



## Examination of the Basingstoke and Deane Local Plan (2011 to 2029)

Basingstoke and Deane Borough Council  
Response to Inspectors Key Issues and  
Discussion Note

Issue 7: Employment, Town Centre, Retail  
Development & Rural Economy

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## **ISSUE 7: Employment, Town Centre, Retail Development & Rural Economy**

### **13. Employment:**

13.1 *Are the expectations in the Plan for **employment growth** soundly based on a coherent framework? Are there any changes to the Plan needed in response to the Government's Growth Agenda?*

13.1.1 The Plan is soundly based on a coherent framework which aims to maintain and enhance the borough's position as a prosperous economic centre and support sustainable economic development. The Plan is underpinned by the Employment Land Review (ELR), as updated [ECT01 and PS/02/23], and a range of economic modelling (as set out in the Housing Needs Statement) [PS/02/47]. The Plan establishes a coherent policy framework, which aims to:

- enhance existing and enable the provision of new high quality employment space
- direct new employment provision to appropriate locations, namely the council's designated employment areas
- support key economic sectors
- maintain and where possible enhance the diversity of the economy, as this diversity supports the resilience and robustness of the local economy
- protect and enhance the role, vitality and vibrancy of the borough's town, district and local centres
- support the rural economy.

13.1.2 The Plan provides a policy framework designed to facilitate flexibility and hence allow for the market to respond efficiently to commercial considerations. The Plan also responds to the need identified for additional logistics floorspace, which will be addressed in a subsequent development plan document (DPD) as soon as is reasonably practical following the adoption of the Submission Local Plan.

13.1.3 In addition, a key element of the economic strategy is the regeneration of Basing View. This will help reduce the supply of poor quality office stock, which currently undermines the proper functioning of the office market in Basingstoke town. In turn the redevelopment of Basing View will help meet the need for higher quality floorspace, in a highly sustainable location.

13.1.4 The Plan incorporates a job target range of between 450 – 700 net new jobs per annum. This range is justified on the basis of past trends and future economic modelling [PS/02/23 – Appendix A]. In addition, the council's updated Housing Needs Statement explains how the jobs range accords successfully with the housing supply of 850 dwellings per annum [PS/02/47].

13.1.5 It is considered that the Plan reflects the goals of the government's growth agenda and hence does not need to be amended. The Plan provides a positive framework for allowing the market to respond to local economic circumstances. In particular policy SS8, which supports the regeneration of

Basing View, seeks to increase the productivity of this underutilised employment area. The economic policies also provide sufficient flexibility to facilitate responsiveness to changes in the economic environment and will encourage a positive approach to decision making in relation to planning applications which generate sustainable economic growth.

- 13.2 ***Future Employment Development:*** *Are the economic strategy in policy EP1 and the employment provision in policy EP2 sufficient to meet the Borough's employment needs over the plan period, and are they justified when assessed the light of the requirements in the Framework for clear policies on what will be permitted and where (paragraph 154)?*
- 13.2.1 It is considered that the economic strategy as set out in policies EP1 and EP2 is the most appropriate strategy in light of the evidence available as set out in the ELR (as updated) [ECT01 and PS/02/23], and provides a suitable framework for meeting the borough's employment needs over the Plan period.
- 13.2.2 Economic modelling indicates that there is potential for office based jobs in the borough to increase over the Plan period. However, it is considered that this can be accommodated by the existing underutilised office sites in the borough (which in 2013 had a vacancy level of 144,015 square metres [ECT04]), including through the redevelopment of existing sites, particularly at Basing View.
- 13.2.3 The market for industrial premises (B1c/B2) is characterised by lower vacancy levels than is the case with office floorspace, but still encompassed 76,952 square metres of vacant space in 2013 [ECT04]. Therefore, there is already scope to meet the modest potential increase in demand identified in the ELR. In addition, the economic modelling commissioned by the council indicates that this sector is likely to see a reduction in job numbers over the Plan period.
- 13.2.4 There is evidence in the economic modelling that storage and distribution is a potential growth sector, though there is considerable divergence between the different models (for example the Cambridge LEFM model shows a decline in job numbers). Market intelligence also points towards a strong demand for this land use around Basingstoke. Therefore, Policy EP1 sets out the commitment for allocating additional employment land for storage and distribution in a subsequent DPD. This will address the need for this typology of employment land as identified in the ELR, whilst also allowing the council to properly assess the full extent of the need and most appropriate location, which is considered particularly important in relation to the particular impacts associated with this land use.
- 13.2.5 Policy EP2 protects existing employment areas for B-uses, subject to meeting criteria which aim to safeguard the function of the employment areas, but balanced against the need to provide flexibility in relation to local economic conditions. This will help to ensure that the council's considerable amount of existing employment land and premises are utilised effectively over the Plan period.

