

THANET DISTRICT COUNCIL LOCAL PLAN EXAMINATION

Matter 10 – Hearing Statement Economic Development (Policies SP03 and E01)

On behalf of

Tesco Stores Ltd

MB/JT/19332
Hearing Statement
Matter 10 – Economic
Development
March 2019

REPORT

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Mark Buxton

March 2019

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1 INTRODUCTION

- 1.1 We are instructed by our clients, Tesco Stores Limited, to submit Hearing Statements and appear at the Thanet Local Plan Examination on their behalf in relation to the Thanet Proposed Submission Local Plan and associated evidence base.
- 1.2 RPS has submitted representations on behalf of our clients to previous stages of the Draft Local Plan including the February 2018 Call for Sites and the Local Plan Pre-Submission Publication.
- 1.3 The relevant representations to the Pre Submission Publication Version 2018 are enclosed within **Appendix A** of this Statement for ease of reference.
- 1.4 This Statement details our clients' responses to selected questions under Matter 10 of the Matters, Issues and Questions identified by the Inspector.

2 RESPONSE TO THE MATTERS AND ISSUES IDENTIFIED BY THE INSPECTOR

Matter 10, Issue 1 – Economic Growth – SP02

Question 1: *Is the target of 5,000 additional jobs justified? How has it been calculated, and how much of this will be achieved from development proposals in the Plan?*

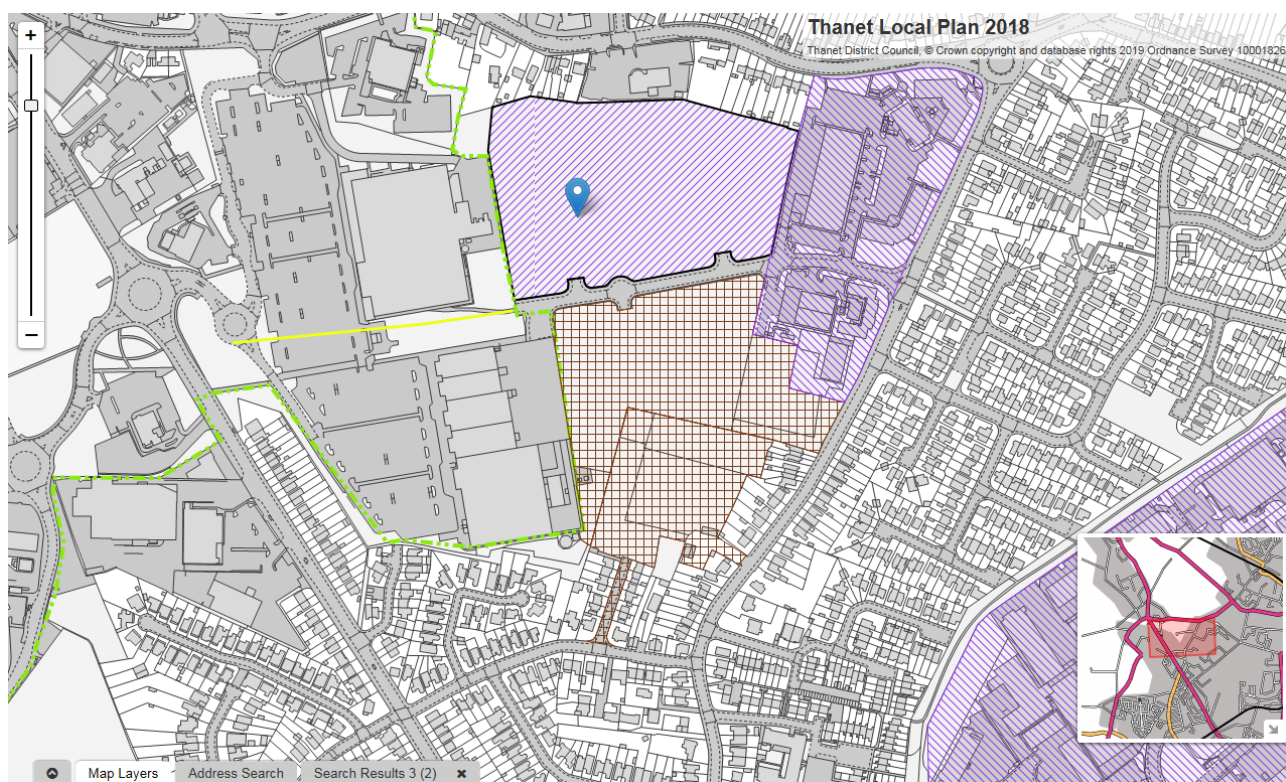
- 2.1 The Economic and Employment Assessment produced by Experian, published in December 2012, identifies a baseline net growth of 3,100 jobs created over the Plan period.
- 2.2 However, as a result of growth in the Heritage, Culture and Visitor and Green Economies identified within Thanet's Draft Strategy for Economic Growth, the Economic and Employment Assessment considers an 'Alternative futures: Policy-on Scenario' which anticipates growth of an additional 2,000 jobs above the baseline. It is not clear the extent to which this additional growth is justified or reliable and therefore the identification of the additional jobs target in Policy SP02 is considered to be over-reliant on growth from emerging economies within Thanet.
- 2.3 Additionally, there is a clear over-reliance on employment growth within the baseline net growth figure of 3,100 within a small number of industries whose performance may fluctuate throughout the plan period. Experian's report identified that the largest sectors in respect of total employment in the District were retail, education, residential care and social work, and health. Collectively these sectors (for which population growth is a demand driver) accounted for around half of all employment. The 2016 Strategic Housing Market Assessment (SHMA) identifies that the Experian economic scenarios suggest growth in employment in Thanet of between 1,200 – 5,100 jobs over the plan period to 2031, with the latest EEFM Model suggesting growth in employment of 4,800 jobs over this period. It is therefore considered that the target of 5,000 additional jobs over the plan period is based on the 'best-case' scenario identified within the Economic and Employment Assessment and is not justified.

