

Hertsmere Borough Council

Local Development Framework

**Employment Site Allocations Report**

November 2011

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## **PART 1 – INTRODUCTION**

1.1.1 One Key Employment Site and five Employment Areas were allocated through the Hertsmere Local Plan (2003). This report seeks to assess the boundaries of these allocated sites, to establish whether they are still relevant, and make recommendations in respect of whether they should be altered before the sites are considered for reallocation in the Council's emerging Site Allocations and Development Management Development Plan Document (DPD).

1.1.2 This report will also consider recent development trends and pressures in the Borough, and whether there is the need for a more responsive approach to employment land allocations on account of these. It will, therefore, include recommendations in respect of whether existing safeguarded Green Belt land adjoining Potters Bar should be retained for employment purposes, and whether any additional land should be safeguarded, as well as discussing alternative options.

### 1.2.0 Policy and document review

1.2.1 Planning Policy Statement 4: Planning for Sustainable Economic Growth (PPS4) sets out the government's national planning policies in respect of employment land. This generally requires that Local Planning Authorities plan positively, in a way that supports existing and emerging business sectors.

1.2.2 Policy EC2 (h) of PPS4 states that Development Plans should, where it is necessary to safeguard land from other uses, identify a range of sites, to facilitate a broad range of economic development. It also requires that existing site allocations should not be carried forward without evidence of need and reasonable prospect of their take up during the plan period. If there is no reasonable prospect of a site being used for the allocated economic use, the allocation should not be retained, and wider economic uses or alternative uses should be considered.

1.2.3 It is noted that the government has recently published a draft version of revised national planning policy, called the National Planning Policy Framework (NPPF). This has an emphasis on flexibility in relation to employment land allocations and, at paragraph 73, states that planning authorities should prepare plans that:

*Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate requirements not anticipated in the plan and to allow a rapid response to changes in economic circumstances.*

At paragraph 75, the draft NPPF goes on to say that:

*Planning policies should avoid the long-term protection of employment land or floorspace, and applications for alternative uses of designated land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses.*

Although this draft has been subject to a period of consultation, and it is possible that some alterations will be made, it is considered probable that some emphasis on flexibility will be retained.

- 1.2.4 The East of England Plan sets out regional policy. It currently makes up part of the Hertsmere's Development Plan and sets out jobs growth targets.
- 1.2.5 With this taken into account, the Revised Core Strategy DPD (consultation draft) December 2010 commits to the allocation of employment land in line with the findings of the Hertfordshire London Arc Jobs Growth and Employment Land Study (2009). This study concludes that Hertsmere, over a 20-year period up until 2026, would have a 5,013 square metre shortfall in terms of office floorspace and a 14,634 square metre shortfall in terms industrial and warehousing floorspace. It is considered that this shortfall could be offset through additional office floor space in town centre locations; and, furthermore, that the small level of shortfall is probably within the margin of error. Therefore, the Revised Core Strategy DPD (consultation draft) December 2010 proposes the retention and reallocation of existing Employment Area designations, subject to any necessary minor boundary reviews.
- 1.2.6 The Revised Core Strategy DPD (consultation draft) December 2010 policy CS8 requires that the boundaries of the existing Key Employment Areas be clarified in the Site Allocations and Development Management DPD. The Council is currently preparing a submission version of the Core Strategy DPD, which will be informed by this report.
- 1.2.7 The Hertsmere Local Plan (2003) designates a total of five Employment Areas, in addition to Centennial Park, which has been termed a Key Employment Site. Centennial Park is subject to the same policy requirements as Employment Areas and will be referred to as such in this report. The number and size of Employment Areas, as well as the position of their boundaries, has remained unaltered since the adoption of the Local Plan, despite significant development having taken place.

## **PART 2 – EXISTING AREA BOUNDARY REVIEWS**

2.1.1 The Council intends to define the boundaries of its existing Employment Areas in the Site Allocations and Development Management DPD and an assessment of each one has been carried out. Approximately eight years have lapsed since the adoption of the Hertsmere Local Plan, which designated the current boundaries in 2003. Since then there have been a number of changes affecting Employment Areas – most significantly, the granting of planning permissions for non B-class uses – and it is important that their boundaries are reviewed to make sure that they are still logical, relevant and defensible. If the Council were to retain Employment Area boundaries without any review then it may become harder to resist unacceptable proposals for non B-class uses.

