Revised Deposit Newport Local Development Plan

Statement for Hearing Session 7: Employment

On behalf of AWG Property Ltd (Representor No: 3899)

March 2014
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1. Preface

1.1 In 2001, AWG Property Ltd (AWG) entered into a Development Agreement with Newport City Council in relation to the development of a flagship business location known as Celtic Springs Business Park.

1.2 Although the site is currently occupied by several businesses, 50,000sq ft. of newly constructed office floor space has remained vacant for over 5 years. Following Celtic Springs’ early success in securing high profile occupiers, the Park has experienced very limited occupier interest over the last 5 years. Despite extensive marketing, and the quality of the offer, serious commercial interest in the existing space or the available development land (known as Plot CS4000) has not come forward. In this context, there is a significant risk that the remaining development land at Celtic Springs will not come forward over the plan period or beyond, thereby creating an island of under-utilised land within the urban area.

1.3 Plot CS4000 has been promoted through the development plan process, by GVA on behalf of AWG, for mixed use purposes. To this end, representations were made to the Revised Deposit Local Development Plan (RDLDP) in July 2013 requesting that the remaining land at Celtic Springs be allocated under Policy EM2 as a regeneration opportunity. In addition, these representations sought the deletion of the Celtic Springs allocation under Policy EM1(iii) and its reallocation as a regeneration site under Policy EM2.

1.4 Since the submission of these representations, pre-application discussions have been undertaken with the Council regarding the prospects for developing the site for mixed use purposes. These discussions have confirmed the Council’s view that the loss of this land for employment purposes would be acceptable given the surplus of employment land within the City. However, following discussions, the initially proposed leisure and retail elements have been removed from the proposed scheme. Accordingly, and following the pre-application dialogue, an outline planning application (LPA Ref. 14/0204) for the residential development of the site was submitted to Newport City Council in February 2014. This application is currently under consideration by the Council. For reference, a copy of the submitted planning application is included on CD (Ref. Celtic Springs Full Submission) and is submitted alongside this statement.
1.5 The outline planning application submitted for Plot CS4000 will allow for the beneficial development of the remaining land at Celtic Springs. This will support the long-term viability of the remaining Business Park by creating a mixed use location and promoting sustainability. In view of this, AWG must reiterate the previously submitted representations insofar as they requested the deletion of the Council's employment allocation under Policy EM1(iii).

1.6 As the outline planning application was submitted after the submission of the RDLDP to the Welsh Government, this statement provides an update to the Inspector of the current position of the site in a development management context. The statement also sets out, on behalf of AWG, our comments on the matters and issues identified by the Inspector for consideration at Session 7. For ease of reference, we have arranged the document to include the Inspector’s question and our relevant response.

1.7 Throughout the LDP process, the representations made on behalf of AWG have maintained our considered view that:

- the plan is unsound on grounds of coherence, effectiveness, consistency and alignment with national policy;
- the currently proposed employment allocation of Celtic Springs, under Policy EM1(iii), is unsound and does not accord with national policy or meet the objectives of identified by the Revised Deposit Local Development Plan; and
- Plot CS4000 represents a suitable and deliverable opportunity to provide new homes in a sustainable location on land within the settlement boundary.
2. **Response to Matters Identified by the Inspector**

2.1 Hearing Session 7 relates to the employment strategy and identified land requirement of the plan and its overall strategy in terms of its coherence and robustness, and whether it is realistic and appropriate. The matters identified for consideration at the Session are set out below, together with our comments.

**Does the amount and location of new employment land allocated under EM1 adequately align with the identified minimum new employment land requirement of 35ha?**

2.2 The Council’s Deposit Plan, under Strategic Policy SP17 (Employment Land Requirement), from which the LDP employment allocations (under Policy EM1) flow, outlines a policy requirement for approximately 165 hectares of employment land for the period 2011-2026. This was heavily criticised by the Welsh Government as representing an over-allocation of employment land.

2.3 Under the same emerging policy (SP17), the RDLDP makes provision for approximately 168 hectares of employment land over the LDP period (2011-2026). This is an increase over the figure in Deposit Plan and, therefore, still amounts to a significant over-provision, which is clear from the supporting text to this policy at paragraph 2.63 which states that:

> “...in total, the Plan has a minimum requirement of 35 hectares for new employment land for the Plan Period. The Plan identifies a total supply of 168 hectares of employment land which exceeds the minimum requirement, but is required so sufficient flexibility can be provided to promote growth and also take account of various constrained sites which cannot be considered as ‘normal supply’.”

