

# Core Strategy for Chiltern District

## Chiltern District Council - Response to Inspector's Questions [ID/4]

### MAIN MATTER 7: Economic Development

**DATE: 18 March 2011**

#### **Final**

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The following Paper sets out the Council's response to Section 8 (Main matter 7: Economic Development) of the document 'Inspector's Main Matters and Questions' ID/4. The Paper has been structured to include the specific questions raised by the Inspector and the Council's detailed response to them.

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***Overarching issue: Are the policies for employment and economic development justified by evidence, consistent with national policy and sufficiently flexible to address changing or site specific circumstances?***

#### ***Policy CS16***

**Q8.1) What evidence indicates that the current portfolio of sites and premises is appropriate for current and future needs over the plan period?**

#### **CDC Response:**

The 2004 Employment Land Study undertaken by Aitchison Raffety (AR) (CDN005) assessed the quality of large (over 0.25 hectares) Use Class B employment sites which were subject to Policies E2 and E3 of the Adopted Chiltern District Local Plan. It looked at a matrix of parameters affecting desirability and viability for potential new occupiers and for ongoing employment use from the perspective of the development industry. Sites were ranked to distinguish between those that were considered 'key sites', being

highly desirable and viable, to those sites that were considered “poorer performing”, being less desirable or viable from a commercial perspective. The study found that 68% of the sites were highly performing and 27% performed moderately well.

Only 5% were considered to be poorer performing sites. In 2005, AR carried out an additional study (CDN006) which looked specifically at these sites. This later study found that ‘poorly performing sites’ tended to have a high occupancy rate and provided a supply of low cost accommodation supportive of smaller companies perceived to be of a start-up or youthful nature but shown to be involved in specialist services or manufacturing, often directly serving the local population. In other words, these sites performed a very important role in terms of enterprise, employment and local services in the District. The Employment site Vacancy Survey of November 2009 (i.e. during the current recession) found that the trend of high occupancy on ‘poorly performing sites’ continued, with these sites having significantly fewer vacancies than both the settlement and district-wide averages.

The AR report stated in its conclusion that “certain employment sites may in a modern context still be considered, as a whole or in part, as inappropriate for continuing employment usage due to location or immediate environment.” It went on to say that there may be a time when reuse for employment purposes is not viable. It suggested that there may be opportunities to allow users falling outside the ‘B use classes’ such as medical and health users, children’s nurseries, sports facilities etc to be allowed to occupy these employment sites. Policy CS16 takes account of this advice. These sites would continue to offer employment, but of a nature more suited to their immediate environment and to current needs than the B use classes.

There is no evidence that the current portfolio of sites is inappropriate for future needs. Policies CS3 and CS15 provide for some expansion of employment floorspace on existing employment sites and seek to encourage the more efficient use of existing employment sites generally. These policies should improve the portfolio over time.

**Q8.2) Do the vacancy rates of premises, or number of cleared sites with planning permission for redevelopment not started (as recorded in the Employment Site Vacancy Survey November 2009 CDN096) suggest a lack of demand or unsuitability of some sites/premises?**

**CDC Response:**

When the Buckinghamshire Employment Land Review (BELR) (CDN020) was undertaken in 2006, the level of vacancy on B use class employment floorspace in Chiltern District was estimated to be the lowest in the County at 6% (see Table 2.1 of that report.) The Council's view is that the current vacancy rates and number of cleared sites with planning permission for redevelopment not started (as set out in CDN096) is a reflection of the impact of the current recession on employment in the District, rather than a lack of demand or unsuitability of some sites/ premises. It is anticipated that the economy will improve during the plan period and it is therefore important to have employment sites available for when this happens. It should be borne in mind that the high value of residential land in Chiltern District (even in the recession) (see CDN082) means that there continues to be pressure for change of use from B-class to residential use, thus reinforcing the role of policy preventing the loss of such land.

**Q8.3) Has the Council undertaken a more recent vacancy survey (please urgently make a Core Document) and, if so, what trends does this indicate?**

**CDC Response:**

An update to the vacancy survey was undertaken in November 2010, as part of the work for the 2009/10 Annual Monitoring Report. This survey will be made available as CDN119. The survey found that vacancy rates in traditional employment areas within Chiltern District i.e. those falling within the 'B use classes' and forming part of the E2 and E3 Local Plan Employment Policy Areas had continued to be high and had risen by approximately 1% to 23.7% (111 units out of 468) in the latest survey. However, in the Council's view, as

both surveys have been undertaken during the economic recession, it is inappropriate to draw definitive conclusions from these results.

