



# RIDGE

TOWN & COUNTRY PLANNING ACT 1990 SECTION 78

PROOF OF EVIDENCE OF PAUL FONG MRTPI

APPEAL 1

APPEAL REFERENCE: APP/B1605/W/18/3200395

APPEAL 2

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#### **PLANNING APPEAL AGAINST THE DECISION OF CHELTENHAM BOROUGH COUNCIL TO REFUSE:**

A hybrid application for FULL planning permission for 5,034m<sup>2</sup> of commercial office space (Use Class B1), 502 m<sup>2</sup> day nursery (Use Class D1), 1,742m<sup>2</sup> supermarket food retail unit (Class A1), a 204 m<sup>2</sup> coffee shop retail unit and drive-thru (Use Classes A1 and A3), with associated parking, landscaping and infrastructure works and outline planning permission for the erection of 8,034 m<sup>2</sup> of commercial office space (Use Class B1), together with associated car parking, landscaping and infrastructure works, with all matters reserved (except access).

And

#### **PLANNING APPEAL AGAINST THE DECISION OF CHELTENHAM BOROUGH COUNCIL TO REFUSE:**

A hybrid application for full planning permission for 5,914 m<sup>2</sup> of commercial office space (Use Class B1), 502 m<sup>2</sup> day nursery (Use Class D1), 1,742 m<sup>2</sup> food retail unit (Use Class A1), with associate parking, landscaping and infrastructure works and outline planning permission for the erection of 8,034 m<sup>2</sup> of commercial office space (Use Class B1), together with associated car parking, landscaping and infrastructure works, with all matters reserved - except access (resubmission).

#### **Prepared by**

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**APPENDIX 1: “CURRENT EMPLOYMENT LAND POSITION BY BOROUGH” PRODUCED BY HUNTER PAGE PLANNING FOR THE JCS EXAMINATION**

## 1.0 QUALIFICATIONS AND EXPERIENCE

- 1.1. My full name is Paul Jonathan Fong and I am presenting this evidence on employment land supply on behalf of Hinton Properties, the Appellant for this development.
- 1.2. I am a chartered member of the Royal Town Planning Institute and I hold a BA honours degree in Town and Country Planning. I am a Partner at Ridge & Partners LLP, Thornbury House, 18 High Street, Cheltenham GL50 1DZ, where I deal with a variety of planning matters on behalf of individuals, government organisations and commercial clients.
- 1.3. Prior to managing the town planning division at Ridge & Partners LLP, I was the founding Director of Hunter Page Planning Ltd<sup>1</sup>, and before that I obtained earlier experience with Geoffrey Reid Associates, Oldfield King Planning and Broadway Malyan Planning. In total I have been involved in town planning work for the past 29 years.
- 1.4. I have obtained during that time considerable experience in dealing with a wide range of planning matters relating to a variety of development. I undertake, and am responsible for, a wide range of consultancy tasks including the preparation of site appraisals, the assessment of the development potential of sites against physical, social, economic and planning policy constraints, the preparation of planning briefs and planning applications, the presentation of planning appeals and local plan representations.
- 1.5. Within Gloucestershire, I am part of the Construction and Infrastructure Group of the GFirst LEP, providing advice and guidance on planning matters that influence the Gloucestershire economy. I have been working with this group since 2011 and provide economic advice to the group with regard to economic strategies and planning policies in emerging development plans within the County. Gfirst LEP were instrumental in securing an increase in the employment land allocations in the Joint Core Strategy (JCS) area from 64ha to 192ha to ensure that a prosperous and vibrant economy was able to expand and develop during the JCS plan period up to 2031.
- 1.6. On a professional basis I deal with the development and expansion of employment sites across the country for a variety of industrial and commercial clients. I have recently been involved in the promotion of a new business park for Ecotricity in Stroud District. I am also currently responsible for the expansion and development of new R&D buildings for Renishaw PLC and Wootton-under-Edge.
- 1.7. I am also the founding chairman of the Gloucestershire Design Panel that was set up in 2011 to help improve the quality of design within the County. I am therefore experienced with the economic factors that currently affect both the Borough as well as the County as a whole.

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<sup>1</sup> Hunter Page Planning Ltd was acquired by Ridge & Partners LLP in July 2018.

