

# **EASTBOURNE EMPLOYMENT LAND LOCAL PLAN EXAMINATION**

<http://www.eastbourne.gov.uk/ellp>

## **Inspector's Agenda with Matters, Issues, and Questions**

### **SESSION 4 – CLOSING**

#### **1. INTRODUCTION**

- 1.1 Following Sessions 1-3 in May 2016 the Inspector issued a series of Action Points (Document ID-10). This was accompanied by a letter setting out the Inspector's initial conclusions concerning the Policy EL4 Sovereign Harbour allocation (Document ID-9).
- 1.2 In response to the Action Points Eastbourne Borough Council (EBC) has submitted a response supported by further evidence and a Schedule of Proposed Modifications as follows:
- EBC-11-11 Viability of Office Development in the Town Centre
  - EBC-11-12 Eastbourne Viability Report – June 2016
  - EBC-11-13 EBC Response to the Action Points
  - EBC-11-14 Schedule of Proposed Modifications
- 1.3 In response to Action Point 9 (Qn2.2) Sovereign Harbour Ltd (SHL) has submitted 'Marketing History of Sovereign Harbour' (Document REP-12-11) together with a bundle of appendices (Document REP-12-12). EBC has responded to these submissions (Document EBC-EL-15 dated 21 June 2016).
- 1.4 Richard Maile has submitted comments on both the EBC-11-14 Schedule of Proposed Modifications and on the EBC-11-13 EBC Response to the Action Points (Document REP-09-03). Richard Maile has also submitted 'Closing Remarks' concerning his land north of Hammonds Drive which he proposes as an Alternative Development site should the Plan be found unsound without its inclusion (Document REP-09-04).
- 1.5 A number of matters and issues arise from this further evidence which require discussion. These are set out below in relation first to the relevant EELLP Policy and then to alternative proposals.
- 1.6 The Inspector has prepared comments and suggested changes to Modifications proposed by EBC. These are in a separate document.

#### **2. MAJOR VS MINOR MODIFICATIONS**

- 2.1 EBC has asked the Inspector to recommend any modifications that may be needed to make the submitted Plan sound. These would by definition be considered to be

'major modifications'. Other modifications which the Council may seek to make and that do not affect the soundness of the Plan would be 'minor modifications'.

2.2 EBC has previously submitted a Schedule of Minor Modifications (Document SD/2). Some of those modifications proposed in the recent EBC-11-14 are also minor or are only consequential upon the proposed major modifications. If would not affect soundness they should also be moved to the Schedule of Minor Modifications. EBC may wish to carry out consultation on those modifications alongside the necessary public consultation on the major modifications. However the minor modifications would not be referred to in the Inspector's report or be the subject of a recommendation.

### **3. MATTER 1 –POLICY EL1**

Issue 4A – Whether there should be consistent use of employment floorspace measurements in Policy EL1 and throughout the Plan.

3.1 The further evidence highlights an anomaly in Policy EL1. That policy sets out the overall requirement for 43,000 sqm of employment floorspace without distinction between that space which would be measured by Gross External Area and that which would be measured as Net Internal Area. Paragraph 3.10 explains that there would be a mix of both types of floorspace in this figure. This anomaly carries on throughout the plan. It is likely to create difficulties in implementing policies for mixed development and especially for Policy EL2 as proposed to be modified and monitored. It could be overcome by converting all NIA figures to GEA figures. Whilst it is appreciated that this is an inexact science, the outline Sea Change Sussex proposals for Sites 6 and 7a at Sovereign harbour are reported as being based on a 76% ratio of NIA to GEA. This is close to the SHL favoured 80% ratio, the use of which ratio would simplify the conversion exercise.

**Qn 4.1 – Should all office floorspace figures be converted from NIA to GEA in the interests of certainty and effectiveness and, if so, would a conversion ratio of 80% be appropriate?**

### **4. MATTER 2 – POLICY EL2 - INDUSTRIAL ESTATES**

4.1 EBC has proposed major modifications to clarify that the additional B Class employment floorspace to be developed on the designated estates would be counted net of any lost Class B floorspace on the same site. The modifications would also allow for 1,500 sqm (NIA) of non-ancillary B1a office floorspace to be developed on the estates.

