
Representations in Relation to the Examination of the Basingstoke and Deane Local Plan

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

Prepared on behalf of SEGRO Properties Ltd

September 2015

Representations in Relation to the Examination of the Basingstoke and Deane Local Plan

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

Prepared on behalf of SEGRO Properties Ltd

Project Ref:	24329	24329
Status:	Draft	Issue
Issue/Rev:	P2	P2a
Date:	9 th September 2015	25 September 2015
Prepared by:	AB	AB
Checked by:	JR	JR
Authorised by:	JR	JR

Barton Willmore LLP
Regent House
Prince's Gate
4 Homer Road
Solihull
B91 3QQ

Tel: 0121 711 5151
Fax: 0121 711 5152
Email: joanne.russell@bartonwillmore.co.uk

Ref: 24329/A5/P2a/AB

Date: September 2015

COPYRIGHT

The contents of this document must not be copied or reproduced in whole or in part without the written consent of Barton Willmore LLP.

All Barton Willmore LLP stationery is produced using recycled or FSC paper and vegetable oil based inks.

CONTENTS

Page

1.0 Introduction

1

2.0 Response to Inspector's Questions

2

1.0 INTRODUCTION

1.1 Barton Willmore LLP is instructed by SEGRO Properties Ltd ('SEGRO') to provide representations in relation to the emerging Basingstoke and Deane Local Plan Examination. For clarity, these representations relate to Issue 7: Employment, Town Centre, Retail Development and Rural Economy. Separate representations have been submitted as part of the Examination in relation to Issue 3: Spatial Strategy & Housing Need and Issue 4: Other Housing Matters (related to landscape). These representations respond to a number of questions raised by the Inspector, which will form the basis of the Examination Hearings to commence in October 2015. These representations should be read in conjunction with our previous comments to the Mid Examination Consultation on Proposed Main Modifications which ran between 11th May and 22nd June 2015.

1.2 In responding to the questions raised by the Inspector, reference will be made to paragraph 182 of the Framework which sets out the requirements for a plan to be regarded as "sound" – namely that it is:

- **“Positively prepared – the plan should be based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;**
- **Justified – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;**
- **Effective – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and**
- **Consistent with national policy – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.”**
(our emphasis)

1.3 SEGRO are involved with owning and leasing large employment sites within Basingstoke and Deane Borough and have a thorough understanding of the market conditions. SEGRO consider that the Basingstoke and Deane Borough is a key opportunity area for Class B8 Storage and Distribution, given the M3 corridor and strategic position between London and Southampton. As such, these representations seek to ensure that the Local Plan allows sufficient flexibility for B8 industry to come forward over the emerging plan period, allowing opportunities for large employment sites, with motorway access.

2.0 RESPONSE TO INSPECTOR'S QUESTIONS: ISSUE 7

2.1 For ease of reference, we have responded to each of the questions raised by the Inspector, in turn, below.

*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?*

2.2 No, the expectations are not soundly based. As outlined within our representations to the Mid Examination Consultation on Proposed Main Modifications (MECoPMM) we have significant concerns with the Local Plan's strategic aim to deliver between 450-700 jobs per annum (8,100-12,600 during the plan period). We are concerned that the jobs target is not set high enough, and will be detrimental to encouraging economic growth.

2.3 Alongside our previous representations, we included a detailed report examining the demand for Storage and Distribution (use class B8) floorspace within Basingstoke and Deane Borough over the course of the Council's Local Plan period. The report demonstrated that the Council's own evidence base, Employment Land Review (ELR – February 2014), estimates a future demand for B8 floorspace of around 122,000m² based on economic forecasts from Experian Economics (2013). Assuming a plot ratio of 0.4, the ELR forecasts a need for around 30.4 ha of land for B8 use.

