

Guildford Local Plan Examination Matters and Issues Statement

Our ref 13719/SB/CG-J/JHy
Date May 2018
From Lichfields on behalf of Cassidy Slyfield Ltd and Mr and Mrs Mostyn

Subject **Written Hearing Statement on Issues 7.1, 9.1 & 9.3**

1.0 Matter 7 Meeting Employment Needs

Issue 7.1- Does the Plan provide for an appropriate amount of land and floorspace for business purposes, and is the plan effective in its approach to new employment development?

- 1.1 Lichfields is acknowledged as one of the market leaders in the field of preparing and assessing employment land needs across the UK, and is engaged in some capacity with many local authorities. The Lichfields economics team has reviewed the Submission Local Plan, Employment Land Needs Assessment (ELNA) (2017) (GBC-LPSS-SD-007) and Employment Topic Paper (December 2017) (SD-TP-005) to answer the question whether the Plan does make the appropriate provision of business floorspace and land from 2016-2034, plus if the Plan is effective in planning for new employment development.
- 1.2 We deal with the question by analysing it in two parts. Firstly, we consider whether the Submission Local Plan does include an appropriate amount of business land and floorspace, and then tackle the second component of the question on whether the Plan is effective in its approach in planning for new employment development. Both parts of the analysis are informed by our detailed critique of the Council's 2017 ELNA (in **Appendix A** to this WHS).

Providing an Appropriate Amount of Land and Floorspace

- 1.3 Local Plan Policy E1 allocates just 3.7-4.1ha of industrial land for the 2016-2034 period, based on the forecast from the 2017 ELNA. To test the robustness of the forecast we have reviewed how this forecast compares to the Council's previous evidence base documentation; the process and inputs and assumptions of the ELNA's forecast method; and completed a forecast sensitivity test. Our findings (**Appendix A**) bring into question whether the ELNA is a robust and sound document that the Council can rely on to justify allocating floorspace and land over the Submission Local Plan period.
- 1.4 Our findings are as follows:
- Past Trends analysis- the industrial land forecast from the 2017 ELNA pales in comparison to previous forecasts produced by and for the Council (as outlined in Employment Topic Paper Table 1), indicating the new forecast is not positive about supporting future growth.
 - ELNA forecast methodology review- the forecast does not include labour supply and past-take-up forecast scenarios, which the PPG specifies plan makers should consider. The forecast method relies on a number of outdated information sources and makes dubious use

of past trends analysis to inform its forecast, which decreases the future compound aggregate growth rate (CAGR) of floorspace change in Guildford by a factor of 2.5. It also makes incorrect assumptions about the base stock of industrial employment land and floorspace in the Borough.

- Demand sensitivity testing- our demand sensitivity test resulted in a net industrial land requirement of between 6.8ha and 7.8ha. This was done by adjusting a few inputs and assumptions including removing the dubious application of past trends. It does not represent the actual requirement for Guildford and instead highlights the high sensitivity and how flaws in the ELNA's demand forecast method can significantly affect the end result.

1.5 We also found that the ELNA is opaque on many of the assumptions used in its forecast process; therefore, the possibility of additional critique and sensitivity testing is limited. To rely on this document to justify the area of land allocated in Policy E1 is highly questionable and not compliant with the PPG given the lack of labour supply and past take-up scenarios.

Planning Effectively for New Employment Development

1.6 Our review of the Submission Local Plan and 2016 ELNA has revealed several factors that undermine the basis of the Plan being effective for planning new employment development.

1.7 Firstly, the Local Plan is reliant on meeting the need by protecting all strategic employment sites and using new allocations for new industrial employment development. This is not a realistic approach as it relies on planning policy protecting strategic employment sites against market forces for 18 years. Over the long 18 years it is likely some areas of existing industrial sites will be lost due to factors such as the significant demand for housing in the Borough and therefore to truly enable new industrial employment development, rather than treading water, the Borough will need to have additional land on tap to meet the gap in supply that will not be met through the amount of land allocated currently.

