

Rapleys LLP On behalf of LaSalle Investment Management
(Representor ID 934)

Matter 4 - Employment

Hearing Statement for
LaSalle Investment Management (Representor ID 934)

**WYCOMBE DISTRICT
LOCAL PLAN EXAMINATION
MATTER 4 - EMPLOYMENT**

29 June 2018

Our Ref: 17-04657

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Appendix 1 Site Location Plan (Ref:17-04657_SLP01)

This report has been prepared within the quality system operated at Rapleys LLP according to British Standard ISO 9001:2008.

Created by:		Chloe Ballantine BA(Hons) MSc MRTPI chloe.ballantine@rapleys.com
Signature:		<i>Chloe Ballantine</i> <small>Chloe Ballantine (Jun 29, 2018)</small>
Checked by:		Wakako Hirose BA(Hons) DipTP MRTPI wakako.hirose@rapleys.com
Signature:		<i>Wakako Hirose</i> <small>Wakako Hirose (Jun 29, 2018)</small>

2 INTRODUCTION

- 2.1 This Hearing Statement has been prepared on behalf of LaSalle Investment Management ('LaSalle') in response to the Examination Matters and Issues - Matter 4, specifically in relation to employment.
- 2.2 LaSalle asset manages Kingsmead Business Park ('Kingsmead'), Loudwater, High Wycombe, on behalf of its freehold landowner. The extent of our client's interest is identified on the site location plan (**Appendix 1**) and it excludes Oakingham House, which benefits from prior approval consent for a conversion to residential use. Kingsmead is proposed to be designated as a Strategic Employment Area ('SEA') in the Wycombe District Plan Publication document.
- 2.3 LaSalle's position has not changed from its representations to the Publication Local Plan Consultation, dated 27 November 2017. LaSalle maintains their objection to the proposed SEA designation and associated planning policies.
- 2.4 This Hearing Statement responds to Matter 4, specifically in relation to Employment Issues 2-5.

3 ISSUE 2 - ARE THE REQUIREMENTS OF POLICY CP5 (DELIVERING LAND FOR BUSINESS) REALISTIC, JUSTIFIED AND DELIVERABLE? ISSUE 4 - WILL THE PLAN BE AN EFFECTIVE MECHANISM FOR DELIVERING THE EMPLOYMENT LAND REQUIREMENTS CONTAINED IN POLICY CP5?

- 3.1 Policy CP5 states that the needs of the local economy will be addressed through safeguarding strategic and local employment areas from non-business development as well as encouraging and facilitating their ongoing regeneration and redevelopment for economic purposes. Specifically, High Wycombe is identified as a location for high quality offices (Class B1a). However, it is not clear whether this policy is intended to direct office development in High Wycombe Town Centre, in line with the National Planning Policy Framework ('NPPF') or it applies to High Wycombe beyond the town centre.
- 3.2 Given that Kingsmead is proposed to be designated as a Strategic Employment Area ('SEA'), we are concerned that it is expressed as being "safeguarded," as the SEA designation for Kingsmead is not justified by the evidence base. We support the principle of the policy encouraging ongoing regeneration and redevelopment of Kingsmead as a Class B1a business park. However, the wording of the policy is overly restrictive in that it does not support any non-business development, which could be interpreted to include a wide range of uses which may be necessary to secure commercially viable regeneration or improvements of the existing office site.
- 3.3 We therefore object to Policy CP5 as Kingsmead is proposed to be designated as a SEA which is subject to very restrictive safeguarding.

4 ISSUE 3 - ARE THE ALLOCATIONS SUPPORTED BY A ROBUST AND COMPREHENSIVE SITE ASSESSMENT METHODOLOGY, FREE FROM SIGNIFICANT DEVELOPMENT CONSTRAINTS AND DEMONSTRATED TO BE ECONOMICALLY VIABLE?

- 4.1 Kingsmead's current allocation is a 'Business Park', which promotes Class B1a office development. The proposed SEA designation introduces B2 and B8 classes as only other permissible uses.