2.4 Within our report submitted as part of the MECoPMM we also provided an updated assessment on more recent data from Experian Economics (June 2015). This independent assessment forecasts a need for around 36.9 ha of net developable land, to accommodate 147,000m². This equates to a need for a total of 11,200 new jobs over the emerging plan period for the B8 industry (Referenced at paragraph 3.3 of the Barton Willmore June 2015 Report – *'Assessment of B8 Floorspace Need'*).

2.5 Given that 11,200 FTE jobs are required within the B8 sector by itself, a jobs range of 8,100-12,600 across all B sectors (450-700 jobs per annum) is clearly not sufficient, The Plan will be ineffective, and the evidence base upon which it is founded is therefore not justified.

2.6 Indeed, the Framework clearly states at paragraph 19 that the Government is committed towards ensuring the **"planning system does everything it can to support sustainable economic growth"**. Through limiting the proposed job provision to a range of 8,100-12,600, the emerging Local Plan is clearly restricting economic growth over the emerging plan period, directly contradicting both the Framework and the Government's

Growth Agenda. The changes required to the Plan are therefore clear – the jobs target should be increased accordingly. It is unclear from the Council's evidence base, how the 450-700 jobs per annum might be distributed across the Use Classes, or within the B Use Class. However based upon evidence with our previously submitted report: Barton Willmore June 2015 – *'Assessment of B8 Floorspace Need'* the need for B8 Uses alone, would give rise to 11,200 FTE jobs. This should be incorporated into any changes made to the Plan.

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 in light of the requirements in the Framework for clear policies on what will be permitted and where (paragraph 154)?

- 2.7 Despite the amendments which have been made to Policy EP1 as part of the MECoPMM, it does not go far enough in terms of responding to our concerns about job creation within the Borough.
- 2.8 As highlighted above, we have fundamental concerns over the total number of jobs which are to be created over the plan period. However, in addition to these concerns, the wording of Policy EP1 is considered to be unjustified and ineffective as it does not differentiate between different types of employment use, which is important given the characteristics of the Borough, the access to the M3, the strength of and potential for growth within the B8 market.
- 2.9 Indeed, the Evidence Base clearly points to a high vacancy in B1a office stock and correctly does not seek to allocate further land (albeit Basing View is allocated for regeneration). The Plan however adopts a strategy of grouping all jobs to be created into one range, and does not fully appreciate the different needs of B sector employers. The Plan suggests B2 sites are also in 'good supply', but whilst this point isn't a key consideration for our client, it is useful to make the observation that the previous Local Plan allocations are almost full, and that the pipeline of sites that have yet to be delivered in terms of construction is potentially an indication that those sites are not attractive to the market or have constraints which are hindering delivery. A comprehensive approach would have been to examine the pipeline of supply and to consider why sites have not come forward since planning permission was granted.
- 2.10 With regards to Policy EP2, it is noted that no new employment sites are allocated and that the Local Plan simply seeks to safeguard the existing Strategic Employment Areas

(SEA). As outlined above, the Council should be seeking to deliver approximately 36.9 ha of net developable land for just B8 use. It is therefore considered unsound for the Council to assume that this amount of land can be suitably allocated through a separate DPD. Indeed, our report '*The Need for B8 (Storage and Distribution) Floorspace*' (June 2015) which was submitted to the Council as part of the MECoPMM indicates that there are no large scale strategic sites available for B8 use in the Borough.

- 2.11 In light of the above, we have provided a breakdown of paragraph 154 of the Framework with our comments on the shortcomings of Policy EP1 and EP2 set out in italic.

"Local Plans should be aspirational but realistic..."

Policy EP1 and EP2 are clearly not aspirational, especially in relation to the B8 industry, given that the identified need is significantly higher than currently planned. Basingstoke and Deane Borough is strategically located along the M3 corridor between London and Southampton, providing a unique opportunity for the B8 industry. This creates a 'realistic' need for B8 sites to be identified as part of the Local Plan. The Local Plan includes no headroom for additional sites to come forward which stifles the potential for inward investment and future economic growth within the Borough. This is contrary to the Framework.