1.8 In addition to this point, due to how the ELNA forecasts demand (as highlighted in **Appendix A**), no adjustment is made in the forecasts to consider how much of new industrial sites and developments will be taken up by non-industrial uses such as offices and non-B uses. As the area of industrial land allocated in Policy E1 is based directly on the ELNA, the Submission Local Plan does not make any allowance for this to happen within its new allocations. This means that the development of new industrial employment opportunities will be constrained by the Submission Local Plan.

1.9 These two points bring into question whether the Submission Local Plan has an effective approach for planning for new industrial employment opportunities and whether it is planning positively for economic development in the future. The potential impact of a lack of land could have a significant impact on the ability for new industrial employers to come to Guildford and for existing industrial businesses to expand, hurting the Borough's economy over the Submission Local Plan period.

Tests of Soundness

1.10 Following our review of whether the Submission Local Plan provides enough land and floorspace for business and has an effective approach in planning for new employment development, we have considered below whether the Plan is sound against the four tests on these points:

- 1 **Prepared positively- no.** The Plan allocates an area of industrial land significantly lower than previous forecasts.
- 2 **Justified- no.** The forecasting methodology of the 2017 ELNA contains a number of issues and is opaque on other parts. The plan also does not consider how much land will be required to develop new industrial employment opportunities if existing sites are lost and if proportions of new developments go to non-industrial uses.
- 3 **Effective- no.** The area of industrial land allocated will constrain growth.
- 4 **Consistent with national policy- no.** The Submission Local Plan's industrial land allocation is based on a forecast that does not consider other scenarios, which the PPG outlines should be considered by plan makers when identifying need for employment land.

2.0 Matter 9- Spatial Strategy, Green Belt and Countryside Protection

Issue 9.1- Is the spatial strategy as set out in the preamble to Policy S2 sufficient to explain the plan's approach to the overall distribution of development and guide future development during the plan period?

- 2.1 GBC's spatial strategy in S2 focuses growth to the most sustainable locations. It starts with Guildford Town Centre and urban areas, but is not explicit as to whether a sequential approach has been applied to the settlement hierarchy. It goes on to recognise that the most sustainable locations are unable to accommodate all of the new development needed over the plan period and proposes releasing allocated land for development in other areas (CD-001a 4.1.9).
- 2.2 There is also limited explanation as to how the plan's approach has been applied in practice, by reference to the evidence based assessments of different development needs and including the Green Belt and Countryside Study. Such an explanation would help demonstrate how the plan's approach has been adopted in practice, whether there is any difference in the application of that approach for different land uses and to guide future unplanned development.
- 2.3 In respect of economic growth, the NPPF (para 21) requires that, in drawing up Local Plans, local planning authorities should "*set out a clear economic vision and strategy for the area which positively and proactively encourage sustainable economic growth*". To ensure that the spatial strategy in the preamble is consistent with the NPPF (para 21), the preamble should make clear that urban extensions to Guildford (including expansion of existing industrial estates in Guildford), should be sequentially preferable to land in the countryside beyond the Green Belt. This would be consistent with GBC's preference "*...to focus growth in the most sustainable locations*" (CD-001a 4.1.6).
- 2.4 The result would be a Guildford Local Plan ('GLP') spatial strategy which is **better justified, more effective and more consistent with the NPPF.**

Issue 9.3- Are the proposed new business land and floorspace allocations in the right strategic locations? Relevant aspects are:

- **The spatial location of existing and future needs**
- **Movement patterns**
- **Green Belt and landscape impact**
- **Infrastructure provision and constraints.**