- 1.8. I have been actively involved with the development management of the appeal proposal since 2004, when it was promoted through the then emerging Cheltenham Borough Local Plan Second Review, the subsequent appeal for the development of the site that was approved on the 1<sup>st</sup> May 2007, the development of the BMW showroom on part of the site and the successful removal of the entire site from the Green Belt through the Examination of the Joint Core Strategy. I am, therefore, experienced and familiar with the issues applicable to the area and to the appeal proposal in particular.
- 1.9. I have visited the appeal site and the surrounding locality on numerous occasions. I am familiar with the site and its planning history.
- 1.10. The evidence I have prepared within this Proof of Evidence is true and has been prepared in accordance with the guidance of the Royal Town Planning Institute. I can confirm that the opinions expressed are my true and professional opinions.

## 2.0 INTRODUCTION

### Background and History

2.1 Appeal A was brought by the Appellant on 14 December 2017 following refusal of the first application which was recommended for approval by the planning officer. It was refused for the following reasons:

1. *The site has extant consent for B1 office development and is allocated for employment use (specifically B class employment or Sui Generis uses that exhibit the characteristics of traditional B class uses) within the emerging Cheltenham Plan (Pre-submission version, December 2017).*

*The application is for a mixed-use development with a considerable and prominent part of the site being given over to non-B1 uses including a supermarket, "drive thru" coffee shop and day nursery.*

*The proposed non B1 uses will result in a reduction in the amount of the site available for B1 office development along with the high quality jobs this would provide. The amount of the site given over to non B1 uses in combination with the prominent position they would occupy on the site would result in a dilution of the character and function of the site as a business and represent in inappropriate balance between B1 and non B1 uses.*

*For these reasons the proposal is considered to be contrary to policy SD1 of the Joint Core Strategy, policy EM2 of the adopted Local Plan and emerging policy EM3 of the Cheltenham Plan (Pre-submission version, December 2017).*

2. *Due to the mix of uses proposed, the development would result in an increase in traffic on the surrounding road network into the evenings and at weekends in addition to the AM and PM weekday peaks. This would have an unacceptable impact upon the local road network which is already heavily used. For these reasons the proposal is considered to be contrary to policy INF1 of the Joint Core Strategy.*
3. *The proposed layout of the site results in a predominance of hardstanding and retaining structures which result a poor appearance and do not create an attractive streetscape or strong sense of place which responds to the character of this transitional location. The position of buildings including the 'Drive thru' coffee shop and supermarket, close to the edges of the site give the layout a cramped and contrived appearance exacerbated by exterior features such as the 'drive thru' lane and external yards. The proposal is therefore harmful to the surrounding area by reason of its visual impact and also fails to create a high quality business environment in this edge of town location. For these reasons the proposal is considered to be contrary to policy SD 4 of the Joint Core Strategy and CP7 of the Local Plan.*

- 2.2 Appeal B came about following discussions with the leader of the Council and his planning team, when it became apparent that two key employers were secured for the site. These employers would ensure the development of up to 30,000ft<sup>2</sup> of new office buildings on the site as well as their early occupation. Both of the new office buildings would have secured regional headquarters buildings on the site and employed approximately 250 people.
- 2.3 The second appeal proposal was therefore modified in order to provide for the detailed consideration of the two new headquarters buildings on site and the removal of the coffee retail unit.
- 2.4 The application received a strong officer's recommendation for permission. However on the 19 October 2018 members refused the application. The application was refused for the following reason:

1. *The site has extant planning permission for B1 office development and is allocated for employment use (specifically B class employment or Sui Generis uses that exhibit the characteristics of traditional B class uses) within policy EM3 of the emerging Cheltenham Plan (Regulation 19 version, February 2018). The application is for a mixed-use development with considerable and prominent parts of the site being given over to an A1 food retail store and a D1 day nursery.*

*These proposed non-B1 uses will result in a reduction in the amount of the site available for B1 office development, for which this has been allocated, along with the high quality jobs this would provide. The amount of the site given over to non-B1 uses in combination with the prominent position they would occupy on the site would result in a dilution of the character and function of the site as an employment site and represent in inappropriate balance between B1 and non-B1 uses.*

*For these reasons the proposal is considered to be contrary to policy SD1 of the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy, policy EM2 of the adopted Cheltenham Borough Local Plan and policy EM3 of the emerging Cheltenham Plan (Regulation 19 version, February 2018).*

## Matters of Procedure

- 2.5 With regard to the first appeal, it has been agreed with the Council that they will no longer be defending the Highways reason for refusal but maintain objection to the proposal as set out in the first and third reason for refusal.
- 2.6 With regard to the second appeal, the Council maintain their first reason for refusal.
- 2.7 For expediency, all parties have agreed to have both appeals co-joined and therefore both proposals will be heard at the Inquiry starting on the 8 January 2018.