### 2.2.0 Methodology

2.2.1 The principle method for assessing the relevance of the existing Employment Area boundaries was through undertaking site visits to establish the uses that exist within these. Given that planning permission would have been required to take sites within these areas outside of B-class use, the histories of these sites were also checked. Further desktop work was carried out, with recent monitoring information checked to ensure that lost employment uses within these areas had not been missed.

2.2.2 The findings of other reports and studies undertaken to inform the Local Development Framework (LDF) were also taken into account. In some cases the findings of these related to existing Employment Areas.

2.2.3 Assessments of the recommended changes to existing Employment Areas, and maps showing these, are included as appendices 1 and 2, respectively.

### 2.3.0 Findings

2.3.1 It was found that there were a number of locations within Employment Areas where non B-class uses – not taking into account those non B-class uses considered acceptable in Revised Core Strategy DPD (consultation draft) December 2010 policy CS10 – had been allowed. In some cases these were uses that were clearly ancillary to the main designated B-class use and in other cases there were supporting uses, such as C1-class hotels, that had been allowed. Where this was the case it was considered that the boundaries were still relevant.

2.3.2 In other cases there were some non B-class uses that were not clearly ancillary and that played no obvious role in supporting the main designated B-class activities. Some of these were located fairly centrally within Employment Areas and surrounded by B-class uses. In

such cases, it was not considered that these were suitable for removal from the Employment Area as this would not help to create a more logical boundary and could undermine the Employment Area as a whole.

2.3.3 In other cases these non B-class uses, which were not considered ancillary and had no role in supporting the main employment use, were located on the edge of an Employment Area. Where this was found to be the case it has been recommended that these be removed so as to make sure that the boundary is more robust. An example of this is at Stirling Corner where a supermarket takes up a large part of the southern section of the Employment Area. This use followed a previous A1 permission for other types of retail, which was granted on appeal in the 1990s.

2.3.4 In total it is recommended that three sites – approximately 9.8 hectares of designated employment land – be released. These sites are:

- Studio Plaza, Elstree Way, Borehamwood (1.2 hectares);
- Stirling Retail Park, Stirling Way, Borehamwood (2 hectares); and
- Costco, Hartspring Lane, Bushey (5.8 hectares)

This is land that is currently neither used for B-class purposes (with the exception of a small proportion of the Studio Plaza site) nor other purposes set out as acceptable by Revised Core Strategy DPD (consultation draft) December 2010 policy CS10. Moreover, the land is not clearly ancillary to or supporting of the main B-class use of the Employment Area. The areas of land recommended for release are also located on the edges of Existing Employment areas, and their release would not isolate or prejudice other B-class uses. These changes would make the boundaries of existing Employment Areas more robust and would cause no undue harm to the Borough's economy, given that the sites are already established in a non B-class use.

### **PART 3 – SAFEGUARDED LAND**

3.1.1 It is recommended that the Council takes a relatively flexible approach towards the future redevelopment of employment land for certain non B-class uses, in line with emerging government policy. It is considered that the Council should adopt policies that allow a degree of responsiveness towards changes in the market, especially given that there appears to have been a recent drop in demand for B-class floorspace in the Borough. This is evident from recent applications for the conversion of such space for residential purposes. Some sites have been vacant for a significant period of time and applicants have been able to argue that the current use is no longer viable. In particular, it is noted that agents have struggled to let large B1 office buildings. For

example, in Borehamwood, the majority of the Studio Plaza site on Elstree Way, has recently been granted planning permission for residential redevelopment and currently there is an application for a mixture of flats and houses adjacent to this site at Horizon One, Studio Way.

