Tandridge District Council: Examination of ‘Our Local Plan: 2033’

Tandridge District Council Hearing Statement

Matter 5 Employment land provision

Issue: Is the plan positively prepared and would it be effective in providing for enough employment land to meet objectively assessed needs?

September 2019
Notes:

1. The term 'The Council' or the abbreviation 'TDC' is used as shorthand for Tandridge District Council
2. The abbreviation LP is used for the submitted ‘Our Local Plan 2033’
3. All quotations are distinguished in italics and referenced in brackets
4. All references are to published LP evidence documents and the 2012 NPPF and associated 2014 PPG unless otherwise stated
5.1 Does the provision of employment land set out in Policy TLP01 take into account any future loss of B1 floorspace as a result of permitted development rights and is the amount of land for B-Use Class employment land justified?

Response to Inspector’s Issues / Questions

5.1.1 Yes. The LP employment land requirement / provision position creates sufficient flexibility to respond to the potential impacts of permitted development rights (PDRs) for conversion of B use class premises to residential use (Town and Country Planning (General Permitted Development) (England) Order 2015). The Plan allocates an evidentially justified quantity of employment generating land by making best use of the opportunities that exist in local circumstances. The NPPF ‘positive’ approach taken to evidence and policy provides considerable scope for additional development beyond the LP requirement level. This covers potential further losses due to PDRs. It also offers a wide qualitative / market choice of land / premises types and locations to suit the differing needs of the types of business the District can expect to accommodate.

5.1.2 The response to this question should be considered in the context of responses to Matter 2 questions, which explain the integration of the LP housing and employment requirements / provision. The Matter 2 responses emphasise that Tandridge is not a major employment centre and that the LP is housing - dwelling provision - led. The LP does not seek to achieve a particular level of employment development or job growth. It does however aim to play a (limited) part in offering land and premises opportunities for local economic development and job creation. This also gives scope for a potentially greater contribution to the sub regional economy in line with published evidence and LEP and Tandridge economic development strategies (ECRT1/7). This demonstrates a ‘clear understanding of business needs within the economic markets operating in and across their area’ (NPPF Para. 160)

5.1.3 The Policy TLP01 requirement for employment land is 15.3 ha (‘at least’). The LP allocations allow for a higher level of development (up to 21ha); as listed in the LP Summary Table of Employment Allocations - page 156. This is set out at paragraph 23.8 of the LP (MD1) which states:

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“Over the Plan period, a net requirement of 15.3ha employment space has been identified. Opportunities for intensification on employment sites, both Strategic and Important sites amount to around 21ha and exceeds identified need by around 6ha.”

There is also likely to be some employment development at South Godstone Garden Community - SGGC).

5.1.4 The justification for the employment land requirement is detailed in published evidence (ECRT1/4). The Plan requirement is based on the potential for growth in the employment sectors currently represented in Tandridge; as demonstrated in a reputable sectoral employment forecast (Experian 2017). This forecast is probably somewhat optimistic in terms of the level of employment growth it forecasts for the District. It was deliberately selected on that basis, to provide an NPPF ‘positive’ basis for allocation of employment generating land. It is not feasible to specifically / quantitatively predict, or account for, potential further PDR related losses of employment land and premises within this estimation of employment development needs. However, the positive, more than strictly ‘needed’, approach to allocations makes allowance for potential PDR losses in the only way possible.

5.1.5 It is the evidence and policy position described above that provides the need element of the NPPF ‘exceptional circumstances’ for Green Belt release that has to be shown for some of the LP employment land allocations. The site specific exceptional circumstances (mainly the already built up nature of these areas) are detailed in responses to Matter 7.