**Q8.4) Should vacancy levels and number of cleared sites be monitored with a trigger identified to prompt a review of the policy if these indicators remain high as the economy picks up?**

**CDC Response:**

It is the Council's intention to monitor both vacancy levels and the number of cleared sites on an annual basis. These data could be used as a trigger to prompt a review of policies if these indicators remain high as the economy picks up. A statement to this effect could be inserted into Paragraph 12.6 of the CS:

*After 'unreasonably long time' add "The Council will monitor the situation and may need to take action if vacancy levels and the number of cleared employment sites remain high as the economy picks up."*

**Q8.5) How will the policy (CS16) ensure compliance with PPS4 EC2.1 h) so as not to retain sites if there is no reasonable prospect of a site being used for the allocated economic use?**

**CDC Response:**

Policy CS16 seeks to apply the constraint envisaged by paragraph 25.17 in the South East Plan. That paragraph arose from the South East Plan EIP Panel's concern about loss of employment land in Chiltern District (para 26.9 of CDN033 refers), based on work carried out by Buckinghamshire County Council (CDN020). To accord with EC2.1h) of PPS 4, the policy incorporates an element of flexibility so as to allow for a wider range of employment uses than is provided for under the 'B use class' (offices, manufacturing and warehousing). Wider economic uses which are considered acceptable include a variety of community and leisure uses. It is therefore considered that the policy already complies with EC2.1h) of PPS 4. (See also the proposed wording change to Policy CS16 set out below in response to Q.8.7).

**Q8.6) Given that policy CS16 encompasses all employment sites, how does CS16 relate to the saved local plan policies E2 and E3 and the designation of these policy areas on the Proposals Map? Is there any intention to review in the Delivery DPD whether the E2 and E3 designated sites are fit for their allocated purposes? If so, should the Core Strategy make this clear?**

**CDC Response:**

Whilst it is true that policy CS16 encompasses all employment sites it deals initially with 'B use class employment uses' and then sets out possible circumstances for allowing alternative uses to be considered for the sites. In effect therefore, the first part of the policy is dealing with the 'saved' local plan policies E2 and E3. It was always the Council's intention to carry out a review of the boundaries of local plan policy E2 and E3 employment areas within the Delivery DPD. No mention of the Council's intention to carry out this work is currently included in the CS and consequently a statement to this effect could be added to the end of paragraph 12.5 of the CS:

Insert additional sentences:

"Employment land is defined as uses falling within the 'B use classes'.

The larger areas of employment land in the District (those larger than 0.25 hectares), outside the Green Belt, are identified and protected by 'saved' policies E2 and E3 from the Adopted Chiltern District Local Plan. It is the Council's intention to carry out a review of the boundaries of these areas within the Delivery DPD."

**Q8.7) Is policy CS16 sufficiently flexible to respond to the individual circumstances of sites to achieve the best overall public benefit; e.g.**  
**- if business use harms residential amenity or where vehicular access is restricted?**

- where redevelopment of suitably located employment land could be encouraged to achieve better quality premises or more intensive employment use?
- if beneficial redevelopment requires the economic stimulus provided by mixed use (for some non employment use)?

**CDC Response:**

The Council observes that this policy could incorporate a greater degree of flexibility. Some possible changes to the text are set out below, with new clauses underlined. Criteria a) to c) would be removed.

*“There will be a general presumption that existing employment land and premises in Use Classes B1, B2 and B8 in the Town and Country Planning (Use Classes) Order 1987 (as amended) will be protected and retained for employment use, unless replaced elsewhere by equivalent amounts of suitable new employment land within Use Classes B1, B2 or B8.*

*In limited circumstances, including where there is no reasonable prospect of a site being used for the permitted purpose, or where the site is creating significant amenity issues or where vehicular access is restricted, changes of use of employment sites may be acceptable provided that the proposed use provides an equivalent amount of employment and is in the interests of the community, such as a health facility, day nursery or leisure facility, or is an appropriate use which, if in a District Centre, complements the vitality and viability of that centre.*

*~~In addition, applications for change of use will need to demonstrate that:~~*

- ~~a) the new use has no greater environmental/amenity impact than an employment use; and~~*
- ~~b) it is located where users/visitors can use public transport, walk or cycle to the premises; and~~*
- ~~c) if in a District Shopping Centre, it complements the vitality and viability of that centre.~~*

*For the avoidance of doubt, change of use of employment land to retail use will not be permitted outside the three District Shopping Centres of Amersham-on-the-Hill, Chesham and Chalfont St Peter, as defined on the Proposals Map.*

*Changes of use of an employment use to residential use will be acceptable on the upper floors of properties within the three District Shopping Centres as defined on the Proposals Map.”*

The above change would necessitate the removal of the third sentence from the end of paragraph 12.6 which refers to the three criteria a) to c).