Question 6: *The Economic Development in Thanet (Employment Land Update and Economic Needs Assessment) concludes that based on past trends and labour supply calculations, the land supply to be planned for should be 15 hectares. In contrast, Policy SP02 plans for 53.5 hectares of employment land. What is the justification for this difference?*

- 2.4 Paragraph 1.28 of the Pre-Submission Draft Local Plan is consistent with the findings of the Employment Land Update and Economic Needs Assessment which establishes that Thanet will need 15 hectares of employment land (B1, B2, B8 uses) over the entire Plan period. However, this is seemingly afforded little regard within draft Policy SP02 which allocates 53.5 hectares of employment space. Even allowing for conversion/lapse rates and the loss of some land to other uses, this is a considerable oversupply, equivalent to over 350%. The Economic Development in Thanet report (July 2018) (CD 2.2) acknowledges that this "represents a significant oversupply of employment land" but sets out reasons why it is considered justified. We accept that there

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- should be an element of oversupply but not to the extent proposed, and not when there is little prospect of the sites coming forward for predominantly employment uses.
- 2.5 It is therefore asserted that the continued allocation at Thanet Reach Business Park is not required to meet the future employment needs of the District and it should benefit from a more flexible allocation within the adopted Local Plan.
- 2.6 This assertion is particularly pertinent in relation to Policy SP07 of the draft Local Plan which states that “*development must be compatible with neighbouring uses*”. As there are a number of residential developments surrounding the site and with the adjoining land south of Millennium Way allocated for residential development in the draft Local Plan (as shown in the Proposals Map Extract below), we consider that the policy seeking to retain the northern part of the site for employment uses cannot be considered to be sound.
- 2.7 It should also be noted that the site has been allocated for employment uses for well over a decade and has not come forward for such uses.



- 2.8 Additionally, within the Employment Land Update and Economic Needs Assessment, paragraph 6.2 states that “*the amount of land allocated represents a significant oversupply of employment land.*” Furthermore, paragraph 6.8 records that following a review in 2012, land at Thanet Reach (south) should no longer be allocated for employment purposes as it was not considered to contribute positively to the employment land strategy. Given that Policy SP02 has planned for a significant surplus of employment land within the Local Plan period without adequate justification, we contend that ‘Thanet Reach (north)’ – i.e. our client’s Land to the North of Millennium Way, should also no longer be allocated for employment purposes.

Matter 10, Issue 2 – Land Allocated for Economic Development – SP03

Question 6: *Is it clear to decision-makers, developers and local communities what uses will be permitted at Eurokent and the Thanet Reach Business Park? Is the policy effective in this regard?*

