
New Forest National Park – Local Plan Examination in Public November 2018

Hearing statement – Matter 12: A Sustainable Local
Economy

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1. Purpose of this Hearing statement

- 1.1. As set out in document ID/3 ('Inspectors' Matters, Issues and Questions for examination'), Matter 12 relates to the issue of whether the New Forest National Park Local Plan (NFNPLP) *'has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the approach to a sustainable local economy?'* Savills has prepared this hearing statement on behalf of client SSE, who are the freehold owners and operators of an existing employment site at Castle Malwood.
- 1.2. The Inspectors' have included a series of questions within each matter that are to be addressed during the relevant hearing sessions. Key to the Castle Malwood depot are reproduced below:
- 12.6 *Is the approach set out in Policy SP42 effective, justified and consistent with national policy? Does the Policy provide effective guidance in terms of the provision and location of new business and employment development?*
- 12.7 *Is the approach set out in Policies SP43, DP44 and DP45 effective, justified and consistent with national policy? Do the criteria provide clear and effective guidance in terms of the retention, development, redevelopment of existing employment sites and extensions to non-residential buildings and uses?*
- 12.8 *Is the approach set out in policies SP48, DP49, DP50, DP51, DP52 and DP53 effective, justified and consistent with national policy?*
- 1.3. This statement addresses the questions raised above, and includes references to a number of different NFNPLP policies, but specifically DP44, DP49, SP42 & SP43 in relation to the handling of the existing employment site at the SSE Castle Malwood Depot. The paper identifies flaws in the NFNPLP that undermine the plan's soundness when considered against the new NPPF (published in July 2018), which are that it is:
- i. not *justified* as it does not represent the most appropriate strategy when considered against reasonable alternatives (i.e. including a site-specific policy for an existing major employment site), and thus is contrary to the NPPF (paragraph 35, second bullet);
 - ii. not *effective*, particularly in terms of the requirement under NPPF (paragraph 35, third bullet) for the plan to be deliverable over the plan period and paragraph 118 criterion (a) that states policies should *'encourage multiple benefits from urban and rural land, including through mixed use schemes'*;
 - iii. not *consistent with national policy* (paragraph 35, fourth bullet point) in relation to the overarching economic objective of national guidance (paragraph 8, first bullet) which seeks to achieve sustainable development and *'to help build a strong, responsive and competitive economy by ensuring sufficient land of the right types is available in the right places to support growth, innovation and improved productivity'* and paragraph 80 that details the need to *'support economic growth and productivity, taking into account both local business needs and wider opportunities for development.'*

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- 1.4. This statement should be read in combination with our representations at the Regulation 19 consultation stage (February 2018) which provide detailed analysis of this topic in relation to the SSE site at Castle Malwood. Section 4 of this statement sets out once again the policy wording remedies that could be taken forward as minor modifications to the plan to make it sound.

2. Why the plan is unsound

- 2.1. Using the Inspectors' questions as a reference, we consider that employment policies in the NFNPLP are unsound for a number of reasons when considering the existing major employment site currently occupied by SSE at Castle Malwood.
- 2.2. Unlike Chapter 7 of the NFNPLP that provides site specific policies for a number of different types of housing sites, Chapter 8 concerning employment development contains no site-specific policies at all. This is considered to be contrary to the NPPF, and not positively prepared. As our Hearing Statement on Matter 3 details, the incorrect omission of a site-specific policy for the SSE depot at Castle Malwood means that the site is left to be inadequately covered by policies SP42, SP43 and DP44 of the plan. These policies, as currently worded, do not provide the correct or necessary amount of flexibility or ability for this major employment site, which is located in a rural area and outside of a defined settlement, to grow, rationalise or diversify at a scale appropriate to the size of the existing development. Paragraph 8.6 of the NFNPLP states '*Given that most businesses in the National Park are relatively small, the appropriate requirements for business space are likely to be of a modest scale*'. It is a failing of the plan that it does not consider those businesses in the National Park that are not 'relatively small'.
- 2.3. In these respects, the NFNPLP directly contradicts the NPPF at paragraph 83 (1st bullet) which sets out the principle that planning policies should enable '*the sustainable growth and expansion of **all** types of business in rural areas, both through conversion of existing buildings and well-designed new buildings*'.