5.1.6 The LP has only very limited tools to achieve economic objectives – effectively land allocation and reservation or protection for employment uses. Much economic activity and job growth takes place without a need for employment generating land. Land allocations are made in a context where the NPPF effectively prioritises housing development (NPPF Para. 22) and high residential land values can ‘force out’ employment uses. The existence of PDRs for conversion of employment land and premises to residential limits scope further. In Tandridge this means there are unlikely to be opportunities for significant employment development within existing settlements and their central areas. The only practical way of allowing for continued provision of employment generating land is to support further development (TLP01
‘intensification and expansion’) in existing employment locations outside the main settlements and, potentially at SGGC. This approach best utilises existing employment sites and supports new employment land provision within the characteristics and constraints of the District. It does however mean the LP will allow new employment development in locations that are outside the most accessible (central) areas. That has some limited adverse consequences for Green Belt purposes and landscape. Intensive employment uses (office and mixed business use - B1 and B1a use classes) could occur in such locations. This is not ideal in terms of accessibility for employees and business visitors but is unavoidable in the current national policy context. Policy TLP01 does state that ‘office development (B1) in particular will be focused towards town centres as far as is practically possible’. This policy approach is in full accord with the NPPF (Para 24) sequential approach to main town centre uses, which allows for Local Plans to identify out of centre sites ‘if suitable sites (in centres) are not available’.

5.1.7 The Council, like other authorities, has been mindful to monitor the impacts of new employment related PDRs. The District has seen a loss of around 7% of use class B1 employment space as a result of PDRs (ECRT1, Para. 4.31). The extent of PDR office to residential schemes has been consistently identified as an issue to be addressed in the LP (MD 1 Para. 8.1) and explored throughout plan-preparation (ECRT1/2/4/5/67/8/9/14, HNS15).

5.1.8 Whilst the loss of office to residential space has slowed in recent years (ECRT1, Paragraph 5.32) the evidence which underpins the Council’s approach justifies maintaining a vigilant position. On that basis it is “…appropriate that the Council protects all of its designated employment land as far as it is possible to do so to maintain its employment land supply” (ECRT1, Paragraph 5.33). Quantitative and Qualitative assessments of employment land needs and existing / potential sites were undertaken, supported by business surveys (ECRT4). Published evidence (HNS15) indicates that, ultimately, the Council may need to consider use of Article 4 Directions to restrict PDRs. This is reflected in the LP, but should be made more explicit (Para. 2.39; suggested as a minor proposed modification to reasoned justification text).

5.1.9 As set out in paragraphs 11.12 and 23.9 of the LP, the Council have taken a position which is both cognisant of the potential continued loss due to PDRs, the economic

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characteristics of the District (ECRT4/5), as well as the opportunities and constraints to utilise existing employment space (ECRT4). The LP policies respond flexibly to meeting need, but most importantly, and in accordance with the core planning principles set out at Para.17 of the NPPF, make best use of previously developed land wherever sites perform a strategic or important economic function.
5.2 Will the provision of the employment land proposed improve the ‘self-containment’ of the District in terms of the commuting patterns of residents?

Response to Inspector’s Issues / Questions

5.2.1 This is uncertain. The response to Q 5.1 explains that the level of employment generating land provision allows for continued economic development / growth in the limited number of business sectors that require such land. In combination with regional and Tandridge economic development initiatives (ECRT1/7/8) this creates the potential for the Council to influence this matter, but only marginally. Outcomes will be determined by many factors outside the influence of the LP; particularly the proximity and economic attraction of London, the Gatwick area and the nearby Surrey towns, regional transport improvements or constraints, the appeal of Tandridge to businesses and general economic conditions. There is potential for, at least, maintenance of, and, at best, improvements to, the current level of commuting self-containment.

5.2.2 The Experian economic forecasts used to inform the LP predict continued workplace employment growth in Tandridge (ECRT1/4). They also assume significant population growth and a resident employment level that depends on an increased net-out commute. This is due to the attraction of job growth in main employment centres and the likelihood that a growing population in Tandridge will mean that more workers will out-commute to fill some of those jobs. Bearing in mind that the LP is not employment led and this forecast is not in any way a determinant of its strategic policies, the forecasting does illustrate a possible future where workplace employment in Tandridge declines significantly, increasing the net-out commute. The Council’s economic development approach (ECRT7) tries to do what it can to mitigate the potential trends shown by the forecasts by encouraging local economic growth. The quite generous level of employment land provision in the LP (see Q 5.1) supports this.