2.4 The above statement clearly outlines that there is an oversupply of employment land allocated in the RDLDP as it currently stands, creating an unacceptable imbalance between jobs and new homes. Removing the remaining 7ha of land at Celtic Springs from this significant over-provision will clearly not create a deficit in the supply of employment land over the plan period.
Is the allocation of EM1(iii) Celtic Springs as a major B1 business use allocation consistent with the Plan’s economic and employment strategy? What evidence indicates that this allocation is unsound, and that change to an EM2 regeneration site allocation supporting mixed uses is required?

2.5 The prospects for delivering the remaining land at Celtic Springs for employment purposes are very poor. Despite extensive marketing efforts a considerable amount of office floorspace (circa 50,000 sq.ft) has, and continues to, remain vacant. This has significantly affected the financial viability of the Business Park as a whole.

2.6 Knight Frank has advised AWG that the recent recession and changing times have seen an upshift in the Council’s desire to retain and promote business development within the city centre. This has resulted in a demonstrable lack of demand for employment floor space at Celtic Springs. This is compounded by the surplus of employment space across the city and within the administrative boundary of Cardiff, which is often seen as preferable from a status/image viewpoint.

2.7 The changing nature of development in Newport itself over the past few years has also influenced demand and supply of employment space within the Newport area. The success of Cardiff’s St David’s II retail development has had serious consequences for Newport’s retail offer which has declined. This, in turn, has led to an increase in office-based employment within Newport City Centre as a response to the loss of retail operators. Such an employment focus for Newport city centre has led to a reduction in demand for office space at Celtic Springs, and other office locations outside of the City centre. Indeed, occupants such as Admiral, the Passport Office and Newport City Homes have all taken occupation of office space within the city centre as opposed to the office space available at Celtic Springs.

2.8 This has provoked the need to consider alternative options for the development of Plot CS4000 to ensure the longevity of the Park as a whole is safeguarded. Given the sustainable location of the site and mixed use nature of the immediate locality it is entirely appropriate to develop the site for residential purposes. This is supported by the Council’s Planning Policy Manager in his consultation response to planning application 14/0204 (see Appendix A).

2.9 The use of this land for housing would also contribute to the Council’s housing supply figures, which would increase the flexibility allowance in the plan as identified by the Council. This would help to secure the 5 year housing supply objective outlined in Chapter 9 of Planning Policy Wales (Edition 6).
2.10 The Council’s RDLDP indicates that Newport has a total housing provision of 11,622 to be delivered over the plan period, 2011-2026, against a requirement for 10,350 units. By the 30th September 2012, a total of 563 dwellings of the LDP housing requirement had been completed. Therefore, there is a remainder of 11,059 dwellings to be satisfied through housing commitments, sites that are allocated in the plan, through windfall sites (above 10 units) and on smaller sites (below 10 units), and sites that have planning permission and are under construction or subject to Section 106 Agreements.

2.11 When the housing sites identified by Policy H1 of the RDLDP are reviewed, it is apparent that the LDP anticipates these delivering 9,533 units over the plan period, with a further 1,526 units coming forward through a combination of windfall, infill and small sites. Newport is therefore reliant upon windfall or small sites coming forward throughout the plan period. Under the terms of the adopted Unitary Development Plan and for the purposes of the recently submitted planning application (LPA Ref. 14/0204) at Plot CS4000, the site is defined as a windfall site, is available now, is achievable, and can be delivered. It will therefore contribute to Newport’s housing supply up to 2026.

To what extent do the allocations under EM2 (when added to allocations under EM1) result in an overprovision of employment land relative to identified need? Does this overprovision dilute the strategy, so jeopardising its delivery and undermining the Plan’s soundness?

2.12 As abovementioned, there is considered to be a vast overprovision of employment land within the city, which we consider warrants the deletion of the Celtic Springs allocation under Policy EM1 (iii) for primarily B1 purposes.

When considering this overprovision and the comments from the Council in the lead up to the submission of the recent planning application for Plot CS4000, it was considered appropriate to seek to secure 100% residential development of the site, as opposed to a mixed use development. Such a development is considered to meet the objectives of the RDLDP by allowing for a viable and deliverable scheme, within the plan period that will support the long-term future of the remaining development at Celtic Springs through the co-location of residential and employment uses. In addition, this application proposal is considered to meet the aspirations expressed by Council Officers, who acknowledge that this site is no longer needed for employment purposes and support the principle of residential development.
3. **Conclusions**

3.1 This statement has set out, on behalf of our client AWG, our comments and responses to the matters and issues identified by the Inspector for consideration as part of Hearing Session 7.