- 2.9 Draft Policy SP03 records that Thanet Reach Business Park is suitable for education uses as well as Class B1 and B8 uses but then does not seemingly categorise this as a 'flexible employment site' marked by an asterisk as per Eurokent (part). Draft Policy SP07 allocates Thanet Reach Business Park for employment and education uses whilst allocating the southern part of the site for residential development. It is therefore clearly considered suitable for 'flexible employment' and this should be more explicitly set out in policy SP03.
- 2.10 We also consider that the policy should be further revised as Land at Millennium Way has been allocated as part of Thanet Reach Business Park for a number of years but has remained vacant having not generated any interest from the market for viable employment uses across the site. Discussions with the Council's Strategic Partnership's Manager, in the context of Pre-Application discussions on a residential based mixed use development at the site, has established that the Council accepts this site is not suitable for larger units or heavy B2 manufacturing or B8 distribution uses given the highway infrastructure constraints and neighbouring residential uses. Small scale B1/B8 uses may be suitable, but only for a small part of the site within a mixed use development.
- 2.11 We therefore welcome additional flexibility in draft policy SP03 but consider this should go further. As identified within our response to Question 6 of Issue 1, there is clearly a surplus of employment land in the District. The remaining land at Thanet Reach (3.7 ha) accounts for just 7% of the employment allocations in the Draft Local Plan.
- 2.12 We also consider that the Draft Local Plan should make a clearer distinction between existing employment uses at Thanet Reach Business Park and its potential future expansion to the west which is the land subject of our representations. The Policies Map makes this distinction, but the Plan text does not.

Matter 10, Issue 3 – Retention of Existing Employment Sites – E01

Question 1: *Is Policy E01 consistent with paragraph 22 of the Framework which states that planning policies should avoid the long-term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose?*

- 2.13 It is considered that there is an unnecessarily excessive allocation of sites for employment use within the draft Local Plan given the sites identified within Policy SP03 equate to well in excess of the 15 hectares of employment land which is the established requirement over the Plan period within the Employment Land Update and Economic Needs Assessment. In providing long term

protection to Thanet Reach Business Park, we consider Policy SP03 is not consistent with paragraph 22 of the 2012 NPPF and cannot be considered sound. We contend that TDC has not undertaken a thorough and objective review of employment allocations and a consideration of whether they are still suitable for that purpose. They have seemingly simply sought to retain what they consider to be the key employment sites without a qualitative review of their ongoing and long-term suitability. In view of the surrounding residential context of 'Thanet Reach (north)' – i.e. our client's land to the north of Millennium Way, the site should no longer be allocated purely for employment purposes. Instead, the site should be given a more flexible allocation including residential use within the Local Plan having regard to Policy SP07 of the draft Local Plan which states that "*development must be compatible with neighbouring uses*".

2.1.1 Question 2: *Is it clear to decision-makers, developers and local communities how proposals for alternative uses of land and buildings on the sites listed under Policy E01 will be considered?*

- 2.14 This question seeks responses to whether it is clear how proposals for alternative land and buildings on the sites will be considered. We contend it is not. Policy E01 identifies sites that are able to accommodate flexible employment uses with use of an asterisk. Whilst Policy E01 identifies that part of Thanet Reach Business Park is encompassed within the policy and whilst the policies map makes a clear distinction to which part of the business park the policy relates, the text of the policy does not identify which part this relates to. Therefore, the policy cannot be found sound as it is not clear.
- 2.15 Policy E01, identifies the Thanet Reach Business Park as an existing business site that should be retained for traditional employment uses falling with the Use Classes B1 and B8 in locations close to residential areas, with Class B2 in appropriate locations away from residential developments. However, this policy is in clear contradiction to Policy SP03 which records that Thanet Reach Business Park is suitable for education uses as well as B1 and B8. Therefore, clarity needs to be provided in terms of the reference to 'flexible employment sites'.
- 2.16 Additionally, it is not clear in the draft Local Plan what policy approach is to be taken with regard to existing employment sites and what evidence is required should owners/developers wish to bring forward alternative uses.

3 CONCLUSIONS/PROPOSED MODIFICATIONS

- 3.1 On behalf of our clients, we have a number of concerns in relation to the approach taken by the Council towards Economic Development policies within the Draft Local Plan. This Hearing Statement has been produced in response to these concerns.
- 3.2 We consider that Draft Local Plan is not justified, effective or consistent with the evidence base particularly in relation to the forecasts for employment land need and job growth. The Draft Local Plan relies on 'best-case' scenarios and overly optimistic assumptions.
- 3.3 We contend that the following modifications are required in order for the Plan to be considered sound:
- Revision of the employment growth figure for the Plan period to 2031;
 - A reduction in the amount of land allocated for employment uses across the Plan period in line with the Employment Land Update and Economic Needs Assessment;
 - Revision of Policy SP03 to ensure that it gives greater flexibility to Thanet Reach Business Park, having regard to the surplus employment land allocated over the Plan period;
 - Revision of Policy E01 to ensure that it is consistent with Policy SP03 in terms of flexible uses; and
 - Relaxation of the employment allocation at Thanet Reach Business Park to reflect the fact that this long term aspiration has not come forward. A more flexible allocation including residential uses is advocated to enable viable redevelopment of this highly sustainable site to occur.