5.2.3 The LP is housing provision led, so it is important to consider this issue in the context of the recent history of the homes and jobs balance in Tandridge and to consider the changes in population, labour supply and employment that might occur under the LP. The general issue of homes / jobs balance is considered in published LP evidence (HNS14). The Council’s view of the homes / jobs balance position and commuting

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pattern that may develop as the plan is implemented, is explained briefly (in relation to objectively assessed needs for housing) in responses to Matter 2. Given the quite limited influence of the LP on employment and commuting, the most important points to note are that:

- The combination of housing growth and employment development envisaged under the LP is at a scale, and in a form, that could only marginally influence the homes / jobs balance and the current commuting position and pattern. Tandridge will remain a net-out commute location, with a very complex pattern of commuting flows (ECRT1).

- The available labour supply in Tandridge is sufficient to accommodate any conceivable level of employment growth in Tandridge. This means that the LP employment land provision will not, in itself, create pressure for in-commuting.

- LP policies and proposals cannot, in themselves, in any way worsen the current net out-commuting position (there is an approximately 21% net out-commute). Indeed, the level of employment land provision made in relation to the proposed level of housing growth gives the potential for more local employment. This might help limit the strong out-commuting pressure from London, the east Surrey towns and the Gatwick area. It could marginally improve commuting self-containment.

- The SGGC proposal is a locational and qualitative strategy for growth that could assist in achieving beneficial outcomes for commuting self-containment. This is because the combination of a lower cost housing sub-market there and general encouragement for local employment growth opportunities, should lessen the type of housing growth that responds to the current housing market (small scale, large family unit, high value, housing developments). It is this type of housing that particularly attracts higher paid out-commuters.
TLP20: Supporting a Prosperous Economy

5.3 Is the Policy positively prepared and consistent with national policy in stating that proposals for development that would result in the loss of employment land will not normally be supported? In terms of paragraph 154 of the Framework, does the Policy provide a clear indication of how a decision maker should react to a development proposal?

Response to Inspector’s Issues / Questions

5.3.1 Yes. NPPF Para. 7 identifies three dimensions to sustainable development, one of which is the economy. Policy TLP20 makes a crucial contribution to building a ‘strong, responsive and competitive economy’ by controlling and limiting losses of employment generating land. The Policy provided the decision maker with a clear, but also flexible, basis for decisions.

5.3.2 Published evidence (ECRT5) highlights the barriers to economic growth Tandridge faces, including environmental constraints, road and rail infrastructure limitations, availability of commercial space and lack of high-value employment opportunities. These barriers result in Tandridge being the least competitive area in the County for business opportunities (ECRT5, page 1, paragraph 1.4). Planning policy and market pressures favouring residential development and PDRs for business to residential changes of use have, and may continue, to reduce the supply of employment land and premises. TLP20 includes a stringent policy to limit further loss of employment land whilst remaining flexible in the possibility that loss of employment land in one location may be addressed by re-provision elsewhere. The response to Q 5.2 explains more about the capacity of the employment land provision to allow this.