## Scope of Evidence

- 2.8 My proof of evidence will deal with the employment land supply within Cheltenham Borough and assess whether the appeal proposals will be detrimental or beneficial to the overall supply of employment land within the Borough.
- 2.9 In preparing its evidence, the appellant has gone to great care in assisting the Inspector on an understanding of the pertinent matters relating to this case especially with regard to employment matters. Therefore, in addition to my proof, there will be additional evidence on Viability and Employment Land provided by Phillip Pratt from Alder King as well as Economic evidence provided by Stuart Hardisty of Hardisty Jones.
- 2.10 Further evidence on planning policy pertaining to the developments will be provided by my colleague James Griffin of Ridge and specialist Urban Design Evidence will be provided by Stephen Tucker from Barton Willmore.
- 2.11 My Proof of Evidence will therefore focus on addressing whether the appeal proposals will accord with the economic strategies for Cheltenham Borough and whether the alleged loss of employment land to other uses will actually offend the supply of new employment land within Cheltenham or any of the adopted planning policies relating to employment land provision.



### 3.0 PLANNING POLICY CONTEXT

3.1 Section 38(6) of the Planning and Compulsory Purchase Act 2004 states:

*“If regard is to be had to the development plan for the purpose of any determination to be made under the Planning Acts the determination must be made in accordance with the Plan unless material considerations indicate otherwise”.*

3.2 The relevant Development Plan to the Appeal proposal comprises the Joint Core Strategy 2011-2031 that provides strategic planning guidance for Gloucester City, Cheltenham Borough and Tewkesbury Borough as well as the saved policies of the Cheltenham Borough Local Plan Second Review 2006.

3.3 I am mindful that the Cheltenham Plan, Pre-Submission Version (Regulation 19) February 2018 has recently been submitted for examination but is still subject to a substantial objection from GFirst LEP regarding its economic strategy. Within this section I will therefore examine the objections to the economic strategy and the weight that can be attached to the Plan.

3.4 In terms of additional policy matters, the Planning Practice Guidance relating to “Housing and economic land availability assessment”, “Local Plans” and “Plan Making” are also relevant material considerations.

#### Cheltenham Borough Local Plan Second Review 2006

3.5 For the purposes of my proof of evidence, I will only be looking at the saved policies in the employment chapter of the Cheltenham Borough Local Plan (CBLP). However, prior to this, it is worth looking at the Inspector’s report into this Plan to provide a context to the employment policies.

3.6 The Public Inquiry into the Cheltenham Borough Local Plan was held in November 2004. At that Inquiry, the Inspector (David Asher) examined ‘whether the plan provided enough employment land’ and if not ‘whether the shortfall should be made good in this plan’. This background is important to provide a contextual position to the employment land supply within the Borough. The Examination Inspector (David Asher) stated as follows within his report (paragraphs 12.19-12.24 of the Inspector’s Report):

*“From all that I have heard at the Inquiry, and have read of these other objections, I have no doubt that the Plan does not provide enough employment land. There are three reasons for this.*

*First, the Plan does not conform with the Structure Plan requirement to provide 12ha. At the Inquiry the Borough Council pointed out that this requirement was described in the deposit draft Structure Plan as arising from commitments. However, that is not the case in the adopted Plan which is the development plan, and with which this Plan should be in general conformity.*

*I note the Structure Plan says that the figures should not be used with mathematical exactitude, but I do not consider that this phrase can apply to a shortfall as large as 12ha....*

*My concern on this issue is compounded, in any case, by the loss in recent years of about 10ha of employment land to other uses. The Plan does not seek to make good this loss, despite the guidance in paragraph 7.2.2 of the Structure Plan strategy that District Councils may need to allocate land to compensate for such a loss.*

*Second, from what I have seen on my visits, I agree with those objectors who argue that the existing provision in the Borough offers a very limited choice of location and quality of sites or buildings. ... it convinces me of the need for additional land, not simply to meet a numerical requirement or to achieve conformity with the Structure Plan, but to widen the choice of sites for existing firms, or firms new to the area, and to ensure a quality and range of provision which is almost wholly lacking in the existing employment sites.*

*Third it is clear from what I have heard from firms and agents working in the area, that the lack of good quality, readily available sites has a serious impact on local firms wishing to expand or move to new premises whilst remaining in the Borough."*

- 3.7 This background is particularly relevant, as it is clear that today, there remain no new employment sites within the Borough and more employment land and buildings have been lost to residential use.
- 3.8 Given this background and the age of the CBLP, with a Plan period only up to 2011, it is considered that the employment policies in the CBLP are significantly out-of-date and do not provide for the employment needs of the Borough. This is relevant to the weight to be afforded to these policies.

