

**EELLP - EIP Hearing Statement**  
**Session 1b, Matter 4**  
**Monitoring and Review**

**On Behalf of:**  
**Sovereign Harbour Ltd**

**Date: 28 April 2016**

## **Session 1b, Matter 4 – Monitoring and Review**

### **Issue 1F – Whether the proposed monitoring and review arrangements would be effective**

#### **Qu 1.31 Should the target be quantified?**

- 1.1 We have objected to the draft Plan on the basis that the monitoring and review requirements must be amended to reflect our proposed allocations. We have also stated that a trigger needs to be set for when Article 4 directions might be introduced.
- 1.2 The targets should therefore be quantified as at Table 4 of the ELLP but amended.

#### **Qu 1.32 As the policy includes a 43,000sq.m. floorspace target should the relevant target relate to floorspace rather than employment land?**

- 1.3 Yes

#### **Qu 1.33 Given that the ELLP target relates to the whole Plan period should there be an interim target for monitoring purposes?**

- 1.4 EBC officers in their Update on Housing Delivery paper 2 February 2016 refers to consideration being given to a review and preparation of a new Local Plan to replace the Core Strategy. The Council's 19 April 2016 update does not update or repeat this proposal (**Annex 1 to Session 1b-Matter3**).
- 1.5 No interim target for SH allocations is appropriate.
- The SH sites have been available for a substantial time and have been openly available and promoted.
  - The existing CSLP February 2013 was adopted on the basis that the Plan Inspector advised that the ELLP must be adopted in 2014. The ELLP should therefore have been adopted by December 2014. EBC is substantially late in delivering this in view of the difficulties it has had in responding to ongoing concerns about the justification and soundness of the draft Plan.
  - EBC's own reviews and reviews by others have consistently appraised the SH as unviable for more than 15,000sq.m. of B1 space with support being required.
  - The evidence from Pacific House is that this has required support and has not resulted in a rush of take-up even within a market that is in a relative up-turn and where the local office market has otherwise been largely defined by (1) losses in poor quality / redundant office stock, (2) take-up north of Eastbourne and (3) continued interest in Eastbourne town centre.
  - Only the allocation of Site 6 for a minimum of 11,100sq.m. NIA (as set out in the outline permission) and up to 15,000sq.m. GEA (as applied for and referenced in the approved outline parameter plan for the site) is supportable; based on the number of jobs this will accommodate, the very substantial

share of all forecast new Class B jobs this will represent and the significant public support committed to this peripheral location.

*15,000sq.m. GEA translates as 11,250 sq.m. to 12,000sq.m..m. NIA based on conversions rates as confirmed by the Employment Density Guide, 3<sup>rd</sup> Edition November 2015).<sup>1</sup>*

- 1.6 No interim review of SH allocations Sites 4 and 7a can therefore be justified in particular given central government's further steer that employment sites must not be land-banked indefinitely.

**Qu 1.34 Is the 20,000sq.m. target within Policy EL2 a net or gross figure?**

- 1.7 For EBC to confirm.

- 1.8 Policy EL2 refers to this being 20,000sq.m. GEA. It is derived from

- EELP Table 2 that identifies a total B1c/B8 requirement of 18,806sq.m. (GEA based on para 2.32)
- and para 2.28 which states that a 6% headroom should be added to this
- so equating to 19,934sq.m. GEA including new space, allowance for windfall losses, allowance for churn and headroom.

**Qu 1.35 Should the monitoring framework target include all Class B floorspace?**

- 1.9 For EBC to comment.

**Qu 1.36 Should there be an interim target which would trigger review before the end of the Plan period?**

- 1.10 See response to Qu 1.33 above.

- 1.11 No interim target or review is appropriate for SH.

- 1.12 Site 6 is committed to the provision of Class B1 space. It will accommodate a significant number of Class B jobs especially if EBC requires it to be developed as efficiently as possible. It represents a significant and long term commitment.

- 1.13 Sites 4 and 7a are not required to meet new Class B jobs forecasts or established take-up rates.

- 1.14 These sites have already been available and marketed for a significant time by a landowner / developer who

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<sup>1</sup> Employment Density Guide 2015 para 2.10 to 2.12 sets out conversion ratios for GIA to NIA and GIA to GEA floorspace. This translates as between 20% to 25% for conversions from GEA to NIA floorspace.

- is experienced at the local as well as at the national level in delivering major regeneration schemes, including in public-private partnerships;
  - created the Harbour, provided its infrastructure and has dedicated significant time in seeking out potential users.
- 1.15 Any marketing campaigns from genuine occupiers have only resulted in interest from non Class B uses (e.g. hotel, pub-restaurant, extra care housing and retail uses).
- 1.16 Further setting aside of Sites 4 and 7a up to a further review or trigger point will not alter this. There is no assessed need or market evidence to justify this.

**Qu 1.37 Should there be an interim target for provision of floorspace?**

- 1.17 See responses to Qu 1.33 and Qu 1.37.
- 1.18 SeaChange and EBC are committed to Site 6 remaining for B1 use, an interim target for that site would provide an impetus for its promoters to ensure delivery is worked towards.
- 1.19 An interim target for Site 4 and 7a is not appropriate as these are not required to meet jobs targets or demand trends..
- 1.20 Site 7a has already been available for a substantial time and its further setting aside for B1 use cannot be justified.