- 13.2.6 It is considered that policies EP1 and EP2 are justified and sufficiently clear in terms of what will be permitted and where. The policies and supporting text respond appropriately to the findings of the ELR and provide clarity regarding land uses and locations, whilst also incorporating the necessary flexibility in response to market signals. Accordingly, these policies are considered to strike an appropriate balance between certainty and flexibility, and hence will support sustainable economic growth.
- 13.3 **Existing employment areas:** *What is the likely role of the strategic employment areas identified in the Policies Map and in paragraph 7.12 of the Plan?*
- 13.3.1 The role of the 16 strategic employment areas is vital for ensuring sustainable economic growth over the Plan period. The retention of these areas for employment is important for both retaining existing jobs and facilitating the provision of additional employment.
- 13.3.2 There are a number of vacant office buildings and sites within the strategic employment areas which create the potential for refurbishment, re-development or change of use. Accordingly, the council is proposing flexible policies in order to allow for such sites to be better utilised over the Plan period. In relation to industrial land, the borough experiences lower vacancy rates in relation to that sector and hence it is important to ensure that industrial premises are protected where appropriate.
- 13.3.3 Therefore, it is considered that the council's approach is a justified response to paragraphs 21 and 22 of the NPPF and strikes an appropriate balance between safeguarding existing employment land and providing the flexibility necessary for the market to respond to commercial considerations.
- 13.4 **Basing View Regeneration:** *Does policy SS8 strike the right balance between focus and flexibility?*
- 13.4.1 In conjunction with the draft Basing View Inset Map and the general employment policies of the Plan, Policy SS.8, incorporating the suggested changes published in August 2015, strikes an appropriate balance between focus and flexibility to secure the regeneration of Basing View.
- 13.4.2 In response to the Inspector's Key Issues and Discussion Note (PS1/13, Issue 13), and as outlined in the relevant Statement of Common Ground (SofCG) (PS/02/39) between the council and Muse Developments, Policy SS.8 has been significantly re-drafted to address the what, where and when questions raised by the Inspector in a manner considered to be consistent with the NPPF (Para 18 to 22 and particularly 157). A draft Inset Map has also been produced to provide greater clarity.
- 13.4.3 Policy SS.8 seeks to protect Basing View as a high quality strategic employment site in recognition of the important role it will play in delivering the economic vision and strategy for the area. It confirms that Basing View will be a primary focus for B1 business development. Policy SS.8 also

makes focused provision for the introduction of specific complementary land uses which will perform an economic or employment role in themselves, and also help to create a more diverse and vibrant mix of uses which will complement the primary B1 employment role. Together with improvements in the public realm, pedestrian accessibility and wider links to the town centre, which are also sought by the Policy, it is considered that the introduction of complementary land uses will result in a more attractive and welcoming business environment.

- 13.4.4 Given the regeneration objectives for Basing View, uncertainties about plot availability and broader market signals, it is considered appropriate that the Policy should not be overly prescriptive in terms of the form or scale of development since this approach may deter investment, and may not respond to changing needs and circumstances. Therefore, the Policy provides only a broad indication of land use mix, sub-dividing Basing View into three areas of distinct character. This reflects the intended broad composition and mix of land uses in each sub-area, which in turn reflects their proximity to the town centre and relative transport accessibility levels.
- 13.4.5 Drawing upon the Local Plan evidence base and the Basing View Development Partners' own assessment of supply and demand side factors, the supporting text to Policy SS.8 indicates that there is a realistic prospect of up to 21,000 sq metres of new/upgraded B1 development taking place over the plan period. This is broken down as follows. Individual plots are shown on the Basing View Plot Status Plan attached as Appendix 1 to this statement.
- Plot K approx. 3,000 sq m
  - Plot K1 approx. 4,000 sq m
  - Plot V approx. 6,000 sq m
  - Plot W approx. 8,000 sq m
- 13.4.6 The supporting text also indicates that the potential exists for Basing View to accommodate about 300 new residential units without prejudicing the primary economic and employment role for the site (further details outlined in the SHLAA (PS/02/44)). Further opportunities for residential development at Basing View may arise towards the latter part of the plan period.
- 13.4.7 In relation to complementary land uses, in the Downtown character area it is intended that whilst B1 offices will maintain a strong presence, most new development will be in the form of town centre uses, with some residential, reflecting the fact that part of the sub-area is included within the extended town centre boundary. In Midtown, development will be for office use, but provision is also made for a hotel and small scale complementary uses. In Uptown, development will be primarily for B1 use, but may include some residential use and small scale complementary uses. The complementary (non B1) uses will need to comply with the requirements of the employment policies of the Plan which are intended to ensure that the strategic employment role of Basing View and the vitality and viability of Basingstoke town centre are not compromised.