3. Evidence to support unsoundness

- 3.1. The Castle Malwood Depot location has a strategic importance within the National Park, and as highlighted to the Local Planning Authority consistently through the local plan preparation process, there is a realistic prospect of the site becoming surplus from the SSE portfolio in the short-term future. Yet despite this ongoing dialogue, there is no site-specific allocation within the NFNPLP of what is a large, brownfield site with significant building coverage.
- 3.2. Question 12.6 from the Inspectors asks whether the approach in Policy SP42 is justified, effective or consistent with national policy. We believe SP42 is not justified as it is unduly restrictive to a site such as the SSE depot, which in the plan period to 2036 could grow / diversify / regenerate and support the local community in a sustainable way, yet is restricted to only 'small-scale' development by SP42, with no clear definition or threshold of what 'small-scale' constitutes. This is not effective guidance when considering the necessary provision of new business and employment development within the National Park over the plan period, and national policy guidance that considers the re-use of brownfield land as a major priority for delivering new development. The plan's lack of allocation of any employment sites seems a strange approach.
- 3.3. There are sufficient policies within the NFNPLP relating to landscape and visual amenity, not least the National Park designation itself, to assist in controlling the scale of a development on an existing site to one that is appropriate to its setting. Therefore, policy SP42 that is directly related to supporting business development should clearly not restrict opportunities further with undefined parameters.
- 3.4. Equally, there may be other sites within the defined villages that are of a more substantial size than 'small-scale' which should also be allowed to expand in a sustainable, appropriate manner, sympathetic to their location and therefore re-use brownfield land, without being further restricted by the inappropriate policy wording currently within SP42.
- 3.5. Question 12.7 asks whether policies SP43, DP44 and DP45 provide clear and effective guidance on the redevelopment of existing employment sites and extensions to non-residential buildings and uses. It is our belief that these policies do not provide clear and effective guidance.
- 3.6. SP43 as currently worded states that additional uses on existing employment sites to allow for mixed use development will only be considered within the defined villages (subject to meeting three criteria). By completely disregarding existing employment sites outside of the defined villages, some of which, such as the SSE depot at Castle Malwood, are substantial in size and include a large variety of buildings and uses, the policy fails to promote mixed use, sustainable development, in direct conflict with NPPF paragraphs 91 and 118.
- 3.7. It is neither justified nor effective planning to dismiss brownfield sites outside of the defined villages from being able to accommodate other uses. The three criteria listed in policy SP43 are comfortably capable of being met by existing employment sites outside of the defined villages in a sustainable manner, so there is no reason for them to be excluded.

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- 3.8. For example, the first criterion relates to ensuring there is sufficient space on a site to retain existing floorspace and accommodate further activity. In the case of the SSE Depot, the site area is approximately 3.6 hectares, with 0.7 hectares covered by existing buildings and storage yards. Therefore 80% of the site area offers ample space to accommodate further activity whilst retaining employment floorspace.
- 3.9. The second criterion requires the same level of employment as the previous fully operational use to be retained on any intensified site, with additional space created for other uses. Whilst this seems to be a partial duplication of the first criterion, and there is no specific note on whether 'same level of employment' refers to the number of jobs or something else, a large site such as the SSE depot would comfortably be able to meet this.
- 3.10. Finally, the third criterion seeks to ensure the new use is compatible with both the retained employment uses and also any neighbours in terms of design, amenity impact and parking / traffic implications. All of these would be satisfactorily assessed in detail during any planning application and would not be a barrier to an existing employment site outside of the Defined Villages accommodating an additional use.
- 3.11. Paragraph 83 of the NPPF promotes economic growth in rural areas and states that local plans should enable *'the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings'*, there is no directive to restrict such sites that lie outside of settlements, indeed exactly the opposite.
- 3.12. It is also noticeable that paragraph 8.17 supporting policy SP43 makes no reference to an existing employment site being inside or outside the defined villages and why the latter would be inappropriate. It states that existing sites support business development to sustain the well-being of local communities, something that is equally true of sites in and out of defined villages, the latter often playing a valuable role in preventing out-commuting to jobs beyond the National Park.
- 3.13. DP44 covers the redevelopment of existing employment sites, however as our previous representations have detailed, it is considered to be too restrictive by effectively excluding any B8 uses from being part of any redevelopment. Paragraph 8.18 of the NFNPLP notes that *'a wider range of business uses than the previous use, other than storage and warehousing'* would be supported in the redevelopment of existing sites. It later states that *'general storage and warehousing would not be encouraged as this type of development does not generate significant employment opportunities relative to the space required, such development typically results in additional traffic and can have a greater impact on the landscape.'*
- 3.14. None of these statements are substantiated with any evidence and are contrary to paragraphs 83 & 104 of the NPPF, the latter requiring planning policies to support an appropriate mix of uses across an area. As currently worded, a B8 warehouse providing 10 new jobs in a 500sqm building would be discouraged, yet a B2 industrial and manufacturing facility providing 10 jobs in the same building would be encouraged. Both should be encouraged as both would provide for sustainable employment growth, on an existing site, in line with the NPPF. Our regulation 19 representations demonstrated that employment densities of B8 uses are increasing in terms of jobs per square metre and are now on a par with B1c uses. Often businesses can operate across two or three elements of the B use class category and being too