## JOINT CORE STRATEGY, DECEMBER 2017

- 3.9 The Joint Core Strategy was adopted in December 2017, after considerable gestation and making a marked change in the employment supply from 64ha up to 192ha across the three authorities.

### ***Ambition1 – A thriving economy***

- 3.10 Strategic Objective 1 seeks to build a strong and competitive urban economy by developing the potential of the JCS area for further economic and commercial investment by:
- ***“Providing the right conditions and sufficient land in appropriate locations to support existing business and attract new ones, particularly from the major high-tech and knowledge-based industries, tourism, retail and leisure sector, to rebalance the local economy away from its public sector dominance, improve the area’s economic resilience, support a highly skilled workforce and continue to provide a focus for economic growth within the county;***

- *Providing the right environment, in partnership with others such as the Local Enterprise Partnership (LEP), for business start-ups, entrepreneurship and the improvement and expansion of education and training facilities to develop the skills employers need;...*

(my emphasis)

***Policy SP2: Distribution of New Development***

3.11 Policy SP2 (criterion 9) sets out that the JCS will make provision for a minimum of 192ha of new B Class employment land, recognising that 84ha will be delivered on Strategic Allocation sites as detailed at Policy SA1 and a further capacity will be identified in District Plans.

3.12 The new strategic employment allocations as of today, are made up as follows:

	<b>Strategic Allocation</b>	<b>B-Class employment land - hectares</b>
1	Innsworth and Twigworth	9
2	South Churchdown	17
3	North Brockworth	3
4	North West Cheltenham	10
5	Ashchurch Strategic allocation	0
6	West Cheltenham	45
	<b>Total</b>	<b>84</b>

3.13 Strategic allocations therefore make up 84ha of the minimum requirement of 192ha. The remaining allocation of **108ha** is to be provided through the District Plans.

3.14 The table above differs from that set out at Table SA1 of the JCS because there has been a change in the circumstances relating to North West Cheltenham (Policy A4) where it is now accepted that there will only be 10ha of B Class employment land, with other employment being generated by non-B Class uses and primarily retail uses.

3.15 Equally the employment allocation at Ashchurch (Policy A5) has recently been granted planning consent for retail development under planning reference 13/01003/OUT, with reserved matters currently being discharged by the developer, Robert Hitchins Limited.

3.16 The strategic allocations provided by the JCS have therefore been reshaped by the following:

- An increase in the employment land provision in the JCS area from 64ha to a minimum of 192ha;
- The reshaping of the Strategic Allocations during the JCS Examination, mainly North Churchdown, South Cheltenham/Leckhampton that were removed and the subsequent inclusion of West Cheltenham (A7) and Winneycroft (A6). West Cheltenham provided a new employment land allocation of 45ha.

- The round table sessions on Employment Land held on the 22 October 2015 and 9 February 2016; and
- The release of the JCS Economic Update Note, February 2016 (EUN).

3.17 The JCS Economic Update Note of February 2016 (EUN) followed the round table sessions on Employment Land and provided the basis for the reshaped strategic employment land provision within the JCS area. This concluded that the total potential employment land supply could reach up to 238ha and accordingly would not limit the potential for economic growth. At that time their calculations were based on a land supply emerging from the following:

- Proposed JCS allocations at that time of 84ha;
- An additional employment allocation at Brockworth Strategic Allocation (SA4) of 3ha;
- The proposed inclusion of the strategic allocation at West Cheltenham to include 40ha;
- An existing undeveloped capacity within Tewkesbury, Cheltenham and Gloucester of 63ha; and
- And other potential sites suitable for employment that would amount to approximately 48ha of new employment land.