"...They should address the spatial implications of economic, social and environmental change..."

The approach to employment provision within the Local Plan is wholly inappropriate due to its inherent inflexibility. As currently proposed, the Local Plan simply seeks to focus employment development within the existing SEAs. Should additional sites be required, paragraph 7.9 of the Plan explains that they will come forward through a subsequent Development Plan Document.

In the first instance, it is considered that the Local Plan should at the very least include a mechanism for sustainable employment developments to come forward outside of the existing SEAs. The functional requirements for the B8 industry are unique to other B uses which will seek to utilise the motorway corridor. Moreover, the delay and lack of certainty caused by allocating sites through a DPD is likely to put off potential investors. Indeed, the Framework clearly states at paragraph 19 that planning should operate to encourage and not act as an impediment to sustainable growth. As currently drafted, Policy EP1 and EP2 are a clear impediment to sustainable growth of the B8 industry within the Borough.

"...Local Plans should set out the opportunities for development and clear policies on what will be permitted and where..."

As outlined above, the Plan is absent of opportunities for development to come forward. There is a clear need for significant employment growth within the Borough and the draft Plan should be seeking opportunities for where and how this will be delivered. This will then give confidence to the development industry and facilitate the timely submission of planning applications.

"...Only policies that provide a clear indication of how a decision maker should react to a development proposal should be included in the plan."

The draft Plan is clearly ambiguous in its approach to the delivery of B8 floorspace as currently drafted. For example, whilst the Evidence Base demonstrates a need for additional B8 floorspace (albeit this is considered to be an underestimate), there is no

provision for new sites to be made available. As such, B8 uses are being encouraged on existing SEAs which may not be appropriate for such a use (as we note within our report that assesses 'Employment Land Supply', submitted as part of our response to the MECoPMM in June 2015 – and in any event would not increase the overall employment stock. This would mean that there is uncertainty of whether a new B8 strategic site would be welcomed by the Council if proposed. As outlined within the supporting statement to Issue 4 (submitted separately) it is considered that the policies relating to the M3 corridor are largely landscape protection policies which would hinder potential development opportunities seeking to utilise the key transport connections.

- 2.12 For the reasons outlined above, it is considered that Policy EP1 and EP2 are unsound as, amongst other things, they are not consistent with national planning policy.

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?

- 2.13 Whilst we raise no objection to the inclusion of any specific SEA, we note the findings of our previous representations that the provision of land or floorspace for B8 uses is limited to certain areas with no units suitable for large scale B8 occupiers (circa 250,000ft²/25,000m²). As such, the role of the existing SEAs is likely to be one of 'policy protection' rather than seeking to deliver the sustainable economic growth required to meet the Plan's strategic aims.

13.4 Basing View Regeneration: Does policy SS8 strike the right balance between focus flexibility?

- 2.14 We have no objection to the inclusion of Basing View within the Local Plan. However, it is noted that the criteria to Policy SS8 highlights that Basing View is to be one of the Borough's primary focuses for office development (B1 use class). Whilst alternative uses will be considered acceptable, the policy explains that this is likely to include retail, hotel(s), residential, leisure uses and restaurants. The policy does not provide for a B8 use and, in any event, would be unsuitable to do so due to its location within the centre of Basingstoke.

- 2.15 This reiterates the importance for the Council to allow greater scope within the Local Plan to allow for B8 uses to come forward within the Borough.

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?

2.16 In response to part (a), we firmly agree that the Local Plan requires greater clarification regarding the spatial distribution of major new employment land provision.

2.17 As currently drafted, Policy EP1 simply explains that the Council will support “**Distribution and logistics in suitable locations**” (it is assumed that criterion (g) will be deleted as it is a duplicate of (f)) However, given the unsuitability of existing SEA locations to deliver strategic B8 developments, it is considered that the following additional wording is required:

f) **Distribution and logistics in suitable locations, where not within a Strategic Employment Area (our wording)**

2.18 The additional wording clarifies that the creation of new jobs through development of land outside the SEAs will be supported by the Council – an approach which is wholly consistent with the Framework.