Issue 4B – Whether the quantity of office and other employment floorspace to be provided by Policy EL2 is both clear and justified

- 4.2 The 1,500 sqm (NIA) figure would replace the floorspace which is to be removed from the Policy EL4 Sovereign Harbour allocation in order to provide 1,500 sqm of land for a community centre. However in Policy EL2 it would sit alongside an allocation for B1c and B2 Industrial and B8 Storage development that is expressed as Gross External Area. Thus the figures are not interchangeable. That could be avoided if the office allocation were converted to GEA using the 80% ratio (See Question 4.1 above).
- 4.3 The B1 office space allocation is proposed as an addition to the 20,000 sqm (GEA) Industry and Storage allocation. The EBC evidence is that a substantial proportion of that allocation has either been developed already or is committed. If this windfall development were to continue at the same average rate (which Richard Maile disputes) then the identified requirement would be exceeded. It follows that a lower rate of industrial and storage development would still allow the target figure to be achieved.

**Qn 4.2 – Do the revised figures for industrial and storage provision on the industrial estates allow for any future losses of space within those estates to non B class uses under the exceptional circumstances for which the policy allows?**

**Qn 4.3 -**

**(a) Is there any evidence of additional capacity for redevelopment on the industrial estates to absorb the additional figure for office floorspace (i.e. in addition to the unchanged allocation for industrial and storage space)?**

**(b) If not should the office allocation be converted to GEA and then subtracted from the 20,000 sqm industrial and storage allocation?**

**(c) Is there any evidence that the industrial estates could provide more office floorspace than this without harming the supply of land for industry and storage?**

Issue 4C – Consistency with National Policy – The Sequential Test

- 4.4 Policy EL2, as proposed to be modified, includes an allocation of office floorspace for these out of centre sites. It then seeks the application of a sequential test to all proposals for office development on the industrial estates, including those within the maximum floorspace allocation. The test requires that:  
*'Suitable sites for office development are not available in the Town Centre.'*
- 4.5 EBC has submitted separate evidence to the effect that new office development in the town centre is only likely to be viable as part of a mixed use development. The Town Centre Plan only identifies sites for mixed use which may include office

development. The latest evidence suggests that this is only likely to come forward on one site (Development Opportunity Site 2).

4.6 No sequential test is proposed by Policy EL4 for the Sovereign Harbour site.

**Qn 4.4 In Policy EL2 is the sequential test still needed for out of centre office development that is allocated in the plan and when there has already been evidence as to the limited availability and deliverability of town centre sites?**

Issue 4D – Effectiveness and Justification of Policy EL2 Criteria

4.7 Policy EL2 allows for the redevelopment of class B floorspace for an alternative use subject to 3 criteria:

- *'The proposed alternative use is an employment generating use that cannot be located elsewhere due to its un-neighbourliness; or*
- *The loss of the site would not impact upon the long term supply of the employment land in terms of quality and quantity; and*
- *The site does not meet the current or long term needs of modern business, and could not be upgraded to do so'.*

**Qn 4.5 – As any loss of a site would have some impact on at least the quantity of supply of employment land, how would the second bullet point be tested and does it provide adequate certainty?**

**Qn 4.6 – Does the 3rd bullet point apply to the circumstances of both of the other criteria or only to the second criterion?**

4.8 Policy EL2 includes a criterion for changes of use to non class B use which differs from that for redevelopment. It states: *'Within the designated Industrial Estates, change of use of units in class B use to other employment generating non B-class uses may be granted where it can be demonstrated to the satisfaction of the Council that there is no reasonable prospect of the site continuing to be used for class B use'.*

**Qn 4.7 – Is there a justification for having 2 different tests?**

## **5. MATTER 3 - POLICY EL3 – TOWN CENTRE**

Issue 4E – Viability and Deliverability of Policy EL3

5.1 Following the further evidence on viability, EBC has withdrawn a proposed amendment to increase the Policy EL3 B1a floorspace allocation from 3,000 sqm NIA to 4,500 sqm (NIA). At a ratio of 80% 3,000sqm (NIA) equates to 3,750 sqm (GEA). (See Qn 4.1 above in relation to the use of GEA/NIA figures).