3.2 On behalf of AWG, we maintain our position, that:

- the plan is unsound on grounds of coherence, effectiveness, consistency and alignment with national policy and fails policy tests C1, C2, CE1, CE2 and CE4; and
- there is a surplus of employment land within the city, which is harming the development potential of this site and the longevity of the Business Park as a whole.
Appendix A
Consultation Response from NCC Planning Policy Manager
APPLICATION No: 14/0204

PROPOSAL: RESIDENTIAL DEVELOPMENT TOGETHER WITH ASSOCIATED VEHICULAR AND PEDESTRIAN ACCESESSES, CAR PARKING, LANDSCAPING AND ANCILLARY DEVELOPMENT: SITE PREPARATION, CLEARANCE, TREATMENT, RE-PROFILING AND THE INSTALLATION OF NEW SERVICES AND INFRASTRUCTURE (OUTLINE)

SITE: Land On The North Side Of, Lakeside Drive, Coedkernew, Newport

APPLICATION TYPE: Outline (Major)

Site context
The application site is located in the Marshfield ward, within the urban boundary. Surrounding uses are predominantly commercial, though clusters of dwellings exist at Pencarn Avenue (to the east), Blacksmiths Way (to the west) and Church Crescent (to the south-west). The site is designated as strategic employment land in both the Newport Unitary Development Plan 1996 – 2011 (Adopted May 2006) and the forthcoming Newport Local Development Plan 2011 – 2026 Revised Deposit Plan June 2013. As a consequence, the erection of dwellings at this location would constitute “windfall” development.

Features and constraints

- Outside parking zones 1-4;
- Well served by bus network (five bus stops within walking distance);
- Contains a Site of Importance for Nature Conservation (SINC);
- Contains a designated environmental space;
- Adjacent to a historic landfill site;
- Approximately 200 metres from a Scheduled Ancient Monument.
POLICY CONSIDERATIONS
Local Planning Policy


- CE4 (Landscaping Schemes)
- CE7 (Locally Designated Sites)
- CE13 (Trees and Hedgerows on Development Sites)
- CE30 (Regeneration)
- CE32 (Routeways/Corridors)
- CE36 (Derelict Land)
- CE38 (Quality of Design)
- CE39 (Residential Design and Layout)
- CE44 (Access Arrangements)
- CE45 (Safety and Security)
- CF4 (Open Space Standards)
- ED1 (Employment Land Allocations)
- ED3 (Reappraising the Supply of Employment Land)
- ED5 (Derelict, Underused or Vacant Land)
- H2 (Housing Sites within Settlement Boundaries)
- H5 (Housing Mix and Affordable Housing)
- SP1 (Sustainability)
- SP2 (Quality of Development)
- SP7 (Conservation and the Natural Environment)
- SP11 (Planning Obligations)
- SP17 (Urban Regeneration)
- T7 (New Development)
- T10 (Roads in New Development)
- T12 (Road Safety)
- U3 (Sewerage Infrastructure)
- U4 (Sustainable Drainage Systems)

Supplementary Planning Guidance

- Newport City Council Parking Standards (2012)
• Outdoor Play Space Provision (2007)
• Planning Obligations – Developing Sustainable Communities (2012)
• Wildlife and Development (2010)

National Planning Policy
Planning Policy Wales (Edition 6, February 2014)

Chapter 4: Planning for Sustainability
Paragraph 4.9.1 (preference for the re-use of land) states the following:

“Previously developed (or brownfield) land (see Figure 4.3) should, wherever possible, be used in preference to greenfield sites, particularly those of high agricultural or ecological value. The Welsh Government recognises that not all previously developed land is suitable for development. This may be, for example, because of its location, the presence of protected species or valuable habitats or industrial heritage, or because it is highly contaminated. For sites like these it may be appropriate to secure remediation for nature conservation, amenity value or to reduce risks to human health.”

Paragraph 4.12.2 (planning for sustainable buildings) states the following:

“Development proposals should mitigate the causes of climate change by minimising carbon and other greenhouse gas emissions associated with their design, construction, use and eventual demolition. The overall aspiration is to secure zero carbon buildings while continuing to promote a range of low and zero carbon (LZC) technologies as a means to achieve this.”