- 2.5 **No, the business land and floorspace allocations are not in the right strategic locations.** This is primarily because the 4ha of Land North of Slyfield Industrial Estate (SIE), owned by Cassidy Slyfield Ltd and Mr & Mrs Mostyn (North Slyfield Site), should be removed from the Green Belt and allocated for employment development, as was originally proposed by GBC in the former site allocation 63 in the consultation draft Local Plan (July 2014).
- 2.6 Our rationale for this employment development allocation within Classes B1c, B2 and B8, and why we find GBC's exclusion of this Site to be unsound, is fully set out in our representations to Guildford Proposed Submission Local Plan (June 2016) Regulation 19 Consultation: Letter dated 18 July 2016 and accompanying 8 annexes (all reproduced as **Appendix B** to this WHS, for convenience).
- 2.7 In summary, our reasons then remain extant now, these being:
- 1 There is a quantitative need to allocate additional employment land in the Borough, to a greater extent than GBC forecast as necessary (WHS **Appendices A, and B** pp 4-6).
 - 2 There is a qualitative need to provide additional employment land adjacent to the SIE, Guildford's premier industrial / warehousing location (Appendix B pp 6-7).
 - 3 The North Slyfield Site would be more easily delivered than the other employment allocations (Appendix B pp 7-8)
 - 4 The allocation of this Site would positively support other Council spatial strategies (Appendix B p8).
 - 5 Its development would not harm the Green Belt or landscape (Appendix B pp 9-11).
 - 6 The North Slyfield Site is preferable compared to the employment allocations in the Submission Local Plan (Appendix B pp 11-15).
- 2.8 Furthermore, the proposed allocation of the North Slyfield Site for employment purposes did not arouse a significant degree of opposition from the general public or other stakeholders (WHS **Appendix B** pp 15-16).
- 2.9 GBC explains the history of the changes in the proposed allocations for B1c, B2 & B8 development outside Send, on land around the Burnt Common warehouse (SA A58) and the nearby Garlick's Arch site, and why the North Slyfield Site was rejected (in the ETP, SD-TP-005, pp 23-28) - the location of these three sites is also shown on **Figure 1** (in WHS **Appendix C**).
- 2.10 That rejection is due to GBC's view that:
- 1 the site lies within a high sensitivity Green Belt parcel of land; and that
 - 2 the reduced employment need is proposed to be met on other sites (with less Green Belt sensitivity), principally on land around the Burnt Common warehouse.
- 2.11 The GBC commentary in the ETP (SD-TP-005, pp 27-28) fails to address the evidence and commentary we put to GBC on both these and other matters in our GLP 2016 representation (**Appendix B**) and our 24 July 2017 representation on the second Regulation 19 consultation, some of which we refer to below in commenting on the relevant aspects raised by the Inspector.
- The spatial location of existing and future needs**
- 2.12 There is presently a lack of grade A industrial and storage space available in Guildford and the current supply is not meeting demand (ETP paras 4.85 & 86). The 3.7-4.1ha of industrial, warehousing and storage floorspace (B1c, B2 and B8) identified to be delivered over the plan

period is not based on adequate, up-to-date and relevant evidence (as detailed in our WHS on **Issue 7.1** above).

- 2.13 In addition to the quantitative case, there is a clear qualitative need for expanding the Slyfield Industrial Estate (SIE), GBC's premier industrial estate, which has not been addressed in the GLP. The Guildford Business Survey informing both the 2015 and 2017 ELNA (SD-007, para 5.5.4) indicated that around one-third of businesses surveyed in the Borough were actively considering relocating, mostly within the Borough. Of particular note from this survey was the desire of businesses to relocate close to their current location with survey results showing that *"industrial occupiers stated a preference for locating in Slyfield or a similar mid-urban industrial estate location"*.
- 2.14 The evidence base is therefore clear that the SIE is the preferred location for industrial firms and highlights the importance of an adequate supply of employment land and premises to accommodate this.
- 2.15 This is compounded by the fact that the 2015 ELNA indicates that the Slyfield Industrial Estate is running at close to full capacity with as little as 185 sqm of vacant industrial space, and limited prospects for intensification or additional space at the estate (SD-007 Appendix 1, p 7). The ELNA update (2017) (SD-007, Table 4.1) identifies that the amount of vacant floorspace has increased to 7,415sqm, albeit this all vacant B2 (general industrial) use.
- 2.16 The ELNA update (2017) (SD-007, para 7.2.8) concludes that *"the current supply position points towards a requirement of new, large high quality office/R&D and industrial and warehousing stock to accommodate growth anticipated to arise within the Borough"*. There is a risk, if the SIE is not expanded, that the evidenced demand for B1c and B8 uses from existing and businesses seeking to relocate and new businesses could not be met.
- 2.17 GBC is therefore **not positively and proactively planning for economic growth** as it is not ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation (NPPF para 7).
- 2.18 The purpose of Policy E1 is to *"ensure sustainable employment development patterns, promote smart growth and business competitiveness, and allow flexibility to cater for the changing needs of the economy"* (GBC SA para 10.5.4).
- 2.19 Policy E1 identifies 11 existing Industrial Strategic Employment Sites (ISES) that would be suitable for development and intensification including the existing 38ha Slyfield Industrial Estate which provides around 2,100 jobs and the majority of B2 and B8 employment floorspace in Guildford (Appendix B, Annex 2, para 4.2). It also identifies 1 new ISES for the Borough; *Land around Burnt Common warehouse, London Road, Send* that will be removed from the Green Belt. Policy A58 allocates 2.33ha of the total 9.26ha site for a minimum of 7,000sqm of either or a mix of light industrial (B1c), general industrial (B2) and storage (B8) with a potential for further industrial space to meet future needs.
- 2.20 Policy E2 (part 5) directs the location of industrial, warehousing and storage floorspace to ISES and any sites where this uses class of floorspace is included in the site allocation in the Local Plan. The Employment Topic Paper (GBC-LPSS-SD-TP-005) clarifies that *"this helps to avoid conflicting uses, particularly with residential, and ensures most of the existing sites have good access to the strategic transport network"* (para 4.36).
- 2.21 It is self-evident that the North Slyfield Site, enabling the future expansion of the SIE, the premier industrial location in the Borough, within the principal settlement within the Borough,