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restrictive in policy may actually drive employment opportunities elsewhere outside of the authority, contrary to NPPF guidance on sustainable growth and development.

- 3.15. Finally, policy DP49 is inconsistent with policy SP43 which is not effective. The DP49 wording seeks to protect employment uses rather than employment sites, both of which are different things. An employment site could accommodate more than one employment use, yet under the current wording of DP49 you could not re-use a building on such a site if one of those uses was to be lost, even if the site was to remain an employment site as required by policy SP43. For example, if a depot site with a B1 office building and a B8 storage shed that were operated by different occupiers, sought to re-use the B8 storage shed for B1 if it became redundant, this would be considered contrary to policy DP49, but not SP43.

4. Potential for remedy to make

4.1. The main remedy to this unsoundness would be to include a site-specific policy for the Castle Malwood depot site, as detailed in our Hearing Statement on Matter 3. However, we also recommend the changes set out below to policy wording that would allow the sustainable growth and alternative use of existing employment sites across the national park, not just those within the defined villages, in line with the NPPF.

4.2. Policy SP42 should be re-worded as follows:

SP42: Business and Employment Development

Small scale Employment development will be permitted within the four Defined Villages of Ashurst, Brockenhurst, Lyndhurst and Sway.

Outside the Defined Villages, ~~small-scale~~ employment development that helps the well-being of local communities will be permitted through the re-use or extension of existing buildings, the redevelopment of existing ~~business-use~~ employment sites, farm diversification schemes and through home-working.

4.3. The removal of 'small-scale', which is neither defined or justified in the NFNPLP, means that policy SP42 would satisfactorily cover the SSE depot site and others in the National Park, whilst removing 'business-use' adds further flexibility and allows all existing employment sites, in light of the omission of a site-specific policy for a major employment site, to be redeveloped to help the well-being of local communities.

4.4. As paragraphs 3.8 to 3.10 set out, the three criteria listed in policy SP43 give sufficient protection to existing employment land and ensure such opportunities are not lost (in light of no employment sites at all being allocated in the NFNPLP) but also allow further activity that is compatible with the current use. This would lead to sustainable development throughout the National Park, therefore it is suggested to remove the restriction of within Defined Villages at the start of the policy as set out below:

SP43: Existing employment sites

Existing employment sites will be retained throughout the National Park.

*~~Within the four Defined Villages the~~ **The** authority will retain existing employment sites and also consider additional uses on these sites to allow for mixed use development where:
(remainder of policy unchanged)*

4.5. Policy DP44 should be re-worded as per the suggestion below:

DP44: Redevelopment of Existing Employment Sites

*The redevelopment of established employment sites for **a range of employment uses** ~~industrial, office and business-uses~~ will be permitted where:'*

4.6. As highlighted in Section 3 of this response, a wide range of employment uses, including those traditionally within use class B8, can offer a variety of jobs providing sustainable growth. Local Plan

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policy for brownfield land should not restrict this, nor seek to dictate market dynamics. Existing sites located close to the highway network make efficient and logistically sound locations for B8 development.

- 4.7. Finally, Policy DP49 should be simply reworded to accurately cross reference Policy SP43 and ensure employment sites are protected rather than employment uses:

Policy DP49: Re-use of Buildings outside the Defined Villages

The re-use of buildings outside the Defined Villages will be permitted provided that:

- a) *The proposal would not result in the loss of an employment **site use** or community facility and accord with Policy SP39 and Policy SP43;*

- 4.8. This statement has demonstrated that the employment policies, as currently worded, do not offer the ability for existing employment sites to grow, expand and diversify in line with the NPPF. The range of wording changes would alleviate this unsoundness and provide a more definitive framework for all employment sites in the National Park.

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