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SPF Consultation Response

Permitted Development
Rights to Support the
Provision of New Homes

Submitted 27 October 2025

SCOTTISH PROPERTY FEDERATION

The Scottish Property Federation (SPF) is the voice for the real estate industry in Scotland. As a part of the wider British Property Federation, we include among our members: property investors, including major institutional pension and life funds; developers; landlords of commercial and residential property; and professional property consultants and advisers. Our members build Scotland's workplaces, homes, shops, schools and other facilities and the infrastructure that serves them. Our industry is therefore a core component of the Scottish economy.

OUR RESPONSE TO PLANNING OBLIGATIONS AND GOOD NEIGHBOURS AGREEMENT

We are grateful for the opportunity to contribute to this important review and would be pleased to engage further with officials as the next stages of PDR reform are developed. The response was formulated by member feedback on the consultation response. The SPF represents a broad cross-section of the property industry across Scotland, including investors, developers, landowners and professional advisers active in both urban and rural markets.

RESPONSE SUMMARY

In our response, we support the proportionate modernisation of PDR where this can help deliver high-quality, sustainable development consistent with the National Planning Framework 4 (NPF4) and local development plans. We also emphasise the importance of maintaining the plan-led system, design quality and community confidence in how PDR operates.

The SPF wishes to draw particular attention to the issue of rural repopulation, which we believe should be explicitly recognised within any future PDR framework for rural housing. This is consistent with NPF4's spatial strategy and Policy 17 (Rural Homes), which commit to reversing depopulation across rural Scotland. Our response therefore proposes:

- modest, proportionate flexibility for small-scale rural housing and conversions in identified depopulation areas
- retention of appropriate safeguards on design, infrastructure and landscape; and
- clear national guidance to ensure consistency in how demographic sustainability is considered by planning authorities.

OUR RESPONSE

1. Do you consider that the maximum limit in Classes 18B and 22A of five residential units per agricultural unit or forestry building should be changed?

The Scottish Property Federation wishes to record a wider point relevant to the rural housing section of this consultation. We ask the Scottish Government to recognise rural depopulation and demographic sustainability as material considerations when framing PDR for rural homes.

National Planning Framework 4 (NPF4) and its spatial strategy commit to reversing depopulation across rural Scotland. However, recent experience within SPF's membership shows that, in practice, the demographic objectives in NPF4 Policy 17 (Rural Homes) are not being consistently applied or afforded weight in local decision-making.

We therefore propose that PDR for rural homes should explicitly support development that contributes to rural repopulation, through:

- modest relaxation of the existing 5-unit cap under Classes 18B/22A in areas identified as experiencing depopulation
- inclusion of a new prior-approval matter for “demographic sustainability” to enable planning authorities to take account of local repopulation objectives; and
- national guidance clarifying how NPF4's repopulation aims should influence both PDR operation and the assessment of individual rural housing proposals.

This overarching principle informs SPF's responses to Questions 1–9 below.

SPF supports limited flexibility to increase the current maximum of five residential units per agricultural or forestry holding, where supported by local infrastructure, landscape and design considerations.

A modest uplift (e.g. to 8 units per holding) in areas identified as experiencing rural depopulation would help deliver small-scale housing consistent with NPF4 Policies 17 (Rural Homes) and 29 (Rural Development), which seek to maintain and grow rural populations.

2. Do you believe the current floor space maximum of 150 square metres in Classes 18B and 22A should be removed or increased?

SPF supports increasing the current 150 sqm floorspace limit to reflect modern design standards and energy performance requirements. A revised limit of up to 200 sqm per dwelling would enable more practical and adaptable homes suitable for family occupation and long-term sustainability, while ensuring compatibility with the rural setting.

3. Do you believe that small extensions and/or separate buildings should be allowed as part of the conversion of an agricultural or forestry building to residential use under PDR?

SPF supports allowing small extensions or ancillary buildings (for example, up to 30% of the existing footprint) to improve the functionality and market viability of conversions.

Such extensions should be sensitively designed and comply with NPF4 Policy 14 (Design, Quality and Place), ensuring the character of the original building and landscape is respected.

4. Do you consider that any of the current location-based restrictions in relation to Classes 18B and 22A should be removed and if so, which?