- 3.1.2 Notwithstanding this, the Hertfordshire London Arc Jobs Growth and Employment Land Study (2009) indicated that there is likely to be a small shortfall in office, industrial and warehousing floorspace in the Borough by 2026. As such, it is not considered that it would be appropriate to allow for existing Employment Areas to be redeveloped without policies that would provide the Council with the basis for making compensatory designations. This may be necessary in response to future changes in demand, and will allow the Council to ensure that it is able to identify sufficient land for jobs in the Borough.
- 3.1.3 Moreover, although the Hertfordshire London Arc Study recommends that some of the demand for employment space across the sub-region be met through business parks in St. Albans and Welwyn Hatfield, it is recognised that adjoining authorities are reviewing their own LDFs and that large Green Belt employment allocations may not be made. It is not considered, then, that the Council should rely solely on such sites coming forward to meet the need for future economic growth and jobs in the Borough.
- 3.1.4 On account of this, it is considered that the Council should look to make some sort of provision for future compensatory employment land designations. It would not be desirable to allow for new sites to come forward in an unplanned manner through individual planning applications, as this could lead to development in locations that are not well suited to B-class use. Neither is it thought that it would be appropriate to designate a new business park, or, in the immediate future, an extension to an existing Employment Area, as it is not certain that sufficient demand would be forthcoming. Rather it is thought that land should be safeguarded so that there is the potential for the Council to accommodate future employment growth in a controlled manner, should market signals indicate that this is required.
- 3.1.5 It is considered that it would be most appropriate to safeguard suitable land that both adjoins existing Employment Areas and is also outside of an urban location. There are various issues that make other potential locations unsuitable for safeguarded land. Safeguarding urban land for either new business parks or extensions to existing Employment Areas would be problematic as there are no known deliverable or developable sites suitable for such a use in the Borough's towns. Indeed, many locations within towns are either residential or closely bound by residential houses. B-class uses could, therefore, have an unacceptable impact on amenity.

- 3.1.6 Development in certain safeguarded areas adjoining existing Employment Areas would ensure that any impact to the openness of the Green Belt could be minimised through the sharing of existing access arrangements, services and other ancillary forms of development with an adjoining Employment Area. Businesses locating to any extension would also be able to benefit from links to an existing business community, as well as nearby transportation links and town centre services. It is also known, on account of representations made to the LDF, that some deliverable land bounds existing employment areas.
- 3.1.7 A new business park either isolated or adjoining an existing town in the Green Belt is not a preferred option. An isolated business park in the Green Belt would have a clear impact on openness over and above that which would be caused by a modest Employment Area extension. It would also be less sustainable as it would be remote from transportation links and services, and would most likely be car-dependant. A new, stand-alone business park adjoining an urban area would benefit from links to an existing town; however, it would still have a greater impact on the openness of the Green Belt than an extension, partly as it would not be able to share existing access arrangements, services and other ancillary forms of development with an adjoining Employment Area. In addition to this, a new business park would not be able to easily benefit from links to an existing community located within an Employment Area.
- 3.1.8 On account of the above, an assessment of the Green Belt areas adjoining each existing Employment Area has been carried out.

### 3.2.0 Methodology

- 3.2.1 An assessment has been made of the land surrounding each Employment Area. Principally this has been a desktop exercise.
- 3.2.2 First, areas of surrounding land that were within the urban area were ruled out. Other areas of land that were clearly unsuitable, such as that outside of the Borough, were also ruled out.
- 3.2.3 Second, the various areas of land that were potentially developable were assessed in greater detail to determine where would be the most appropriate for an Employment Area extension. The locations were assessed in relation to the following considerations:
- Impact on the openness and overall function of the Green Belt;
  - Accessibility;
  - Proximity and links to strategic road network;
  - Other constraints; and
  - Deliverability.



Were necessary, site visits have also been undertaken to make assessments of these areas.

3.2.4 Assessments of the pieces of land surrounding each Employment Area, and maps showing the recommended safeguarded areas, are included as appendices 3 and 4, respectively.

### 3.3.0 Findings

3.3.1 Land around Station Close and Stirling Way Employment Areas was ruled out at the first stage. Station Close Employment Area does not adjoin any land that is outside of the urban area. It is adjoined by residential houses to the north and west, a car park and railway land to the south and a supermarket to the east. The land is neither deliverable nor developable, as discussed above in relation to urban land in the Borough more generally.

3.3.2 Stirling Way Employment Area is adjoined by residential properties to the north and west and by the A1 to the east. Green Belt land exists on the other side of the A1, however this is within the London Borough of Barnet. Some Green Belt land exists to the south. This is not considered suitable, though, as one of the recommendations of Part 1 of this report is that the south part of the Employment Area be released, as it is currently occupied by a large supermarket. This would mean that any safeguarded Green Belt land to the South would be isolated from the main Employment Area.

