

## **Guidance Note on the implementation of Placemaking Plan Policy ED2B. January 2020**

### **Introduction**

This note is intended to provide Development Management and applicants with a guide to the factors that contribute to 'strong economic reasons' for refusal of planning applications as set out in B&NES Placemaking Plan Policy ED2B.

### **Policy Context**

Planning applications that seek the change of use of and/or demolition of industrial premises within B&NES that are not identified in the Placemaking Plan under Policy ED2A as 'strategic or other primary industrial estates' are determined against Policy ED2B. The non-strategic sites that fall within the scope of Policy ED2B (set out below) are not offered the same level of protection as the strategic sites defined under Policy ED2A.

### **POLICY ED2B: Non-strategic Industrial Premises**

1 Proposals for the uses listed in ED2A will be acceptable in-principle at sites already occupied by smaller clusters and stand-alone industrial premises provided that this would not cause unacceptable environmental, residential amenity or highways problems.

2 Non-strategic sites are not afforded the same level of protection for industrial and warehousing (B1c, B2 & B8) uses as those listed in ED2A. Applications for residential development or others uses will normally be approved unless there is a strong economic reason why this would be inappropriate. Evidence of unsuccessful marketing on reasonable terms for 12 months prior to an application and during a sustained period of UK economic growth will be taken as evidence that there is not a strong economic reason for refusal.

The context for considering whether there is a strong economic reason for refusing an application for residential development or other uses is provided by the overall Development Plan strategy for economic development and specifically industrial uses and delivery progress against the strategy and the floorspace indicators set out in strategic policies.

B&NES Core Strategy Objective 3 ‘Encourage(s) economic development, diversification and prosperity’ by ‘maintaining an appropriate supply of land in Bath for industrial processes and services to ensure the city retains a mixed economy’.

This objective is delivered through a number of strategic policies. Core Strategy policy DW1 seeks a net increase of 10,300 jobs across the District as a whole to 2029. The Strategy takes into account the changing nature of employment by seeking an increase in office floorspace and a managed net decrease of 46,100sqm in industrial floorspace across B&NES. The overall B&NES managed net decrease is split spatially across the District and is set out in strategic Policies B1, KE1 and SV1. These policies facilitate a managed reduction in industrial floorspace as set out in Table 1 below. The Placemaking Plan also allocates some specific industrial sites for other uses.

**Table 1: Strategic Policy managed changes in industrial floorspace**

	2011	2029	Balance
Bath (B1)	167,000 sqm	127,000 sqm	-40,000 sqm
Keynsham (KE1)	52,000 sqm	60,300 sqm	+8,300 sqm
Somer Valley (SV1)	126,400 sqm	112,000 sqm	-14,400 sqm
<b>Total</b>			<b>-46,100 sqm</b>

In the rural areas there is no target for gains or losses of employment space.

Policy ED2B does not mean that all proposals resulting in a loss of industrial floor space will be supported in principle. Consideration of whether strong economic reasons exist that warrant refusal of an application resulting in the loss of industrial floorspace will be undertaken within the context of the extent of positive and negative progress being made in achieving the managed reduction in floorspace on the scale sought by Core Strategy Policy B1 and SV1 and using the criteria set out below.

Table 2 below summarises the gains and losses in industrial floorspace since the start of the plan period in 2011. This information is taken from monitoring records also reported in the Industrial Dashboard and Authority’s Monitoring Report(AMR) and updated annually.

**Table 2: The losses and gains in industrial floorspace from 2011 to 31<sup>st</sup> March 2019.**

	Gain	Loss	Balance
Bath	1,056 sqm	-45,297 sqm	-44,241 sqm
Keynsham	432 sqm	-36,405 sqm	-35,973 sqm
Somer Valley	3,583 sqm	-9,372 sqm	-5,789 sqm
Rural	3,253 sqm	-4,655 sqm	-1,402 sqm
<b>Total</b>			<b>-87,405 sqm</b>

## **Bath**

To achieve employment targets set out in Core Strategy Policy B1 an increase of approximately 6% per annum needs to be maintained to deliver 7,000 net new jobs by 2029. However, to date jobs growth in the City has been very slow and a net increase of 750 jobs gained in the city between 2011 – 2018 (Inter Departmental Business Register IDBR data), instead of the 1,750 necessary to meet the Core Strategy growth target.

Since 2011 over net 44,241 sqm of industrial space has already been lost and a loss of a further 492 sqm of space has planning permission, plus an additional 15,648 sqm is expected to be lost through the Placemaking Plan allocations. The total loss of industrial floorspace is therefore 60,381 sqm. This is significantly in excess of the 40,000 sqm of managed reduction by 2029 set out in Policy B1.

## **Keynsham**

Core Strategy Policy KE1 plans for approximately 1,600 net additional jobs between 2011 and 2029. IDBR data shows that Keynsham has achieved 119 jobs growth between 2011 – 2018, below the 400 required to meet the Core Strategy growth target.

Policy KE1 facilitates the supply of industrial/warehouse floorspace to change from about 52,000 sqm in 2011 to 60,300 sqm in 2029 resulting in a net increase of 8,300 sqm. The monitoring shows a net loss of 35,480 sqm of industrial space between 2011 & 2019 and a further 367 sqm of space is expected to be lost with extant planning permissions. Even though 30,000 sqm of new employment floorspace is sought at the East Keynsham strategic site allocation (Policy KE3a), overall delivery would still fall short of meeting the required increase in industrial space.

## **Somer Valley**

Core Strategy Policy SV1 plans for around 900 net additional jobs between 2011 and 2029. IDBR data shows that the Somer Valley has achieved 198 additional jobs between 2011 – 2018, which is slightly lower than the 225 jobs required to meet the Core Strategy growth target.

Policy SV1 facilitates a managed reduction of industrial floorspace from 126,400 sqm in 2011 to 112,000sqm in 2029, resulting in a net managed loss of 14,400sqm. Since 2011 over net 5,789 sqm of industrial space has been lost between 2011 and 2019 and a further 17,663 sqm of space is expected to be lost with extant planning permissions, totalling 23,452 sqm loss. This is significantly greater than the managed reduction planned for through Policy SV1. However, the Old Mills employment allocation (SV9) is expected to deliver 48,000 sqm and this further facilitated through designation of the Somer Valley Enterprise Zone.

## **Defining a Strong Economic Case**

Each application falling within the scope of Placemaking Plan Policy ED2B will be considered on its merits. The following criteria, related to B&NES Core Strategy Objective 3, Policy DW1 and Placemaking Plan policies B1, K1 and SV1, will be used to determine whether strong economic reasons exist warranting refusal of the application.

- Progress against the area specific managed changes in industrial floorspace stated in the Core Strategy (see above)
- Employment & Business Sectoral Growth – growth in business and employment sectors that do or could occupy the site in question.
- Present use - Is the site presently in occupation and how many people are employed there?
- Suitability/ viability – if the site is not currently occupied whether it is in a condition and location that it can viably continue as an industrial employment site
- Demand – if the site is vacant is there any information on the level of commercial demand for the site, this is defined by evidence of marketing on reasonable terms for 12 months prior to an application and the interest from the market.

Evidence of unsuccessful marketing on reasonable terms for 12 months prior to an application and during a sustained period of UK economic growth will be taken as evidence that there is not a strong economic reason for refusal.

A sustained period of UK economic growth is defined as the UK economy being in a steady state and not in a recession as defined by the Bank of England.

## **Monitoring**

The gains and losses of industrial floorspace will be published annually through the AMR. Applicants should refer to the latest published information.