SPF supports retaining exclusions for highly sensitive designations such as National Scenic Areas, conservation areas and scheduled monuments, while clarifying ambiguous definitions such as “sites of archaeological interest”.

We also support exploring how PDR could apply to appropriate buildings on croft land, provided this does not undermine crofting legislation or viable agricultural use.

5. Do you consider the prior notification and approval mechanism (including the relevant matters and fee) associated with Classes 18B and 22A should be changed?

SPF supports simplifying the process by replacing the current two-stage system with a single prior approval stage with a statutory determination period (28–42 days).

We recommend adding “demographic sustainability” to the list of prior approval matters in areas where population growth or retention is identified as a local development priority.

Fee structures should remain proportionate and linked to guaranteed determination timescales.

6. Do you consider that PDR should allow the change of use of any other buildings on agricultural/forestry land to residential? If so, to which type(s) of building should the PDR be extended, and why?

SPF supports extending PDR to include the conversion of redundant rural buildings beyond agriculture and forestry (e.g. equestrian, rural workshop, or estate service buildings).

This would deliver incremental housing and align with the circular economy objectives of NPF4 Policy 2 (Climate Mitigation and Adaptation) through reuse of existing built fabric.

7. Do you consider that the PDR under Classes 18B or 22A should be expanded or revised in any other way?

SPF supports extending PDR to include the conversion of redundant rural buildings beyond agriculture and forestry (e.g. equestrian, rural workshop, or estate service buildings).

This would deliver incremental housing and align with the circular economy objectives of NPF4 Policy 2 (Climate Mitigation and Adaptation) through reuse of existing built fabric.

8. Do you believe that there should be new PDR for the replacement of agricultural and forestry buildings with new-build homes in particular circumstances? If so, in what circumstances?

SPF supports further exploration of limited PDR for the replacement of existing rural buildings with new dwellings, where this would deliver clear visual, environmental or sustainability improvements.

We recommend that replacement be restricted to the existing footprint or curtilage, with a tolerance of up to + 20% in floorspace, and subject to design and siting criteria consistent with NPF4 Policy 17.

9. Do you believe that there should be new PDR for new-build homes in any particular types of rural areas in particular circumstances? If so, in what types of rural areas in what circumstances?

SPF does not support unrestricted PDR for new-build rural homes. The principle of new-build housing should remain plan-led and subject to normal planning scrutiny.

However, consideration could be given to infill or replacement housing within established rural settlements or brownfield sites, where this aligns with rural repopulation and infrastructure capacity.

SPF reiterates that rural repopulation should be treated as a key planning outcome within any future PDR reform, ensuring consistency with the demographic aims of NPF4's spatial strategy.

10. Do you consider that proposals to convert the ground floor or entirety of buildings in town and city centres to residential use should benefit from PDR?

We support the proposal to allow the conversion of ground floors or entire buildings in town and city centres to residential use, as this can play a vital role in increasing the housing supply and re-populating our town and city centres, which is a key priority in NPF4.

However, we believe the Scottish Government should draw on lessons from London and other English authorities in implementing Permitted Development Rights for commercial-to-residential

conversions. A more balanced and design-led approach would help avoid the quality and placemaking issues experienced elsewhere.

Any future PDR expansion should be informed by clear guidance on minimum space standards, ventilation, access to daylight, fire safety, and building regulations, as well as shared access and amenity arrangements. Ensuring such standards are met will protect housing quality and support sustainable, liveable town-centre environments.

Furthermore, while encouraging residential use, it remains important to retain active ground-floor frontages and mixed-use flexibility to maintain the vibrancy and economic health of our city centres.

11. Do you consider that there should be PDR for the change of use of properties above Use Class 1A premises to residential use?

We support the principle of allowing residential use on upper floors above Class 1A premises, as this can make efficient use of existing buildings and contribute to mixed-use development in town and city centres. However, compatibility with ground-floor activities should be carefully managed to prevent noise, odour, or disturbance impacts on residents. This can be addressed through appropriate sound insulation, design layout, and building regulation measures.

12. Do you have any comments about the prospect that the PDR would allow a change of use to residential from any existing use?

