

**MATTER 4 ISSUE A** 

**REPRESENTER NO 14** 

WRITTEN REPRESENTATIONS TO THE EXAMINATION IN PUBLIC

In respect of

# THE MEDWAY CORE STRATEGY DPD

On behalf of

# COUNTRYSIDE PROPERTIES

CgMs Ref: RT/VG/9950

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## CONTENTS

1.0	PURPOSE OF STATEMENT	4
2.0	BACKGROUND TO COUNTRYSIDE PROPERTIES REPRESENTATION	5
3.0	SOUNDNESS	7
4.0	CONCLUSIONS1	0

### APPENDICES

- Appendix A Decision notice (dated 30<sup>th</sup> September 2011)
- Appendix B Representations to the Publication Draft Core Strategy (October 2011)
- Appendix C Viability Report for Commercial Business Uses (dated 23<sup>rd</sup> December 2010)
- Appendix D Viability Report update (dated 22<sup>nd</sup> May 2012)

### 1.0 PURPOSE OF STATEMENT

- 1.1 This statement has been prepared by CgMs on behalf of the Countryside Properties (London & Thames Gateway) Ltd. We wish to make further representations in respect of the Council's Core Strategy DPD concerning Matter 4 Employment and retail development, Issue A '*Is the overall job requirement figure realistic and achievable? Is it founded on a robust and credible evidence base*?'
- 1.2 To ensure that the overall job requirement is achievable, there must be enough employment floorspace identified, and it must be deliverable. The policy cannot be effective otherwise. It is considered that Table 10 8 'Potential Employment Development in Chatham' of the Development Management Policies DPD specifically the inclusion of the Former Mid Kent College, Maidstone Road, Chatham site is one instance where floorspace is not deliverable. Its inclusion is considered unsound because it is not justified based on up to date evidence, nor effective in terms of delivery, as set out in paragraph 182 of the National Planning Policy Framework (NPPF)(March 2010), particularly in supporting the delivery of the overall job requirement.
- 1.3 This statement details the background to the Countryside Properties representations to the Core Strategy DPD. It then demonstrates why Table 10 8 of the Council's Core Strategy is unsound and subsequently suggests appropriate amendments to ensure soundness.

#### 2.0 BACKGROUND TO COUNTRYSIDE PROPERTIES REPRESENTATIONS

- 2.1 Countryside Properties, who is a UK market leader in the creation of sustainable communities and urban regeneration, has an extensive track record of predominately housing delivery within the Thames Gateway Growth Area.
- 2.2 Countryside Properties has planned, promoted, and delivered sustainable communities in the Thames Gateway, which are regarded as exemplar developments including: St Mary's Island at Chatham Maritime; and Greenwich Millennium Village in London. The Company was also involved in major new schemes at Springhead Park, Ebbsfleet (600 homes) and at Waterstone Park, Greenhithe (450 homes).
- Planning permission was secured by Countryside Properties on 30<sup>th</sup> September 2011, for

'Outline application for residential (up to 336) dwellings and employment/service facilities, including commercial office/residential building (2500 sqm), and including full application for Phase 1 (except for the appearance of block A - sub-phase 1A) for 154 dwellings, A1 retail and D1 community development, new highway accesses to Maidstone Road and Horsted Way, public open space and ancillary works' (application ref: MC/11/0001)

at the Former Mid Kent College site, Maidstone Road, Chatham.

- 2.4 A copy of the decision notice is attached at Appendix A.
- 2.5 CgMs submitted representations on behalf of Countryside Properties to the Core Strategy DPD Pre-Publication Draft in December 2010 and to the Publication Draft in October 2011. Two objections were raised on each occasion. The first concerned the criterion in draft policy CS15 'Housing Design and Other Housing Requirements', the second related to Table 10 8 Potential Employment Development in Chatham and associated paragraph 10.46 (previously Table 11 8 and paragraph 11.41 in the Pre-Publication Draft). A copy of the representations to the Publication Draft are attached for convenience at Appendix B.

- 2.6 Appendix 5 *Schedule of Responses to Representations received on Pre-Publication Draft Core Strategy'* of the Regulation 30(d) Statement (January 2012) sets out the Council's responses to the points raised by representors. The Councils response to Countryside Properties objection to Table 11 8 was that it *'...reflects figures included in the SLAA. Any variation to the current planning permission would need to be considered on its merits.'* (Strategic Land Availability Assessment (SLAA)).
- 2.7 No response is set out by the Council to the same point raised at Publication Draft stage. It is not addressed in Appendix 6: Schedule of Responses to Representations received on Publication Draft Core Strategy, of the Regulation 30(d) Statement (January 2012). Our assumption is therefore that the Council's response remains the same.
- 2.8 The removal of the Mid Kent College site from Table 10 8 remains an outstanding issue between both parties. Countryside Properties therefore hereby submit further written representations for consideration by the Inspector at the forthcoming Examination in Public.