5.3.3 Policies TLP20 and TLP21 are clear that loss of valuable employment generating land is an important matter in a District where there is very limited scope for employment development, both in the central areas of existing settlements (where the land market will usually favour higher value residential use) and through Greenfield / Green Belt development (where there is a clear policy constraint).
5.3.4 The general LP strategy on this matter is effective because it reconciles competing land use pressures. In terms of NPPF Para.154, Policy TLP 20 makes it very clear that where a planning application includes loss of existing employment land it should be expected that the decision maker would refuse the application on the basis of loss (‘Proposals for development that would result in a loss of employment land will not normally be supported’........). However, the policy respects other aspects of the NPPF (Para. 22) and PDR legislation in that:

- the use of the wording ‘normally’ / ‘considered on a case by case basis’, together with the specific ‘caveat’ and criteria elements of the policy (Paras.VI and VII) acknowledge that material considerations may justify loss in some circumstances. It is reasonable that the relevant factors are demonstrated in the planning application (‘The site is unsuitably located....’ / ‘The property is vacant......’) and the marketing requirement.

- the LP must be read as a whole. This policy will be applied in relation to the relative importance of employment sites (as set out in Policy TLP21). On this basis, the TLP21 allocated, (identified on the Policies Map), ‘strategic’ and ‘important’ employment sites are the most protected. These sites are defined on evaluation evidence in ECRT9. It is for these sites that selective use of Article 4 Directions might be justified in the future.

5.3.5 It is important to emphasise that the majority of TLP21 allocated employment sites are in locations away from main settlements, and / or in Green Belt. This means that they cannot be generally viewed as suitable or desirable locations for residential re-development (development that is either policy compliant or ‘sustainable’ – aside from employment land considerations). Residential development is likely to be unacceptable on Green Belt, community facility access deficiency and infrastructure provision grounds, as well as because of TLP20/21 employment land policy. The policy relationship with this issue is covered in the final para. of TLP20 (‘change to residential....... need to demonstrate that the principles of sustainable development would be achieved’).

5.3.6 It is accepted that the criteria approach in Policy TLP20 necessitates some development management judgement. This is deliberate, as it provides flexibility to
resolve any tension in an individual case which may arise between otherwise potentially conflicting policy imperatives of the NPPF (Paras. 20 and 22).
5.4 Is it justified and consistent with national policy that proposals need to show that the redevelopment of the site for residential purposes is identified through the Council’s most up to date brownfield register and is in line with the most up to date Infrastructure Delivery Plan given that these are not part of the development plan?

Response to Inspector’s Issues / Questions

5.4.1 Yes. The response to Q 5.3 acknowledges that, to apply Policy TLP20 effectively, case by case judgements are required in relation to relevant criteria. On a similar principle, it is helpful for the policy to reference the Brownfield Land Register (BLR) and Infrastructure Delivery Plan (IDP) as recognised sources of planning information that are to be used as part of decision making.

5.4.2 The BLR provides relevant information (Part 1 vacancy / availability and suitability for housing) and, potentially, policy / decision judgments (Part 2 Permission in Principle), on redevelopment of existing employment sites. The BLR is prepared through a consultative process, whereby landowners / interested parties can promote a residential redevelopment of employment land to the Local Planning Authority (LPA) informally. The process was designed to allow collaborative working and a carefully considered analysis, without the effort and expense of a planning application. The LPA can reach an ‘in principle’ view, in a strategic context. The process is flexible and includes an annual update. This is therefore an efficient method of implementing Policy TLP20. If a site is accepted for the BLR, this will be a clear-cut indication that the TLP20 criteria for judging acceptable loss of the employment land can be met.

5.4.3 The IDP is another regularly updated document that will indicate whether there are infrastructure constraints or proposals that affect the development management judgments to be made under TLP20 (‘the principles of sustainable development’). The importance of this is explained in the response to Q 5.3.

5.4.4 Consideration of loss of employment land to residential via the BLR preparation and update process and in context of the IDP, is an appropriate and practical first step in decisions about loss of employment land to residential redevelopment.

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5.5  Are the proposed Modifications necessary for soundness?

Response to Inspector's Issues / Questions

5.5.1  No. The Council’s view is that the proposed modifications to TLP20 do not go to the soundness of the Plan (these are proposed other or minor modifications identified through tracked changes in Examination Library Document MD1 - the Publication ‘Our Local Plan:2033’). The modifications are only suggested for the benefit of clarity / consistency with the wider plan and to assist in the interpretation of the policy. The intent and use of the policy is not altered by these modifications.