2.19 Furthermore, it is considered appropriate for the following paragraph to be included at the end of Policy EP1 of the emerging Plan:

Where planning applications for additional floorspace to meet the B8 distribution sector are received ahead of the DPD being prepared and adopted, these will be considered on their merits including the potential for job creation across a range of skill sets; their location and the potential to deliver a strategic employment opportunity of Grade A floorspace; and to maximise the opportunities offered by the prominence of Basingstoke within the strategic highway network.

2.20 Suitable locations should not only be defined as SEA locations. The suitability of a site should be based upon, amongst other things, its accessibility for HGVs, connections to the transportation network, accessibility of public transport, labour force and the ability to operate without affecting residential amenity. Many of these factors are already compromised within the existing SEAs therefore it is not considered appropriate to limit the choice of land to a handful of sites, particularly when the evidence base suggests that they do not have sufficient available and suitable land. The inclusion of the additional paragraph to Policy EP1 will provide the necessary flexibility to ensure the policy delivers suitable economic growth.

2.21 With regards to question (b), it is considered appropriate for the Local Plan to provide greater detail on the location of existing employment land to be released for other uses. Such an approach would be consistent with paragraph 22 of the Framework whereby applications for alternative uses of land should be treated on their merits where there is

no reasonable prospect of a site being used for an allocated employment use.

- 2.22 However, if such an amendment was to be made to the Local Plan, it would not provide suitable provision for strategic employment sites for B8 use. As outlined above, the operational requirements for a B8 use mean that it would be unsuitable within the majority of existing SEAs.

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?

- 2.23 On review of the MECoPMM, there would appear to be little relationship between the provision of housing and jobs. As part of the MECoPMM, the Council increased the proposed housing provision from 13,464 to 15,300 dwellings over the emerging plan period. This includes the allocation of Hounsome Fields, Basingstoke for the construction of approximately 750 dwellings between 2017/18 and 2028/29.
- 2.24 Despite the increase to the overall housing requirement, the Council has not amended the level of employment provision. Indeed, the proposed Main Modification simply includes the overall employment figure which was previously absent from the policy.
- 2.25 As such, it is considered that the Council should provide additional evidence to justify the proposed figure for employment growth given that the overall housing figure has increased.
- 2.26 With regards to part (b), it is noted that the industry, investors and commercial developers do not operate to the restriction of 'self-containment'. They operate to ensure that businesses are best placed to suit their business model. In the case of B8 uses, there includes ensuring that maximum efficiencies can be achieved within a floorplate, have potential opportunities for expansion, the freedom to operate 24-7, have direct motorway access and a local labour force which is skilled in logistics. Self-containment is not a measurable output for the industry.
- 2.27 It is therefore considered unnecessary for the Council to achieve a measure of self-containment by the end of the plan period. Indeed, there is no requirement for the Council to do so within the Framework.

- 2.28 Lastly in relation to question (c), it is appreciated that there should be a general balance between the provision of housing and employment. However, the Council has incorrectly pooled all B use classes within the same generic employment policy. As a result, the Local Plan looks at the supply of employment land too simplistically and does not suitably cater for the B8 industry. Indeed, there is a key difference between the Council looking to achieve an adequate supply of employment land and maintaining an adequate supply of suitable deliverable employment land.
- 2.29 As outlined within these and previous representations, there is a clear and identified need for additional floorspace for B8 uses which cannot be suitably accommodated within existing SEAs. For the Council to provide an *'adequate supply of employment land'*, it should be looking to provide sufficient flexibility within Policy EP1 to allow for suitable deliverable sites to come forward in sustainable locations throughout the lifetime of the Plan.