3.18 However, prior to the adoption of the JCS in December 2017, the nature and deliverability of the employment allocations changed, altering the supply assessed by the EUN. However, the JCS was not able to fully reflect this in the final text which still shows employment allocations at Ashchurch and a greater B Class employment provision at North West Cheltenham.

3.19 Some of the primary differences between the current situation and the EUN assessment of 2016 is:

- The loss of the MOD Ashchurch allocation of 20ha;
- The reduction of the NW Cheltenham Allocation by 13ha (provides only 10ha of B Class Employment);
- The loss of 14.2ha of the Ashchurch Allocation (A9) to retail; and
- The increase of the West Cheltenham Allocation to 45ha from 40ha.

3.20 The Strategic allocations in the JCS are therefore only expected to deliver 84ha of new employment land during the plan period as opposed to the anticipated 127ha in the EUN or the 112.2ha set out in Table SA1 of the JCS. The residual provision to meet the minimum requirement will therefore need to be made through allocations in the District Plans.

- 3.21 The EUN anticipated that the proposed SALA sites would deliver 48ha of new employment land during the plan period, which would materialise through the emerging District Plans.
- 3.22 It is apparent that Tewkesbury Borough Council is expected to provide the largest number of new employment sites, as geographically the Borough has a larger area of land within its administrative boundary and also preside over the hinterland of both Gloucester and Cheltenham.
- 3.23 Tewkesbury Borough Council has recently released the Preferred Options of their Local Plan for consultation and within this there is an additional 45ha of new employment land in the form of extensions to existing business parks within the Borough. Whilst the Council has rigorously assessed these sites for their suitability to provide for the employment needs of the Borough and JCS area over the Plan period, they have not been fully tested through consultation or examination. The sites are however supported by a comprehensive analysis provided in their 'Employment Land Background Paper, September 2018'. It is therefore anticipated that these sites are likely to come forward through the evolution of their plan.
- 3.24 The remaining capacity was anticipated to come through the residual land available on existing allocations. All of these allocations are within Tewkesbury Borough and the supply was anticipated to be delivered as follows:

LPA	Policy Ref	Site Name	Available Area	0-5 years	6-10 years	11-15 years
TBC	BI3	Malvern View	2.5	2.5		
TBC	BI4	Cleeve Business Park	5.7		5.7	
TBC	BR2	Gloucester Business Park	20	5	7.5	7.5
TBC	EMP1	Bishops Cleeve/Southam	7.2		3	4
TBC	EMP1	Staverton/Churchdown	4.5	4.4		
<b>Totals</b>			<b>39.9</b>	12	16.2	11.5

3.25 An assessment of this supply was provided by Hunter Page Planning (now Ridge) to the JCS Examination (attached as **Appendix 1**). This assessment was undertaken in conjunction with Alder King who provided a marketing opinion on the existing sites available for development. Overall this showed that only 3.4ha were available in Tewkesbury with 7ha being available in Gloucester City, making a total of 10.4ha remaining on existing allocations, in contrast to the potential 39.9ha illustrated in the EUN (Appendix 2, B).

3.26 With regard to extant consents the supply position was purported as being 32.291ha. The actual supply available from this source is detailed below:

	Site	Area	Comment	Gain in Employment Land
1	Council Depot, Gravel Pit Lane, Prestbury	0.38	Existing vehicle and machinery depot to be redeveloped into 10 light industrial units. Overall not a new B Class use as the site was already in B8 use.	0
2	Unit C, Staverton Connection	0.16	Creation of a new industrial building on a former Paddock for Injection Mouldings Ltd. Creation of new employment space.	0.16
3	Pennant Court, Staverton Tech Park	0.38	Extension to an existing industrial building in an existing industrial park. Not the creation of new employment land.	0
4	Cotteswold Dairy, Northway	1.69	Erection of single storey canopy to tanker bay area. Re-location of 2 no. silos and installation of 5 no. new silo tanks. This application does not involve the creation of new employment land.	0
5	CSD Business Park, Northway	0.21	Site is already in employment use on an established employment park. Therefore there is no new employment land being created.	0
6	G&R Pollard Engineering, Ashchurch	0.2	Proposal is for a two-storey side extension for G7R Pollard Engineering Limited, to be provided on their existing industrial site. The proposal does not therefore create new employment land.	0
7	Ashville Business Park	2.4	Proposal for Spectrum Medical Limited for new office and R&D accommodation on a greenfield site.	2.4
8	Home Farm, Brockhampton	0.14	Use of the parking area of an indoor riding centre to be used to store caravans (amendment to condition). Not new employment use.	0