**Qu 1.38 Does the target need clarification as to whether it is a net or a gross figure?**

- 1.21 Space delivery figures through the AMRs will be able to take into account new space and any lost space to arrive at a net additional space figures. This can be compared with the EELLP Table 2.
- 1.22 EBC has defined its space requirements based on job creation and assumed employment densities.
- 1.23 This means the EELLP defines office space as NIA and other Class B space as GEA.
- 1.24 This is unhelpful. GEA is generally used for plan purpose.
- 1.25 It will be difficult for developers to specify NIA space for speculative shell and core and outline scheme proposals and this will not make EBC's monitoring of delivery straightforward. Developers will only be able to declare to EBC the meaningful figures that are available to them and EBC will need to use and apply these as appropriate if the ELLP continues to define office space as NIA.

**Qu 1.39 Should the target apply to the town centre as a whole or specifically to the 2 allocated sites?**

- 1.26 Targets applied to Sites 2/3 will provide clear directions to developers and control for EBC to help ensure delivery.

- 1.27 Any site specific target however should not suggest other office proposals are not supported or are not considered a priority including as part of larger mixed use scheme where cross-subsidy can provide direct support for new office space.

**Qu 1.40 As the loss of office stock both within and outside the town centre already exceeds the predicted losses assumed in the assessment of needs, and the permitted development rights for change of use have been made permanent, should consideration be given now to the introduction of an Article 4 direction?**

- 1.28 As indicated in EBC's response on the Duty to Co-Operate, 15 April 2016, a significant share of the office space lost under permitted development rights relate to redundant sites and sites peripheral to the town centre.
- 1.29 EBC has identified a reduction in prior approval notifications being submitted and has suggested that this indicates that office space that is going to be lost has largely already been suggest to proposals.
- 1.30 The effect of PDRs must however still be monitored and an indication given as to what level of loss of higher quality / non redundant space will be tolerated before Article 4s are considered.
- 1.31 The monitoring of space should take into account location, quality / occupation details as well as simple quantitative summaries of floorspace.

**Qu 1.41 For the same reason, should consideration be given now to increasing the amount of office floorspace to be provided in the town centre?**

- 1.32 As EBC in their letter of 15 April 2016 state ' Demand for office space is generally stronger within core town centre locations and therefore it is important that meeting demand provides choice for occupiers rather than just providing direct replacements within non-core town centre locations.'
- 1.33 The office space requirement for the town centre must be increased to the minimum requirement of 8,900 sq.m. NIA for the reasons set out in our previous representations – i.e. in the interest of providing high quality space in the most sustainable, best connected location and in order to ensure a selection and choice of new Grade A accommodation is provided and enhanced within the town centre and not focused in one peripheral location.

**Qu 1.42 If not, should the EELLP specify a level of loss which would trigger such consideration or review and, if so, what should that be?**

- 1.34 It would be helpful if the EELLP did specify when an Article 4 direction should be considered. This should be based on the loss of quality, occupied space.

**Qu 1.43 The Government has recently consulted (December 2015-February 2015) upon possible changes to the NPPF in respect of the long term protection of land for employment use. If carried forward into new policy that implications would that have for the Sovereign Harbour site in particular?**

- 1.35 The consultation paper highlights that the NPPF para 22 already makes clear that where there is no reasonable prospect of land allocated for employment uses in the Local Plan coming into use, such land should not be subject to long term protection.
- 1.36 The paper has consulted on the proposal to amend this to make clear that central government wants to ensure that unviable and underused employment land should be released under the exception site policy for starter homes and that such sites should be released **unless there is significant and compelling evidence to justify why such land should be retained for employment use. At a minimum, this would include an up to date needs assessment and significant additional evidence of market demand.** As set out in Planning Practice Guidance appropriate consideration should also be given to trends in land values for commercial and employment uses, against land values for other uses including residential.
- 1.37 SH Sites 6 and 7 have been set aside for Class B employment use for a significant time. Site 6 was proposed for a B&Q store but that was refused. Beyond this Site 6 has been acquired with public funding / loan support in order to progress this for Class B1 space. There has not been a rush in take-up of Pacific House or a rush to progress the next phases of the site to ensure supply is kept on stream.
- 1.38 Part of Site 7 has been allowed to be released for residential and linked public open space use along with two other sites at the Harbour in order to provide a total of 150 new full market homes in order to provide linked open space and a community and fund associated county council led community services (primary education and library services).
- 1.39 EBC's jobs forecasts and market evidence does not support retaining Site 7a for further Class B1 space.
- 1.40 Site 4 at SH is only appropriate for upper floor smaller office suites similar to that provided at The Waterfront in Sovereign Harbour where units have started to take significantly longer to be taken-up where in the past they have been quickly let. The presence of suites at The Waterfront and commitments to delivering space at Site 6 counts against office schemes on Site 4.
- 1.41 Take-up within the town centre is continuing to follow general trends, which is reflective of the size and nature of the market.
- 1.42 EBC's assessed needs assessment and market evidence do not therefore support the land banking of Site 7a for office use and the setting aside of Site 4 for small office suites.
- 1.43 In view of the local Harbour community priorities for more employment to be provided and EBC's resulting policy responses to this, SHL is content to market Sites 4 and 7a widely for employment bases used. Marketing of the sites has only ever resulted in interest from non Class B operators such as hotels, pub restaurants and extra care community operations. Such uses will be able to provide a wider range of jobs and support the office campus on Site 6. Any other local priority uses can also be reviewed as appropriate.