We agree with the considerations outlined in the consultation paper regarding potential amenity impacts, flood risk, noise, pollution and odour from nearby land uses and traffic, as well as access arrangements and transport impacts. As noted in our response to Question 10, there should also be clear consideration of space and design standards, along with fire safety requirements.

We recognise that conversion to residential use may place additional pressure on existing amenities and infrastructure. However, it is also important to consider development viability, particularly given the higher costs typically associated with retrofitting and implementing necessary mitigation measures. Given that this policy seeks to respond to the ongoing housing emergency, we would encourage a balanced and proportionate approach to developer contributions under PDR, ensuring that policy objectives are achievable while maintaining quality and safety standards.

11. Do you think PDR for the change of use of properties above Use Class 1A premises to residential use should include any limits on the minimum or maximum floorspace, size and/or number of residential units that can be formed?

Yes, we believe that PDR for the change of use of properties above Use Class 1A premises to residential use should include appropriate limits and guidance on minimum floorspace and design standards to ensure housing quality and resident wellbeing.

Minimum space standards are essential to prevent substandard conversions and to ensure that new homes created through PDR offer adequate living conditions, natural light, ventilation, and fire safety. This aligns with the lessons learned from previous PDR experience in London and other English authorities, where the absence of such safeguards led to poor-quality accommodation.

However, we would caution against overly rigid limits on the maximum number or total size of units, as this could undermine development viability. A balanced, design-led approach would allow flexibility for developers and building owners, while still securing good-quality residential outcomes.

12. What other potential limits, restrictions and exclusions to such PDR should be considered?

The only other point we would like to highlight is the importance of undertaking an area-based assessment to ensure that town and city centres retain a healthy mix of uses and diversity of services. Maintaining active, mixed-use environments is key to sustaining vibrant and economically resilient urban centres.

13. Do you consider that a prior notification and approval mechanism should be required in respect of a PDR for 'town centre living' as discussed in the consultation? If yes, what matters do you consider should potentially be subject to prior approval?

We agree with the 'prior approval' matters but would recommend adding fire safety to the list.

14. Should any such PDR (permitting the change of use of floors above Use Class 1A premises) also permit certain external alterations of a building to facilitate the conversion to residential use, if so what alterations?

We agree with the recommendations in the consultation paper limited external alterations should be permitted under PDR where necessary to enable the conversion of upper floors to residential use. As mentioned, alterations may include new or modified entrances, window changes to improve daylight and ventilation, and external access or safety improvements required to meet building and fire standards.

Clear design guidance and consent mechanisms should accompany any such PDR to ensure alterations enhance quality and amenity while maintaining the mixed-use character and visual integrity of town and city centres.

15. Please provide any other comments regarding the potential options to introduce PDR for 'town centre living' proposals as discussed in the consultation.

SPF supports national guidance to ensure consistent application of any new PDR for 'town centre living' across all planning authorities, with clear links to NPF4 Policies 14 and 27.

16. Do you consider that any expanded PDR for rural homes (described in chapter 2) should be subject to a condition prohibiting the use of the new units for short-term letting?

SPF supports a condition prohibiting short-term letting where new units are created under PDR for rural homes, to safeguard permanent housing supply.

17. Do you consider that the reference in the PDR for domestic air source heat pumps (ASHPs) should be revised to make it clear that the installation must comply with Microgeneration Certification Scheme (MCS) 020 a)?

SPF agrees with revising the PDR to ensure installations comply with MCS 020(a) sound calculations.

This will reduce noise impacts, improve consistency, and ease pressure on local authorities.

Clear national guidance on acoustic assessment and siting is essential.

18. Do you consider that proposals that would result in more than one ASHP being installed on flatted buildings or on terraced or semi-detached properties should continue to be assessed on a case-by-case basis by planning authorities?

SPF agrees these should continue to be assessed on a case-by-case basis. Flats, tenements, and mixed-use buildings present different acoustic and structural issues compared to detached houses.

19. Do you consider that it would be appropriate to have PDR for the installation (and subsequent repair and maintenance) of connections from individual buildings to heat networks?

SPF supports introducing PDR for the installation, repair and maintenance of heat network connections. Simplifying the consenting process will encourage connections to low-carbon heat sources and align with NPF4 Policy 19 (Heat and Cooling).

-End of response-