13.5 **Major New Employment Land:** (a) Should the Plan provide more clarification including criteria and spatial distribution of major new employment land provision? (b) Should it provide more detail on the location of existing employment land to be released to other uses?

13.5.1 The Plan focuses employment development on the existing strategic employment areas. Therefore, it is considered that the spatial distribution for employment land provision generally is clearly enunciated in policy EP1 and the supporting text to section 7 of the Submission Local Plan, whilst the criteria for employment development within these areas is suitably addressed by means of a combination of policies EP1, EP2 and supporting text.

13.5.2 However, the expansion of the logistics sector will require the allocation of additional employment land. Further work on the detailed location and specification of development sites for this land use will be undertaken by the council as part of the Site Allocations DPD. This approach is considered appropriate in order to enable the council to respond flexibly to the particular needs and constraints associated with this land use.

#### Existing level of detail

13.5.3 The Consolidated Policy Maps which accompany the Submission Local Plan identify several specific sites which are proposed for release to other uses [CD.04]. Therefore, it is considered that sufficient detail has been provided in order to clarify land being released for other uses.

13.6 **Housing/employment balance:** (a) How well related are the Plan's housing provision and the provision of land and sites for jobs within the context of a high economic growth scenario? (b) Should the Council aim to achieve a measure of self-containment by the end of the plan period, and if so, should this be included in the Plan? (c) Is there a balance between housing provision and maintaining an adequate supply of employment land?

#### Housing provision – provision of land and sites for jobs

13.6.1 As has been referred to above in question 13.2, there is considerable capacity for the council's existing employment areas to accommodate additional employment generation. This therefore minimises any possible conflict between housing provision and employment sites.

13.6.2 Furthermore, as has also been referred to above, the council is also committed to allocating land for storage and distribution through a subsequent DPD. This will allow the process of allocating a site to proceed with greater certainty, as the location of new housing provision will have been finalised by that stage.

- 13.6.3 In terms of the integration of housing provision and employment land in relation to the economic growth context, the council's Housing Needs Statement sets out how the level of housing provision relates to the council's job growth target [PS/02/47].

#### Self-containment

- 13.6.4 The borough is already characterised by a relatively high level of self-containment. However, it is still important to ensure that a sustainable balance is struck between housing and jobs. The Plan cannot control where people live and work, and does not seek to do so. Rather, the Plan provides an effective opportunity for people to live and work in the same locality.
- 13.6.5 The Plan provides a level of housing that would meet the needs of the local economy (as explained in Chapter 5 of the Housing Needs Statement, and the council's response to the Inspector's Key Issue 4.5), and would meet the borough's objectively assessed need. In addition, the town offers a high number of job opportunities, with the potential for this to be increased in order to facilitate people being able to work closer to home. In particular, the council has adopted a proactive strategy in relation to Basing View in order to improve the quality of the job opportunities in the town. Furthermore, the council is also supporting wide ranging environmental improvements to Basingstoke town in order to help enhance the attractiveness of the town as a place to live, work and utilise for leisure activities. Accordingly, it is considered that the Plan provides a positive framework for establishing a sustainable balance between homes and jobs.

#### Balance between housing provision and maintaining an adequate supply of employment land

- 13.6.6 The Plan's strategy focuses on providing additional sites for housing. However, there is a balance to be struck between housing provision and maintaining an adequate supply of employment land. Given the large amount of vacant employment floorspace in Basingstoke town the Plan focuses on better utilising existing employment land by providing a framework for the market to respond efficiently to the prevailing economic considerations, whilst also taking what opportunities are available in order to support economic growth, namely the commitment to allocate additional employment land for logistics, the proactive approach to the redevelopment of Basing View, and allowing appropriate employment uses at the strategic housing sites detailed in policies SS3.10 and SS3.11. This is considered to be the most appropriate approach available in order to meet the relative demands for employment and housing land.