**Q8.8) The policy allows for loss of employment premises to residential on upper floors within the District Centre, but resists the loss of any employment floor space elsewhere. Is this a consistent and justified approach given the District (i.e. town) centres are a sequentially preferable location for office use?**

**CDC Response:**

It was noted, whilst undertaking the two employment vacancy surveys in particular, that there were a number of vacant employment premises above shops in the three District Shopping Centres, as evidenced by the ‘To let’ boards. Many of these properties have been vacant for some years. Advice contained in PPS4 in EC3.1f) states that local planning authorities should, “at the local level, encourage residential or office development above ground floor retail, leisure or other facilities within centres.” On this basis the policy is consistent with PPS4.

It was considered by the Council that allowing residential use of upper floors of properties within the three District shopping centres would bring these premises back into productive use whilst at the same time enhancing the vitality of these areas by increasing the ‘human’ presence outside shop opening hours. Applying the policy across smaller centres, which generally

have more residential use, would not produce this advantage to the same extent.

**Q8.9) Whilst I do not suggest, at this stage, that the thrust of the policy is unsound, I would invite the Council to put forward wording that would allow some greater flexibility, if required, for discussion at the hearing.)**

**CDC Response:**

See answer to Q8.7 above.

***Policy CS18***

**Q8.10) Does the policy contain adequate guidance for retail and other town centre uses?**

**CDC Response:**

Yes, it is considered that this policy, alongside the 'saved' policies from the local plan, provide adequate guidance for retail and other town centre uses. The 'saved policies' from the Adopted Chiltern District Local Plan will be reviewed and replaced where necessary with updated policies as part of the production of the Delivery DPD.

***Policy CS19***

**Q8.11) In CS19 b) what is the justification for allowing the change of use of suitably constructed buildings only where such use is demonstrated to be required to ensure future farm viability, given that many rural buildings may have no connection with a farm? Is this restriction compatible with PPS4 EC6.2 c)?**

**CDC Response:**

It is accepted that the wording of this policy may be more restrictive than perhaps it should be. In order to comply with EC6.2c) of PPS4, it is suggested

that in CS19b) the word 'farm' should be deleted from "future farm viability" in order to address this point.

**Q8.12) Policy CS19 e) indicates that the Council will support the development of high speed broadband access to all communities. Policy CS15 says all properties; and Table 1 of CS4 indicates that new development should be in locations provided with fast broadband services. Has the Council assessed the extent of existing provision, future planned roll-out and what infrastructure impediments may needed to be overcome to ensure that this intention is a realistic ambition? If not, are these ambitions/requirements realistic?**

**CDC Response:**

The Council does not consider that there is any inconsistency between policies CS4 and CS15/CS19. It is submitted that the principle of locating development in areas with fast broadband access as set out in Table 1 is a worthy aspiration and it is not seen as inconsistent with Policy CS15 which seeks high speed broadband access to all properties, which would include existing properties. A change could be made to replace the final word of Policy CS19 ("communities") with "properties" to bring it into line with CS15. Information about the quality of broadband access in any area can be sought at the Delivery DPD stage, as well as in the context of the submission of planning applications.

The Council has assessed the extent of expected provision, by consultation with Buckinghamshire Economic and Learning Partnership (BELP), which shows that the exchanges which serve the larger settlements of the District tend to provide the highest speeds and it is the more rural parts of the District which tend to have poorer broadband coverage.

The Council supports the work being carried out by BELP, on behalf of Buckinghamshire County Council, which involves trying to accelerate the availability, take-up and exploitation of ICT services to Buckinghamshire. This

is to enable provision, in particular, to rural areas ahead of commercial providers.

In terms of the achievement of the objective, matters are largely out of the Council's control beyond encouraging and supporting it. If Central Government sticks to its promises to provide the best broadband in Europe, in terms of progressing broadband installations, then these ambitions are realistic. Without Government funding the upgrade of the rural exchanges, in particular, is unlikely to be commercially viable and so progress will take place at a slower pace in the District.