5.5.2  That said, as set out in Examination Document TED01 (prepared as part of the Council’s response to the Inspector’s initial questions, ID 2 and 3), it is accepted that an alternative interpretation, as to whether some of the Council’s proposed other / minor modifications constitute a main modification, could exist. The proposed modifications to TLP20 have therefore been highlighted as a potential main modification in TED01/02.
TLP21: Employment Hierarchy

5.6 Is it justified and consistent with national policy that proposals will be considered in accordance with the Council’s most up to date Economic Needs Assessment and Economic Proposition given that these are not part of the development plan?

Response to Inspector’s Issues / Questions

5.6.1 Yes. These documents provide essential, up to date, evidence that needs to be considered in Development Management decisions.

5.6.2 The ‘most up to date Economic Needs Assessment’ (ENA) is an evidence source that is highly relevant to this policy. Currently this is in LP published evidence (ECRT1/4).

5.6.3 The Economic Proposition (EP – ECRT6/7) is an expression of the Council’s corporate policies and action plans for economic development. It also provides regularly updated evidence on the economic development profile and issues of Tandridge (in a related document; Economic Profile – ECRT5).

5.6.4 These documents are not planning policy documents. However, TLP21 policy wording should therefore be read as ‘considered in accordance with… evidence ….in the …Economic Needs Assessment, Economic Proposition…….’

5.6.5 There is no definitive NPPF / PPG position on using supporting information and evidence related documents to assist in implementation of Local Plan policy. The only policy / guidance is general, on pure policy content, and is related to formal Supplementary Planning Documents (SPD) (NPPF Para.153).

5.6.6 The Council’s view is that its approach does not seek to elevate the documents it refers to as a form of planning policy. The supporting documents are intended to provide evidence, information and best practice sources that will be useful reference points in making Development Management decisions. They are very important to evidence-based planning decisions. The Council always intends to negotiate good
planning outcomes on an evidential basis. All material considerations will apply at the point of decision. The content of the supporting documents will never be taken as policy.

5.6.7 It is preferable to use supporting documents in cases such as this because they can be readily and regularly updated to reflect the latest evidence. In addition, references to supporting documents of this kind are beneficial in achieving the NPPF / PPG recommended strategic, concise and focused form of Local Plan (NPPF 2019/18 Para. 15 – ‘succinct’ / PPG 2018/19 Para 002 Reference ID 61-002-20190315 – ‘focused, concise’). This is a quite normal approach to Local Plans, depending on circumstances and any particular need for up to date information and flexibility.

5.6.8 However, if it is the Inspector’s view that the policy wording should be clarified to refer to ‘evidence’ from the ENA and EP (the intent; as suggested above) then the Council is open to that coming forward as a recommended Main Modification.

Evidence

ECRT1 Tandridge Strategic Economic Assessment 2018
ECRT2 Town and Local Centre Review 2018
ECRT4 Tandridge Economic Needs Assessment Update 2017
ECRT5 Tandridge Economic Profile 2017
ECRT6 Tandridge Economic Proposition Delivery Plan 2018-2019
ECRT7 Tandridge Economic Proposition 2017-2022
ECRT8 East Surrey Economic Proposition 2016
ECRT9 Tandridge Economic Needs Assessment 2015
ECRT14 Tandridge Economic Development and Business Study 2014
HNS14 Balancing Homes and Job Requirements in the Local Plan Part A Balancing the Number of Homes and Jobs 2016

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HNS15 Balancing Homes and Job Requirements in the Local Plan Part B Reducing the Loss of Good Quality Employment Stock 2016

TED01 Schedule of Proposed Main Modifications (May 2019)

TED02 Response to Inspector Documents ID2 and 3

**Supporting Papers**

None