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- 4.2 The Economy Study and Employment Land Review January 2014 (ref: HELS16) ('ESELR') identified that Kingsmead (Ref HW55) is one of Wycombe's premier business parks, being a modern high quality office park with Grade A refurbished specification, good car parking and amenities. Based on the ESELR's recognition of Kingsmead as a successful part of Wycombe's business park stock, it recommends that it should be protected. This demonstrates that Kingsmead is one of the highest quality and important office stocks in Wycombe District. However, this evidence alone does not suggest that Kingsmead should be safeguarded as a SEA for B1, B2 and B8 uses only. There is no evidence that the Kingsmead site is suitable and deliverable as Classes B1c, B2 or B8 uses, if Class B1 use becomes unviable as existing or for redevelopment depending on future market conditions. As stated in our previous representations, Kingsmead is highly unlikely to be suitable or commercially viable for B1c, B2 or B8 uses, due to the following factors:
- Development densities which can be achieved for these uses are lower than that of Class B1a office development, and its rental/land value would be lower.
 - Kingsmead is surrounded by residential properties, which makes these uses unsuitable and undeliverable as they are incompatible with noise-sensitive uses.
- 4.3 It is therefore considered that the proposed designation of Kingsmead as a SEA is not justified, or demonstrated to be commercially viable in terms of alternative uses.

5 ISSUE 5 - WILL POLICY DM28 (EMPLOYMENT AREAS) PROVIDE AN EFFECTIVE MECHANISM FOR MANAGING NEW DEVELOPMENT IN STRATEGIC AND LOCAL EMPLOYMENT AREA?

- 5.1 The Economic Development Topic Paper (Ref: TP3) explains at paragraph 5.5 that, based on the market intelligence, the office market has been weak for some time and is the subject of structural change affecting demand. It goes on to state that there is the risk that if additional sites are allocated that these sites will not be delivered. This could potentially undermine the take up of existing commitments and vacant floorspace. Given the market uncertainties, it notes the recommendation from the HEDNA Addendum that the authorities should not planning for demand that ultimately does not manifest itself and that rather than allocating or releasing significant amounts of employment land, the market and development of B class employment should be monitored, for managing and reviewing their Local Plans as early as possible.
- 5.2 The Economic Topic Paper notes that, as a result of the HEDNA Addendum work, a Memorandum of Understanding has been agreed between the authorities that a flexible approach to the provision of employment land should be adopted. The flexible approach is defined as allowing, *where the land is suitable*, a range of B use class uses on its employment sites and not restricting sites to particular use classes.
- 5.3 The Wycombe District Local Plan seeks to adopt the approach which identifies the most important employment sites in the District, designates them as either Strategic or Local Employment Areas under Policy DM28 and restricts uses outside the B use classes on these sites. It states that Policy DM28 adopts a flexible approach in relation to B uses on these sites, in accordance with the HEDNA Addendum with only limited amounts of employment land are proposed to be released to housing or alternative uses.
- 5.4 It should be noted that the ESELR warns that just because a site works well today as an existing development, it does not necessarily mean that its success can be replicated on similar sites, because successful office parks such as Kingsmead were developed in a very different office market climate. The principle applies to any future redevelopment of Kingsmead as a Class B1 office park. As stated in the previous representations, despite our client's significant investments in the upgrade and modernisation of Kingsmead, circa

2,000sq.m of the office floorspace remains vacant, with some floorspace being vacant since summer 2015 (i.e. for 3 years). As the Council's evidence recognises, the office market is uncertain and susceptible to change. As such, there needs to be a greater flexibility in the Local Plan to ensure that it can deliver a viable and sustainable use(s) for Kingsmead in the long term.

- 5.5 As explained in section 4 of this Statement, Classes B1c, B2 and B8 uses are not demonstrated to be suitable or deliverable due to the site's surrounding uses and development viability. Redevelopment of Class B1a office may be viable, subject to market conditions at that time, albeit it may require a mix of uses being incorporated in the development.
- 5.6 Taking these factors into account, we do not consider that Policy DM28 provides an effective mechanism for managing new development in strategic employment areas, as it protects Kingsmead as a SEA for B Class uses only in perpetuity regardless of economic circumstances and market signals/demand in the future. Based on the evidence, Kingsmead is not the suitable land for applying the "flexibility" as recommended by the HEDNA Addendum work (i.e. permitting B class uses only).
- 5.7 The effect of Policy DM28 is that it has the potential to prevent regeneration of the site to come forward due to the overly restrictive approach taken for Kingsmead by designating the site as a SEA. We do not consider that Policy DM28 provides an effective mechanism for managing development of Kingsmead.