is in the most appropriate location to meet existing and future industrial and warehouse needs for existing and new businesses to Guildford, rather than an expansion of land around a single warehouse. Furthermore, unlike Burnt Common (and Garlick's Arch) site(s), both outside Send, the North Slyfield Site is more distant from existing residential areas.

- 2.22 The Site is GBC's preferred location "*all other things being equal it would be preferable to expand an existing strategic site e.g. Slyfield Industrial Estate*" (GBC's Sustainability Appraisal (GBC-LPSS-CD-005) para 10.5.2). In fact it is less sensitive in Green Belt terms (see below). It benefits from existing commercial infrastructure, linkages to other businesses, economies of scale and better meeting existing needs. It does not abut conflicting residential uses, unlike Land around Burnt Common warehouse. It is clearly the more appropriate alternative and therefore, the allocation of Land around Burnt Common warehouse by GBC, is not **justified**.
- 2.23 Allocating the Land North of Slyfield Industrial Estate is therefore the **most effective and justified solution** to meet the quantitative and qualitative industrial / warehouse need and to **positively and pro-actively plan for economic growth** where demanded, as required by the NPPF.

Movement Patterns, Infrastructure Provision and Constraints

- 2.24 The existing Slyfield Industrial Estate benefits from "*proximity to the strategic road network*" (ELNA 2017 para 4.6.5) and provides an existing road network suitable for large haulage vehicles associated with industrial uses.
- 2.25 There are two clear opportunities to provide vehicular access into the North Slyfield Site from the SIE, by extending North Moors and Denis Way (Industrial Estate service roads) northwards, which are owned by Cassidy Slyfield Ltd, as identified on **Figure 2 (Appendix C)** and **Appendix B, annex 3**, para 2.11).
- 2.26 There is no highway or other infrastructure constraint to the allocation and development of this Site.

Green Belt and Landscape Impact

- 2.27 The main difference between GBC and Lichfields is the selection of the land parcels assumed in the GBCS assessment having a significant effect on the findings (**Appendix B**, pp 9-11 and annex 3). The North Slyfield Site was not specifically assessed in GBC's Green Belt and Countryside Study (2013 & 2014) (GBC-LPSS-SD-TP-003), but formed circa 10% of a very large parcel of land referenced Land Parcel (B3) (reproduced as **Figure 3**, at **Appendix C**). The GBCS study methodology is therefore not robust or **effective** when applied to the assessment of the Land North of SIE and is therefore **inconsistent with the NPPF**.
- 2.28 Should the North Slyfield Site be formally assessed as a smaller Potential Development Area (PDA) (as many other high sensitivity Land parcels have been: B16, D2, D6, D10, E9, F3, H7, H8 and J7), as we have done, the North Slyfield Site would have been found suitable for removal from the Green Belt and allocated for employment development. This conclusion was accepted by Officers and Members, when the North Slyfield Site was presented to be taken out of the Green Belt and allocated for employment use, by GBC, in the Draft Local Plan (July 2014).
- 2.29 The Planning Assessment (**Appendix B, annex 3**) provides our detailed review of the North Slyfield Site's development against the NPPF's five purposes of the Green Belt land (para 80) and finds that it complies because, in summary:

- 1 Jacobs Well and Guildford would remain **physically and visually separate**; and there would be no reduction in the existing minimum separation distance between them.
- 2 Development could be contained behind existing substantial boundary planting which, with limited enhancements, would **screen new development in public views and maintain the visual gap**.
- 3 Defensible boundaries prevent any further northward expansion of the SIE and **safeguard the countryside** from further encroachment.
- 4 There is **no impact** on the character and appearance or setting of a historic town or conservation area.
- 5 Additional employment floorspace would assist **urban regeneration of the SIE** by strengthening its offer, role and attraction to businesses; and improve the viability of SARP.

2.30

In addition and as detailed at Table 1, the North Slyfield Site scores lower than any of the Land Parcels which include potential locations for industrial use and should be prioritised because it performs better than the other sites in terms of the purposes of the Green Belt (as well as being in a location where there is existing demand and a need to expand the strategic employment site at SIE).

Table 1 NPPF Paragraph 80 Test

Land Parcel / Site	Purpose 1 To check the unrestricted sprawl of large built up areas	Purpose 2 To prevent neighbouring towns from merging into one another	Purpose 3 To assist in safeguarding the countryside from encroachment	Purpose 4 To preserve the setting and special character of towns	Overall Score - Source
The North Slyfield Site	<i>Checks northward sprawl of SIE</i>	<i>Does not prevent neighbouring settlements from merging</i>	<i>Defensible boundaries prevent any further encroachment into countryside</i>	<i>Does not preserve the setting and special character of an historic town</i>	1 (Low Sensitivity) - Lichfields
B3 (including the North Slyfield Site)	Checks northward sprawl of Guildford and eastward sprawl of Jacobs Well	Prevents Guildford and Jacobs Well from merging	Minimal existing development therefore safeguards the countryside from encroachment.	Preserves the setting of a former entry route into Guildford (Lower Wey – Guildford Rural Urban Fringe Character Assessment) and the setting of the River Wey conservation area.	4 (High Sensitivity) - GBC
B13 (including Land around Burnt Common Warehouse)	Checks the southward sprawl of Send Marsh and Burntcommon.	Does not prevent neighbouring settlements from merging.	Minimal existing development therefore safeguards the countryside from encroachment.	Does not preserve the setting and special character of an historic town.	2 Medium Sensitivity -GBC

B14 (including Garlick's Arch)	Checks south eastern sprawl from Send Marsh and Burntcommon	Does not prevent neighbouring settlements from merging.	Minimal existing development therefore safeguards the countryside from encroachment.	Does not preserve the setting and special character of an historic town	2 Medium Sensitivity -GBC
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Sources:

Land Parcels B3, B13 & B14- Guildford Borough Green Belt and Countryside Study, Volume II Addendum (SS-SD-105e), Appendix 1 Green Belt Purposes Schedule (11 April 2014).

Land Parcel- The North Slyfield Site- Lichfields Analysis

Notes:

1: Colours denote Green belt Sensitivity – Red = high; yellow = medium; green = low

2: Both sites B13 and B14 reduced in overall score by GBC from 3 in the February 2013 Volume II (SS-SD-015c) to 2 in the April 2014 Volume II addendum.

2.31

In conclusion, removal of the North Slyfield Site from the Green Belt would not harm the Green Belt, landscape quality or views and its allocation should be included in the Local Plan, consistent with national policies for the Green Belt as well as economic growth. The Plan is unsound whilst this Site is not allocated for industrial employment development and not preferred for such use ahead of the land around Burnt Common Warehouse site.