5.2 The reworded modification proposes that this office floorspace is provided only on Development Opportunity Site 2 (adjacent to Eastbourne Station). No office requirement is now proposed by EBC on DO site 3 which would be deleted from the EELLP. The submitted viability evidence did not test office development on DO Site 3 but did test a combined retail and residential scheme on that site which was assessed as viable.

**Qn 4.8 – Would EBC clarify why DO site 3 is proposed to be removed from the allocation?**

**Qn 4.9 – If the allocation is to be on Site 2 alone then should the wording be simplified and would the use of the word 'shall' in place of 'should' provide greater certainty?**

5.3 Paragraph 4.27 is proposed to be amended such that a viability assessment would be required.

**Qn 4.10 Would a viability assessment only be needed in circumstances where the amount of office floorspace and/or affordable housing proposed is less than that sought by the relevant policies and, if so, should the wording be amended to reflect that?**

5.4 SHL claims that the parking provision assumed on Site 2 in the mixed development would be excessive as it would exceed the current number of public spaces at the station.

**Qn 4.11 Is SHL correct and, if so, would the extra spaces be part of the return to Network Rail the landowner or are they needed to serve other development on the site?**

## **6. MATTER 4 - POLICY EL4 – SOVEREIGN HARBOUR**

Issue 4F – Effectiveness of Policy EL4 and its Explanatory Text

6.1 EBC proposes modifications which would amend the floorspace figures to reflect the inclusion of a community centre on Site 7a and which remove reference to Site 4. The wording would also clarify that Site 6 is suitable for all types of B1 development (potentially including B1c) whilst site 7a would only be suitable for B1a and B1b. (The potential mix of B1a and B1c floorspace creates the same difficulties with the use of NIA/GEA figures as highlighted above in Qn 4.1).

**Qn 4.12 Does the proposed modification of paragraph 4.45 in relation to shared parking provision for the community centre imply that it will not be used during office hours and should it be amended to the effect that**

**peak use of the community centre is expected to occur outside office hours?**

**Qn 4.13 As the EL4 site is out of centre but not out of town should the proposed modification of paragraph 4.46 instead refer to A1, A3 and A5 uses as not being acceptable outside the defined Sovereign Harbour District Centre (which already provides such facilities for the neighbourhood)?**

Issue 4G - Viability and Deliverability of Policy EL4

- 6.2 Paragraph 173 of the National Planning Policy Framework amongst other things requires careful attention to viability and costs in plan making and that Plans should be deliverable.
- 6.3 SHL has submitted further evidence in support of their previously-stated position that B1a/b development at Sovereign Harbour is not viable for a commercial developer. However SHL has previously sought and obtained outline planning permission for B1 development on Sites 6 and 7a which remains extant. The permission allows 10 years for the submission of reserved matters.
- 6.4 Attention has previously been drawn to the current commercial development of office space at another out of town site at Chaucer Business Park, including a major named occupier who had previously been considering locating at Sovereign Harbour.
- 6.5 Pacific House has been developed on Site 6 for B1a/b/c use by Sea Change Sussex as a non-commercial developer who has declared an intention to carry out further B1 development here. SHL disputes that a non-commercial developer would be able to fund further development.
- 6.6 SHL has submitted evidence as to the marketing history of their employment land. EBC criticises this for a lack of detail and points to recent marketing of Pacific House.
- 6.7 SHL is seeking the modification of Policy EL4 to allow for any employment generating development compatible with residential development and including that for Use Classes C1 (Hotels and Hostels), C2 (Residential Institutions) and D1 (Non Residential Institutions). These proposed uses are not supported by viability evidence or sustainability appraisal and have not previously been subject to public consultation. The recent Eastbourne Viability Report for EBC included an assessment of the hotel market which concluded that with 53 hotels, 3,047 rooms and intense competition there is a lack of demand for additional hotel provision in Eastbourne. Hotels are defined in the National Planning Policy Framework as a main town centre use that should be subject to the sequential test