3.3.3 Once these options were ruled out the remainder of the options were assessed against the criteria set out above. The findings of these assessments, in summary, were:

- *Elstree Way, Borehamwood*: this Employment Area adjoins a potentially suitable piece of land between Rowley Lane and the A1, which has recently been promoted by its owner for development through the LDF. Its development would have a limited impact on the Green Belt, as the A1 acts as a natural boundary to Borehamwood and a significant part of the land is previously developed. It is very accessible from Borehamwood and has very good indirect access to the A1.
- *Cranborne Road, Potters Bar*: a small piece of potentially suitable land adjoins this Employment Area. It is currently safeguarded for employment uses in the Hertsmere Local Plan (2003). Any impact on the Green Belt would be minimal, as the currently safeguarded site fills a small gap at the north east corner of the existing Employment Area. The site is reasonably accessible from Potter Bar's two town centres and has good indirect access to the M25.
- *Otterspool Way, Bushey*: this Employment Area adjoins several potentially suitable areas of land, some of which have previously been promoted for development through the LDF.

However, development would have an unacceptable local impact on the Green Belt, as the area around Bushey is of strategic importance in preventing the coalescence of Watford and Bushey, as well as ensuring the separation of surrounding villages. There are also recognised, longstanding capacity issues on the A41 around the Hartspring Roundabout, as identified in the South West Herts Transportation Strategy.

- *Centennial Park, Elstree*: this Employment Area adjoins several potentially suitable areas of land. However, they are relatively isolated in the Green Belt and are not easily accessible from nearby town centres. As such, their development would not be sustainable, given that the development is heavily car-dependent.

3.3.4 With regard to Elstree Way, Borehamwood, it is particularly important to emphasise that Borehamwood is likely to take most of the Borough's requirement for new housing development – potentially up to 60% of the total according to estimations based on the housing land supply. It is, therefore, logical to provide the capacity for jobs growth to take place adjoining Elstree Way, which is the major Employment Area in this town.

3.3.5 The development of the piece of land safeguarded for employment use adjoining Cranborne Road would bring additional benefits to the existing Employment Area. Indeed, development should only be allowed to go ahead if existing vehicular access arrangements are improved. Cranborne Road is the principle Employment Area in Potters Bar and has a record of supporting small, local businesses. The 'My Incubator' development, formally known the Enterprise Centre, supports pre-start, new and early-stage businesses in the area. An extension to this Employment Area would, therefore, improve and increase capacity at an already successful location.

3.3.6 On account of the above, it is recommended that an area of land adjoining the Elstree Way Employment Area between Rowley Lane and the A1 be safeguarded for employment use. It is also recommended that the existing area of land safeguarded for employment use adjoining the Cranborne Road Employment Area be retained. The combined total area of these pieces of land is 15.5 hectares. This land would be safeguarded so that the Council could provide for possible future employment growth in the Borough, whilst having a flexible approach to the acceptable redevelopment of existing Employment Areas for some non B-class uses.

## **PART 4 – SUMMARY OF RECOMMENDATIONS**

4.1.1 In respect of the review carried out of existing Employment Areas, it is recommended that the following alterations are made:

- That approximately 1.2 hectares of currently designated land at Studio Plaza, Elstree Way be released from the Elstree Way Employment Area;
- That approximately 2.0 hectares of currently designated land at Stirling Retail Park, Stirling Way be released from the Stirling Way Employment Area; and
- That approximately 5.8 hectares of currently designated land at Costco, Hartspring Lane be released from the Otterspool Way Employment Area.

It is recommended that the existing designated Employment Area boundaries are otherwise left unaltered.

4.1.2 In respect of the search to identify land to safeguard for possible future employment use, the following is recommended:

- That approximately 13.2 hectares of land between Rowley Lane and the A1, adjoining Elstree Way Employment Area, Borehamwood, be safeguarded; and
- That approximately 2.3 hectares of currently safeguarded land adjoining Cranborne Road Employment Area, Potters Bar, to its north east, be retained for the same purpose.

It is also recommended that any new employment development at these locations only be allowed to come forward as part of a comprehensive scheme, which would improve the Employment Area being extended, particularly in terms of any access arrangements that require upgrading. The precise boundaries of these safeguarded areas should be set out in the forthcoming Site Allocations and Development Management DPD.