Chapter 5: Conserving and Improving Natural Heritage and the Coast

Chapter 6: Conserving the Historic Environment

Chapter 7: Economic Development
Paragraph 7.6.3 states the following:

“Employment and residential uses can be compatible and local planning authorities should have regard to the proximity and compatibility of proposed residential
development adjacent to existing industrial and commercial uses to ensure that both amenity and economic development opportunities are not unduly compromised.”

Chapter 8: Transport

Chapter 9: Housing

Paragraph 9.1.2 (residential developments) states the following:

Local planning authorities should promote sustainable residential environments, avoid large housing areas of monotonous character and make appropriate provision for affordable housing. Local planning authorities should promote:

- Mixed-tenure communities;
- Development that is easily accessible by public transport, cycling and walking, although in rural areas required development might not be able to achieve all accessibility criteria in all circumstances;
- Mixed use development so communities have good access to employment, retail and other services;
- Attractive landscapes around dwellings, with usable open space and regard for biodiversity, nature conservation and flood risk;
- Greater emphasis on quality, good design and the creation of places to live that are safe and attractive;
- The most efficient use of land;
- Well-designed living environments, where appropriate at increased densities;
- Construction of housing with low environmental impact by using nationally prescribed sustainable building standards (see 4.12); reducing the carbon emissions generated by maximising energy efficiency and minimising the use of energy from fossil fuel sources, using local renewable and low carbon energy sources where appropriate; and
- ‘Barrier free’ housing developments, for example built to Lifetime Homes standards.

Paragraph 9.3.1 (development management and housing) states the following:

“New housing developments should be well integrated with and connected to the existing pattern of settlements. The expansion of towns and villages should avoid creating ribbon
development, coalescence of settlements or a fragmented development pattern. Where housing development is on a significant scale, or where a new settlement or urban village is proposed, it should be integrated with existing or new industrial, commercial and retail development and with community facilities.”

Paragraph 9.3.4 (housing density) states the following:

“In determining applications for new housing, local planning authorities should ensure that the proposed development does not damage an area’s character and amenity. Increases in density help to conserve land resources, and good design can overcome adverse effects, but where high densities are proposed the amenity of the scheme and surrounding property should be carefully considered. High quality design and landscaping standards are particularly important to enable high density developments to fit into existing residential areas.”

Chapter 12: Infrastructure and Services

Chapter 13: Minimising and Managing Environmental Risks and Pollution

*Technical Advice Notes (TANS)*

- TAN 2 (Planning and Affordable Housing);
- TAN 5 (Nature Conservation and Planning);
- TAN 11 (Noise);
- TAN 12 (Design);
- TAN 18 (Transport);
- TAN 22 (Planning for Sustainable Buildings);
- TAN 23 (Economic Development) (paragraph 1.1.5 and sections 1.2 and 4.6 are particularly relevant to this proposal).
RECENT PLANNING HISTORY

02/1194  OFFICE BUILDING WITH GROUND AND MULTI-STOREY PARKING AND COVERED STORAGE, OPEN COMPOUND FOR ASSOCIATED UTILITIES EQUIPMENT STORAGE (Granted with conditions)

08/0757  PARTIAL DISCHARGE OF CONDITION 02 (MATERIALS) OF PLANNING PERMISSION 08/0284 FOR OFFICE BUILDING WITH GROUND & AND MULTI-STOREY PARKING AND COVERED STORAGE, OPEN COMPOUND FOR ASSOCIATED UTILITIES EQUIPMENT STORAGE (Approved)

ASSESSMENT

Residential development on this land would be at variance with allocations in both the UDP and the forthcoming LDP. In an attempt to justify a departure from local policy, the applicant has sought to demonstrate that all reasonable attempts to attract commercial occupiers in the past five or six years have failed. If the submitted information is correct, there would be little sense in allowing the site to remain vacant indefinitely, not least because it would hinder local economic development, contrary to the council’s regeneration objectives. Newport has an adequate supply of employment land, and there is no reason to believe that residential development would be incompatible with the surrounding business and light-industry uses. In fact, prospective residents might welcome the opportunity to live within walking distance of job opportunities, food-and-drink uses (including a public house and a restaurant) and several bus stops. At the very least, such a mix of uses would help to create a relatively sustainable neighbourhood.

CONCLUSION

No objection to the principle of development.

Mark Stringer
Planning Policy Officer
Swyddog Polisi Cynllunio

I should inform you that this is my informal opinion, which is not binding on the council and will in no way prejudice any decision that is reached if the matter comes before the Local Planning Authority in a formal context.
Appendix B

Electronic CD copy of Supporting Documents to Planning Application (LPA Ref: 14/0204)