6.8 SHL maintains that the employment provision exceeds requirements. EBC and the adjacent Wealden District Council have yet to assess the employment needs for the emerging Eastbourne Local Plan and the Wealden Local Plan. Other than the sites identified in the EELLP there is limited availability of potential employment sites in Eastbourne. The Local Development Scheme provides that the draft Eastbourne Local Plan will be published for consultation in the first half of 2017.

**Qn 4.14 – Will the employment needs of Eastbourne and the associated need for sites beyond the EELP period necessarily be reviewed for the Local Plan and when will that occur?**

**Qn 4.15 – Would the Local Plan provide an opportunity to consider alternative employment generating land uses (including viability and sustainability appraisal) should the assessment of employment land requirements confirm an oversupply of B1 land?**

**Qn 4.16 – If the Site 7a allocation were to be deleted from the EELLP, what Core Strategy policies, other policies or the S106 provisions would still apply to development there?**

Issue 4H – Whether the Sovereign Harbour Site is Brownfield or Greenfield for the purposes of National Policy

6.9 EBC has submitted evidence as to the history of the Sovereign Harbour sites 6 and 7a in support of its view that the site qualifies as brownfield previously developed land. Maps show some evidence of previous works in this area associated with gravel extraction. However some evidence is missing such that whilst it appears it was used as mineral workings it is not certain on what basis it was restored to its present condition. Even were it concluded that the site qualified as greenfield, then it would only have the same status as Mr Maile's alternative site.

## **7. MATTER 7 – ALTERNATIVE SITES**

Issue 4I – Whether the Allocation of the Land North of Hammonds Drive for Employment Use is Necessary for the Plan to be Sound

7.1 The Inspector's role is to consider whether the submitted plan is sound. EBC has asked that he recommend modifications in the event that he concludes that the plan is not sound and would require modification to make it so. It follows that it is unnecessary to consider alternative proposals unless the Inspector first concludes that the plan and its policies are not sound. Those matters are considered above.

7.2 EBC has submitted evidence that Mr Maile's site has been part of Eastbourne Park for the purposes of the development plan since the adoption of the Eastbourne

Park District Plan in 1990 and that it remains so in spite of subsequent boundary changes elsewhere. The District Plan long postdates the Eastbourne Urban Plan on which Mr Maile relies and which in any event was not adopted as part of the development plan. That the site previously included a road proposal did not prevent its inclusion in the Park. The Park also contained several other road proposals including the new A22.

7.3 Mr Maile queries whether the various allocations in the EELLP are deliverable. That is addressed elsewhere above. There is some uncertainty. Should sites not come forward as anticipated the emerging Eastbourne Local Plan would provide an opportunity for review. Should EBC conclude that there is a need for additional development to meet identified needs (not only for employment) EBC would need to weigh those needs with the constraints that may apply to potential development sites.

7.4 Mr Maile points out that the EELLP does not make provision for all types of employment use. One example would be sui generis uses such as car dealers for which Mr Maile claims that there is a demand. EBC does not consider such development essential or to outweigh the protection from such built development that the Eastbourne Park policy affords.

**Qn 4.17 – Would the emerging Eastbourne Local Plan be the appropriate process for assessing all development needs and, where relevant, the policy for Eastbourne Park?**

## **8. NEXT STEPS**

- Finalise Proposed Main Modifications
- Revised Sustainability Appraisal
- Public Consultation
- Draft Report for Fact Check
- Report Submission