#### 3.0 SOUNDNESS

- 3.1 The ability to meet the overall job requirement set out in the Core Strategy is dependent upon the delivery of the necessary employment sites. It therefore follows that the sites identified for employment floorspace included in the Core Strategy should be deliverable. Paragraph 154 of the NPPF states that Local Plans should be aspirational but realistic.
- 3.2 When assessing Table 10 8 and associated paragraph 10.46 against the NPPF criteria for considering whether a plan is sound (set out in para 132), it is clear this part of the Core Strategy is found to be unsound because it is not justified-based on up to date evidence, nor effective in terms of being deliverable.
- 3.3 Whilst Table 10 8 is entitled <u>Potential</u> Employment Development in Chatham' and paragraph 10.46 states *Over the plan period the broad scale and location of new housing, employment and retail related development is <u>expected to be as</u> <u>indicated</u> in the following tables' (our emphasis), it is considered that these still place a very high expectation for delivery on a site. There needs to be at least a reasonable level of certainty that such floorspace will come forward, otherwise there is no point in including it.*
- 3.4 As set out in the representations to the Publication Draft there can be no expectation that this will be provided. Any such expectation would not be consistent with the substantial evidence submitted in 2010 with the planning application for the redevelopment of the site, which states that such provision would be unviable in current market conditions which have little prospect of improvement in the medium term. A copy of the Viability Report for Commercial Business Uses (December 2010) submitted with the application is attached at Appendix C.
- 3.5 An update to this Viability Report has been produced, provided at Appendix D, to establish what the current position is with regard to office availability and takeup. This concludes that since the last report was prepared the office market in the Medway Towns has only deteriorated further and take-up on the whole of Chatham Maritime last year was limited (679sq ft). There is still over 260,000 sq ft of vacant office space available at the Maritime alone.
- 3.6 Another major factor against successful office development on the site is that this site is a stand-alone site adjacent to a new residential development, but

with very little in the way of local amenities and provisions which office occupiers demand, and can be provided at other sites.

- 3.7 Active marketing of the opportunity of offices at the Former Mid Kent College site has been taken place for nearly a year, and there has been very little or no substantive interest in demand for offices on the site.
- 3.8 It is clear that there is no substantive demand for offices on the Horsted site. It is also the case that finance would not be available for speculative office development in this location without substantial public subsidy. Without a change of use on this site it is clear that it will remain vacant for some time to come on this important gateway into the Medway Towns, which is extremely disappointing in light of the huge investment we are making in the area toward the creation of an exemplar, highly sustainable new residential community at Horsted Park.
- 3.9 Although the planning permission allows the construction of an office building in its second phase, in recognition of the market difficulties, it includes a condition that enables it to be deleted when the phase 2 details are brought forward. It was understood even at the time of granting permission that the need for an office at the site may not be likely. Condition 41 of the planning permission is as follows:

41 The details submitted in pursuance to Condition 1 for phase 2 of the development hereby permitted shall include a proposal for a B1 commercial unit unless otherwise agreed in writing by the Local Planning Authority.

Reason: To allow the development of the site to respond to market conditions.

3.10 It is considered that the site does not need to be included to provide local employment given there is a substantial amount of land available at other (larger) sites and the current supply of existing floorspace. The Deliverability of the Core Strategy Background paper summarises that with regard to employment floorspace 'A total of 881,737 sq.m. of employment floor space has been identified as available for development. This far exceeds the identified requirement' (para 3.5).

- 3.11 There is a clear requirement and emphasis in the NPPF to prepare Local Plans which are based on evidence and take into consideration deliverability and viability. Paragraph 158 of the NPPF states that the 'Local Plan must be based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. The assessment of and strategies for housing, employment and other uses must take full account of relevant market and economic signals.' Paragraph 161 adds that evidence should be used to assess the existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs. In pursuing sustainable development careful attention must be made to viability and costs in plan-making and decision-taking. Plans should be deliverable (para 173).
- 3.12 The Council's response to the representation, as set out above, suggests that the only reason for the inclusion of the site in Core Strategy Table 10 8 was because it was included in the SLAA, and reflects the planning permission. The purpose of the SLAA is to assess the suitability, availability and deliverability of sites to meet Medway's requirement for residential, employment, retail and other uses for at least 15 years. Irrespective of whether it already has planning permission, the employment floorspace at the site is not deliverable, based on the evidence, and should not be included in the SLAA, and therefore also not in the Core Strategy.
- 3.13 The Core Strategy sets out an ambitious overall job requirement, this can only be achieved if the identified potential sites for employment development are actually deliverable.

### 4.0 CONCLUSIONS

- 4.1 It is considered that Table 10 8 'Potential Employment Development in Chatham' in the Core Strategy DPD is unsound as i) it is not effective in terms of being able to be delivered; and ii) is not justified based on the evidence, both of which have implications for the delivery of the overall job requirement.
- 4.2 The Core Strategy DPD can be made sound through the removal of site 470, Mid Kent College and associated provision of 2480m<sup>2</sup> of employment floorspace from Table 10 8.
- 4.3 For the above reasons it is demonstrated that the suggested amendment to Table 10 8 of the Medway Core Strategy DPD be made in order to ensure that the Core Strategy is based on up to date evidence, and is deliverable, including the overall job requirement.