### **14. The Town Centre and retail and office growth:**

- 14.1 *In policy EP3, should the Plan make provision for a specific quantum or range of **retail floorspace** in Basingstoke town centre which is justified and deliverable within the plan period?*

- 14.1.1 Policy EP3 seeks to guide retail development to the right location, and provides sufficient detail to support the vitality and viability of the town centre without a specific retail floorspace target.
- 14.1.2 Basingstoke town centre is the borough's principal retail centre (as identified by the hierarchy of centres), containing more than half of the borough's comparison goods offer. Policy EP3's supporting text identifies the total retail floorspace forecast to be required across the whole borough. It is proposed that this is updated, as a minor modification (to be listed in the schedule of proposed modifications to be published by the council in advance of the hearings), to reflect the Retail Study Refresh undertaken in August 2015 (PS/02/46). This identifies that, taking into account existing commitments and vacancies, there is currently a surplus of comparison and convenience floorspace, with a requirement for less than 6,000 sqm of comparison floorspace across the borough by 2022. This is reflected by current market conditions in Basingstoke town centre, with a vacancy rate of 12.7%, which is above the Experian good national average, and includes a number of large units within the Primary Shopping Frontage.
- 14.1.3 The plan provides opportunities for development in the town centre through the extension of the town centre boundary, and opportunities to intensify within the existing area (some of which are identified in the council's Top of Town Concept Masterplan, CD: ETC06). The council is committed to enhancing and maintaining the vitality of the town centre, and has already implemented parts of the Vision for Central Basingstoke (CD: ETC05) through the recent redevelopment of The Malls. There are also opportunities for creating new floorspace outside of the town centre, such as in other existing or new centres, for example, through the expansion of Chineham District Centre.
- 14.1.4 The retail study identifies an increased need for comparison floorspace later in the plan period. However, the study requires longer term capacity forecasts to be treated with caution, as they could be 'subject to significant change' due to the impact of economic, demographic and market trends. It is therefore considered that the council's policy approach provides sufficient flexibility to meet future needs. Identifying a level of growth which is subject to so much uncertainty would be unduly specific and has the potential to undermine the vitality of the existing centre.
- 14.2 *Is there a need for greater locational and/or qualitative **guidance for retail development** within or adjacent to town centre or elsewhere?*
- 14.2.1 Policy EP3 and the supporting text, the policy map, and the glossary, together provide an appropriate level of detail to guide where different uses should be located.

- 14.2.2 In accordance with the requirements of the NPPF (para 23), the Plan clearly identifies the town/district centre/local centre boundaries, the Primary and Secondary Shopping Areas (including Primary and Secondary shopping frontages), and Policy EP3 is clear about which uses will be permitted in such locations.
- 14.3 *Should the Plan provide more detail on the quantum and location (s) of **convenience retail provision** for the plan period?*
- 14.3.1 The Retail Capacity Refresh 2015 does not identify any requirement for convenience retail until the latter part of the plan period (between 2022 and 2027). Even by 2029, the report identifies a requirement for just 2,700-4,900 sqm of floorspace (depending upon retail format).
- 14.3.2 Given this relatively small quantum of need, the proposed changes to the town centre boundary, and the policy requirement to deliver convenience retail on the strategic sites to support the sustainable new communities (there is a requirement for 'local shopping facilities' in policies SS3.9 (East of Basingstoke), SS3.10 (Manydown), SS3.11 (Basingstoke Golf Course) and SS3.12 (Hounsme Fields)), it is not considered necessary to provide further detail in the Plan.
- 14.4 ***Basingstoke Leisure Park:** Does policy SS9 strike the right balance between focus and flexibility?*
- 14.4.1 Policy SS9 strikes an appropriate balance between focus and flexibility to ensure that the leisure park is retained as one of the borough's prime leisure destinations. The policy will enable the leisure park to attract new and improved leisure facilities in line with the council's strategy for refreshing the site and respond to changing leisure trends over the life of the plan. The Leisure Park is a key asset for the town and it is a priority of the council to improve the vitality and viability of the park through the encouragement of suitable new leisure uses, particularly large commercial leisure. The park has been developed over the years in an ad-hoc fashion and is dated in a number of respects. The policy is sufficiently flexible to enable suitable uses to be developed to improve the site's longer term viability.
- 14.4.2 The park is, however, located outside of any defined town and district centres. The policy will make certain that any developments will not have a significantly adverse impact on such centres and therefore ensure that the vitality and viability of defined centres, most notably, Basingstoke town centre, is not compromised. The Policy goes on to state that while some ancillary uses, such as retail, will be permitted where they are necessary in terms of securing economically viability, such uses must remain ancillary to the new or existing use to ensure that the park remains primarily a leisure destination. Given current uncertainties about the deliverability of specific schemes, in light of market signals etc., it is considered appropriate that the Policy should not be overly prescriptive in terms of the form or scale of

development since this approach may deter investment, and will restrict the plan from responding to changing needs and circumstances.