Appendix A

Relevant Representations to the Pre Submission Publication Version 2018

Thanet Local Plan July 2018

Pre-Submission Publication Version (Regulation 19)

Representation Form

This form has two parts – **Part A** – Personal Details **Part B** – Your representation(s).

Please fill in a separate sheet for each representation you wish to make.

The period for comment is from 23rd August to 4th October 2018. All comments need to be
submitted by 5pm on Thursday 4th October 2018.

Please be aware the council **is unable** to accept comments received **after** this date.

Please be advised that comments submitted to us will be made public along with your name and the name of the organisation you are representing (if relevant). Your address and any other personal details you provide to us will remain confidential. Your contact details will only be used for Local Plan consultations and to inform you about the stages of this Local Plan process; and for the purposes of the Local Plan Examination.

Comments can be made online at www.consult.thanet.gov.uk. The completed comments form can be emailed to local.plans@thanet.gov.uk or alternatively the form can be sent to Strategic Planning, Thanet District Council, P.O. Box 9, Cecil Street, Margate, Kent CT9 1XZ

Part A: Personal Details *(Please Print)*

Your Details: Name:	Agent's Details: Name: Mark Buxton
Organisation:	Organisation: RPS
Address Details:	Address Details: 140 London Wall London
Postcode:	Postcode: EC2Y 5DN
Telephone Number:	Telephone Number: 02072803300
Email:	Email: mark.buxton@rpsgroup.com



**All comments forms must be submitted either online, by email or by post
by 5pm on 4th October 2018**

To keep you informed of the progress of the Local Plan, the Council will contact you by email where an email address has been provided. If you do not wish to be kept informed of the local plan please tick here ☐

Representing:
Tesco Stores Ltd.

Part B: Your Comments

Please Note: Only those representations made at this stage will be taken into account by the Inspector as part of the examination.

1. Please enter the policy / paragraph / table number or site, to which your comment relates.

Policy No: E01

Site:

Support ☐

Object ☒

Comment ☐

2. Do you consider the Local Plan is:

Yes

No

(1) Legally compliant

☐☐

(2) Sound

☐☒

(3) Complies with the Duty to Co-operate

☐☐

Please tick as appropriate

For an explanation of these terms please see the guidance notes published separately

3. Please give details of why you consider the Local Plan is not legally compliant or is unsound or fails to comply with the duty to co-operate. Please be as precise as possible. If you wish to support the legal compliance or soundness of the Local Plan or its compliance with the duty to co-operate, please also use this box to set out your comments.

We consider that in its present form Policy E01 is unsound. The policies map makes a clear distinction to which part Thanet Reach Business Park, Broadstairs (part) relates, whilst the policy text does not make this clear. We therefore seek further clarification in the draft Local Plan on which part of Thanet Reach Business Park Policy E01 relates to.

Furthermore, other policies in the Plan advocate a flexible approach to employment uses at Thanet Reach Business Park which should be reflected in Policy E01.



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- 4. Please indicate below, what changes to the policy or paragraph wording you consider necessary to make the Local Plan legally compliant or sound, having regard to the Matter you have identified at 3 above where this relates to soundness. It will be helpful for the Inspector, if you are able to put forward your suggested revised wording of any policy or text. Please be as precise as possible.**

Provide clarification in the policy as to which 'part' of Thanet Reach Business Park is proposed to be retained for employment uses and ensure consistency in terms of the reference to 'flexible employment sites'.

Please note your representation should cover succinctly all the information, evidence and supporting information necessary to support/justify the representation and the suggested modification, as there will not normally be a subsequent opportunity to make further representations based on the original representation at publication stage. After



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this stage, further submissions will be only at the request of the Inspector, based on the matters and issues he/she identifies for examination.

5. Examination:

If your representation is seeking a modification, do you consider it necessary to participate at the oral part of the examination?

No, I do not wish to participate
at the oral examination

☐

Yes, I wish to participate
at the oral examination

☒

6. If you wish to participate at the oral part of the examination, please outline why you consider this to be necessary:

To assist the Inspector in reaching a conclusion on the soundness or otherwise of the draft Local Plan through oral elaboration on the representations submitted.

Please note the Inspector will determine the most appropriate procedure to adopt to hear those who have indicated that they wish to participate at the oral part of the examination.