6 APPROPRIATE DESIGNATION

- 6.1 Our responses to Matter 4 as above highlights that the proposed designation of Kingsmead as a SEA is not appropriate or justified by the evidence base. This undermines the deliverability of a future redevelopment of the site, depending on market conditions, particularly the office market, and other changing circumstances. This is unacceptable, as it allows no flexibility to facilitate a viable and sustainable economic development on the site in the long term, which may require alternative uses or mixed use development.
- 6.2 As such, as stated in our previous representations, for the soundness of the Plan, we consider that **Kingsmead should be allocated for office/mixed use development** or Policy DM28 (criteria 3 and 4) is amended so that long term redevelopment of the site can be brought forward for alternative uses, taking into account the site's suitability and viability, as follows:

CRITERION 3 AND PARAGRAPH 6.81

- 6.3 These would only allow uses which directly benefit or serve the people working in businesses within that particular employment area. Examples of permissible uses given in the document are catering outlets, crèches or banking facilities. The policy should not be taking such a restrictive approach to the provision of supporting and complementary facilities. For example, a small retail outlet, gym or a hotel could directly benefit or serve the people working in businesses or businesses themselves in that business area primarily, but such a facility could also be shared by businesses outside that area or the local area. We consider that the criterion 3 and the paragraph 6.81 do not proactively encourage sustainable economic growth as the NPPF requires. As such, we request that the following changes are necessary for the soundness of the Plan:

Criterion 3: Other uses that support *or complement* the business uses of designated employment areas ~~either type of area~~ will also be allowed where they are *small appropriate* in scale and directly support *or complement* the character and function of

the designated employment area (*and/or other nearby businesses or business areas and neighbouring local area*).

Paragraph 6.81: The non-B class uses which would be allowed within these areas should either be for uses that directly benefit or serve the people working in businesses within them *and/or other nearby businesses and neighbouring local area* or they may be health related uses. Examples of the first category are catering outlets, crèches, *small scale retail, gym, hotel* or banking facilities where there are not any that are currently within walking distance of the employment area. Large scale non-B class uses which clearly serve a wider catchment than ~~the employment area~~ *the local area* are inappropriate. Examples of the second category *which is permissible as defined in Criterion 2* include clinics, health centres, GP or dental surgeries.

CRITERION 4

- 6.4 We request the site is not designated as a SEA as it is not appropriate or justified by evidence, and that the site should be allocated for office / a mixed use development site. In any event, Criterion 4 of Policy DM28 is unsound, as it does not allow sufficient flexibility and protects designated Employment Areas in perpetuity, which is contrary to the NPPF.

7 CONCLUSION

- 7.1 This Statement response to the Examination Matter 4 in relation to employment, specifically the proposed designation of Kingsmead as a SEA and associated Policy CP5 and DM28. There is no evidence which demonstrates that Kingsmead should be designated as a SEA which is restricted to Classes B1/B2/B8 uses only, and the effect of Policies CP5 and DM28 is that the Local Plan prevents a viable redevelopment of the site from being delivered in the future.

- 7.2 For the soundness of the Plan, Kingsmead Business Park should be allocated for office/mixed use development. Criteria 3 and 4 of Policy CP28 should also be amended as follows:

Criterion 3 - Other uses that support *or complement* the business uses of designated employment areas ~~either type of area~~ will also be allowed where they are *small appropriate* in scale and directly support *or complement* the character and function of the designated employment area (*and/or other nearby businesses or business areas and neighbouring local area*).

Criterion 4 - should be deleted, as it protects the designated employment areas for B Class uses in perpetuity, with no policy criteria to manage appropriate redevelopment or alternative uses.

Appendix 1

SITE LOCATION PLAN

Ref: 17-04657_SLP01



SITE LOCATION PLAN
 Kingsmead Business Park
 Frederick Place
 HIGH WYCOMBE



Scale @ A3 : 1:1250

Plan No. : 17-04657_SLP01

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 rapleys.com
 0370 777 6292

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