14.5 *Is the Plan sufficiently focused in relation to providing strategic guidance in relation to town centre **office growth**?*

14.5.1 Policy EP3 states that office uses will be permitted in town, district and local centres, which will consequently facilitate the growth of the office sector in the town centre. Furthermore, the Plan provides considerable policy support for office growth in the Basing View strategic employment site, which is immediately adjacent to the town centre. The council's answer to question 13.4 explains how policy SS8 provides the appropriate amount of strategic guidance in relation to Basing View. Given the highly sustainable location of Basing View, and the need to regenerate this site, it is considered most appropriate to focus office growth in this location, and the plan provides the required strategic guidance. This approach is considered to be the most appropriate means of enhancing the vitality of the town centre and supporting sustainable economic growth.

14.6 ***The Rural Economy and Tourism*** – *Are policies EP4-5 justified and effective?*

14.6.1 Policies EP4-5 support economic growth in rural areas and adopt a positive approach to sustainable new development. Accordingly, it is considered that the policies are justified and effective, comply with the NPPF and support the Government's objective of boosting the rural economy, as set out in the 'productivity plan'.

14.6.2 More specifically, policy EP4 supports the rural economy, and facilitates new development, though subject to limitations in order to ensure a sustainable approach. The policy also promotes the development and diversification of agriculture. This is considered the most appropriate approach available in light of paragraph 28 of the NPPF.

14.6.3 Policy EP5 will also help facilitate a thriving rural economy. The policy supports rural tourism, subject to various stipulations in order to ensure that new development is sustainable. The policy is also underpinned by the Basingstoke Hotel Futures Update 2013 [ECT07], which includes consideration of the rural economy, with a particular focus on tourist accommodation.

# Appendix 1: Block Plan of Basing View



Letter	Name	Status
G	ENI House	Term – 100 years with an option to extend to 126 years. Start Date – 31/12/1982 Expiry – 30/12/2082 (2108)
H	Matrix House	Term – 99 years with an option to extend to 150 Start Date – 25/04/1987 Expiry – 24/04/2086 (2137)
I	Glasshouse	Cleared site- ready for development
J	Norden House	Term – 125 years Start Date – 07/12/2009 Expiry – 06/12/2134
K	Formerly Loddon House	Cleared site- ready for development
K1	Loddon Parade Shops	Term – Occupied under various occupational leases that can be terminated at short notice. Start Dates – Various Expiry – Various
L	Southern Cross	Term – 99 years with an option to extend to 125 years Start Date – 01/04/1983 Expiry – 31/03/2082 (2108)
M	Springpark House	Term – 99 years Start Date – 10/01/1975 Expiry – 09/01/2074
N	The Square	Term – 99 years Start Date – 01/04/1972 Expiry – 31/03/2071
O	Former Scott House	Cleared site- ready for development
P	Grosvenor House	Term – 150 years Start date – 01/07/1994 Expiry – 30/06/2144
Q	Renaissance	Term – 150 years Start Date – 28/09/2001 Expiry – 27/09/2151
R	Northern Cross	Term – 125 years Start Date – 01/05/1984 Expiry – 30/04/2109
S	Quantum House	Term – 126.25 years Start Date – 29/09/1975 Expiry – 31/12/2101
T	Network House	Term – 100 years with the option to extend to 128.25 years Start Date – 14/09/1973 Expiry – 13/09/2073
U	Viewpoint	Term – 125 years Start Date – 30/09/1981 Expiry – 29/09/2106
V	Former City Wall House	Cleared site- ready for development
W/16a		Cleared site- ready for development

W1	Gresley Road Triangle	Cleared site- ready for development
X	Mountbatten House	Term – 100 years Start Date – 29/09/1975 Expiry – 28/09/2075
Y	Belvedere House	Term – 100 years (with an option to extend to 125 years) Start Date – 15/02/1983 Expiry – 14/02/2083 (2108)
Z	Fanum House	Term – 99 years Start Date – 01/04/1974 Expiry - 31/03/2073