Date: 4th October 2018

Thanet Local Plan July 2018

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Part A: Personal Details *(Please Print)*

Your Details: Name:	Agent's Details: Name: Mark Buxton
Organisation:	Organisation: RPS
Address Details:	Address Details: 140 London Wall London
Postcode:	Postcode: EC2Y 5DN
Telephone Number:	Telephone Number: 02072803300
Email:	Email: mark.buxton@rpsgroup.com



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To keep you informed of the progress of the Local Plan, the Council will contact you by email where an email address has been provided. If you do not wish to be kept informed of the local plan please tick here ☐

Representing:
Tesco Stores Ltd.

Part B: Your Comments

Please Note: Only those representations made at this stage will be taken into account by the Inspector as part of the examination.

1. Please enter the policy / paragraph / table number or site, to which your comment relates.

Policy No: SP03

Site:

Support ☐

Object ☒

Comment ☐

2. Do you consider the Local Plan is:

Yes

No

(1) Legally compliant

☐☐

(2) Sound

☐☒

(3) Complies with the Duty to Co-operate

☐☐

Please tick as appropriate

For an explanation of these terms please see the guidance notes published separately

3. Please give details of why you consider the Local Plan is not legally compliant or is unsound or fails to comply with the duty to co-operate. Please be as precise as possible. If you wish to support the legal compliance or soundness of the Local Plan or its compliance with the duty to co-operate, please also use this box to set out your comments.

We consider that in its present form Policy SP03 is unsound. The policy records that Thanet Reach Business Park is suitable for education uses as well as B1 and B8 uses but then does not seemingly categorise this as a 'flexible employment site' marked by an asterisk as per Eurokent (part). Policy SP07 allocates Thanet Reach Business Park for employment and education uses whilst allocating the southern part of the site for residential development. It is therefore clearly considered suitable for 'flexible employment' and this should be more explicitly set out in policy SP03.



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We also consider that the policy should be further revised as land at Millennium Way has been allocated as part of Thanet Reach Business Park for a number of years but has remained vacant having not generated any interest from the market for viable employment uses across the site.

We therefore welcome additional flexibility in draft policy SP03 but consider this should go further. There is clearly a surplus of employment land in the District. Paragraph 1.28 of the Pre Submission Draft Local Plan establishes that Thanet will need c. 15ha of employment land (B1, B2, B8 uses) over the entire plan period; draft Policy SP02 allocates 53.5ha of employment space to 2031. Land at Thanet Reach Business Park is therefore not required to meet the future employment needs of the District and it should benefit from a more flexible allocation accordingly.

Policy SP07 states that “*development must be compatible with neighbouring uses*”. As there are a number of residential developments surrounding the site and with the adjoining land south of Millennium Way allocated for residential development in the draft Local Plan we consider that the additional land at Thanet Reach Business Park (i.e. land north of Millennium Way) should be allocated for a wider mix of uses including residential.

The ‘Economic Development in Thanet (Employment Land Update and Economic Needs Assessment)’ dated July 2018 acknowledges at paragraph 6.2 that “*the amount of land allocated represents a significant oversupply of employment land.*” Furthermore, paragraph 6.8 records that following a review in 2012, land at Thanet Reach (south) should no longer be allocated for employment purposes as it was not considered to contribute positively to the employment land strategy. We contend that the same should apply to ‘Thanet Reach (north)’ – i.e. our client’s land to the north of Millennium Way.

We would also suggest that the draft plan should make a clearer distinction between existing employment uses at Thanet Reach Business Park and its potential future expansion to the west which is the land subject of our representations. The policies map makes this distinction but the plan text does not.



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- 4. Please indicate below, what changes to the policy or paragraph wording you consider necessary to make the Local Plan legally compliant or sound, having regard to the Matter you have identified at 3 above where this relates to soundness. It will be helpful for the Inspector, if you are able to put forward your suggested revised wording of any policy or text. Please be as precise as possible.**

Reword policy SP03 to clarify the distinction between existing employment uses at Thanet Reach Business Park and its potential future expansion to the west (land north of Millennium Way).

Clarify that the existing Thanet Reach Business Park is suitable for flexible employment uses (including education and B1/B8 uses) and that its potential future expansion (land north of Millennium Way) is suitable for wider employment generating uses and residential development.

Please note your representation should cover succinctly all the information, evidence and supporting information necessary to support/justify the representation and the suggested modification, as there will not normally be a subsequent opportunity to make further representations based on the original representation at publication stage. After this stage, further submissions will be only at the request of the Inspector, based on the matters and issues he/she identifies for examination.



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5. Examination:

If your representation is seeking a modification, do you consider it necessary to participate at the oral part of the examination?

No, I do not wish to participate
at the oral examination

☐

Yes, I wish to participate
at the oral examination

☒

6. If you wish to participate at the oral part of the examination, please outline why you consider this to be necessary:

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