge lodged in the courts as to whether the SPZ has been adopted in accordance with the relevant legislation</i>	<i>Continuous review by officers and legal has taken place throughout the process to ensure the correct procedures as required by the legislative framework leading to adoption have been undertaken.</i>
<i>Financial</i>	<i>Agreed Funding levels are not sufficient to deliver the core obligations</i>	<i>The agreement should allow for the confirmation of estimates including contingency and to cover inflation and other cost variations</i>
	<i>If any money remains after delivering those obligations from the £4.6m x2 and £1m caps, the money is paid to the Council.</i>	<i>The S106 requires those monies deposited to us to be spent on further mitigation and enhancements in line with the original purpose i.e. sustainable travel and biodiversity net gain.</i>

	<i>The Council does not inherit unknown ongoing liabilities from these obligations</i>	<i>The S106 agreement needs to be clear on ultimate responsibility and that this is reflected in the Council's MTFS</i>
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4.4 *Environmental implications*

4.4.1 All development will have environmental impacts associated with the works being undertaken. The proposed SPZ was subject to a Environmental Impact Assessment (EIA) screening which explored the Environmental Impacts associated with the proposed development on a “worst case scenario” basis. This worst case scenario was multilayered and explored the potential impact of a fully B8 Storage and Distribution scenario, a fully Data Centre scenario, B2 Light Industrial scenarios as well as various mixed use scenarios. The assessment was undertaken in line with the appropriate legislation and encompassed everything from noise, flooding, contamination, air quality as well as other factors such as impacts on townscape, heritage, archaeology, and transport issues. The proposal was judged not to be EIA development therefore regional impacts would not arise as a result of the development subject to appropriate mitigation. This mitigation is the reason for the Conditions and Obligations contained within the S106 Agreement and therefore any Environmental impacts arising from the adoption of the SPZ are considered acceptable in planning terms.

4.4.2 Specifically, because of the changing demand nationally with a move away from large scale office development which has been common over the previous 10 years of the Trading Estate it is envisaged that there will be a betterment in terms of a reduction of vehicle movements, both personal car and HGV movements. This combined with the strict Design and Sustainability codes, and associated conditions which are a mandatory requirement of future development; it is considered that there are no detrimental environmental impacts that would warrant the SPZ not being adopted.

4.5 *Equality implications*

4.5.1 An Equalities Impact Assessment (EIA) Initial Screening was undertaken at the request of the LPA by the applicant as well as a Health Impact Assessment (HIA). The EIA did not identify any potential discrimination or adverse impact and all opportunities to promote equality have been taken and this finding is endorsed by the Officers.

4.6 *Procurement implications*

4.6.1 None identified.

4.7 *Workforce implications*

4.7.1 The main workforce implications were associated with the development of the proposed SPZ itself. The financial cost of this was met through a Planning Performance Agreement. There are however obligations on the Local Planning Authority to undertake monitoring and compliance functions over the life of the SPZ. Through an agreement of an annual monitoring payment of £60k (indexed) this work will be resourced at no additional expense to the Council.

4.8 *Property implications*

4.8.1 None directly however a small number of property assets fall within the Simplified Planning Zone. The provisions of the adopted SPZ would apply to those units and land and these may benefit from an uplift in land value as a result of the certainty of an SPZ. This however has not been a consideration of Planning Officers when assessing the proposal.

5. Background Papers

1. Simplified Planning Zone for Slough Trading Estate 2014-2024
2. Simplified Planning Zone Cabinet Report – March 2023
3. TN01 – National Grid Technical Note 11.
4. Equalities Impact Assessment
5. Health Impact Assessment
6. The 1990 Town and Country Planning Act - SPZ Regulations
7. The 1992 Town and Country Planning Regulations for SPZs
8. SPZ Statutory Provisions for Slough Trading Estate Simplified Planning Zone