9	Messier Services, Meteor Business Park	0.05	The proposal comprises a 2 storey extension to the west elevation of Hangar 4 which would be flanked either side by single storey lean-to extensions. Not new B Class employment.	0
10	DAD Ashchurch	0.5	Extension to an existing warehouse for Domestic Appliance Distribution. Developed on existing car park and not the creation of new employment land.	0
11	GE Aviation, Bishops Cleeve	0.12	Outline application for the temporary stationing of a modular portakabin office building (B1 use) for a period of two years. Not new employment creation.	0
12	Staverton Court, Staverton	0.34	Two storey office extension for Hazelwoods. Not the creation of new employment land.	0
13	Berkeley Court, High Street	0.096	Unit was previously in office use and then changed to D1. The application was to convert the unit back to office use. Therefore not the creation of new employment land.	0
14	GCHQ Benhall, Hubble Road	3.21	Creation of two new office buildings on the GCHQ complex. Development has not been started due to parking restrictions. The application was permitted in March 2010 but has not been renewed or implemented and has therefore expired.	0
15	Cheltenham Film Studios	0.335	This is an application to extend the time limit for the extension to Cheltenham Film studios. This application does not provide the creation of new employment land.	0
16	Reset Health and Fitness, Unit 1 St Georges Place Car Park, St Georges Place	0.13	Change of use of existing building and not the creation of new employment land. Was formerly an office building.	0
17	Triangle Park	1.94	Creation of new business units as part of a mixed use development from the former railway triangle. Part of the development is anchored by a new Morrisons supermarket.	1.94
18	Kingsway Framework	13.42	Redevelopment of the former RAF Quedgeley for employment uses.	0

			Site was however, formerly utilised for B1 and B8 purposes and therefore does not constitute new employment creation.	
19	Gloucester Quays	0.89	Development comprises of residential and retail and not employment.	0
20	Land North of Walls	5.7	Creation of new site for B1, B2, B8 and car showroom.	5.7
		<b>32.291</b>		<b>10.2</b>

3.27 The current Employment Land Supply from the JCS Authorities can therefore be summarised as follows:

- Strategic Allocations: 84ha
  - Existing undeveloped capacity  
(based on previous allocations and extant planning permissions): 20.6ha
  - Allocations coming forward (Tewkesbury Borough Council): 45ha
- Total: 149.6ha**

3.28 There remains 42.4ha of additional employment land to be found within the JCS area in order for the minimum requirement of employment land to be met. It is expected that the Local Plans will provide sufficient flexibility to provide a 'pipeline' of new sites in order to accommodate for every business need and ensure the growth of the economy.

3.29 From the strategic allocations it is apparent that there will be two new allocations within Cheltenham, those being North West Cheltenham, which will provide 10 hectares of B Class employment land and West Cheltenham, which will provide a further 45 hectares of B Class employment land.

3.30 Both of these locations are within accessible out of town locations that have good access to the primary infrastructure of the town. They will inevitably be good locations for new business use.

***Policy A4 – North West Cheltenham***

3.31 Policy A4 is one of the strategic policy allocations dealing with North West Cheltenham and criterion (ii) simply makes provision for a 10ha business park.



### ***Policy A7 – West Cheltenham***

- 3.32 Policy A7 is the strategic policy dealing with West Cheltenham and criterion (ii) seeks to provide for a 45ha of B-Class led employment land, to be focused upon a cyber security hub and other high technology and 'Gross Value Added' generating development and ancillary employment uses.
- 3.33 An examination of the emerging masterplan for this site shows that part of this business park will be safeguarded for cyber related uses, some of whom may have a relationship with GCHQ. Other employment uses on site will be focused upon high value offices and other light industrial uses, allowing a range of employment uses to be provided on the site.
- 3.34 Both Policy A4 and A7 relate to large strategic mixed-use allocations that includes a significant amount of new housing and associated development.

### ***Policy SD1: Employment – except retail development***

- 3.35 Policy SD1 generally supports employment related development at strategic allocations; at locations allocated for employment use in development plans; for the redevelopment of existing employment sites and in the wider countryside adjacent to a settlement or existing employment site.

### ***Policy SD2 – Retail and City/Town Centres***

- 3.36 The JCS currently lacks a comprehensive retail strategy for Cheltenham and relies primarily on the saved policies within the CBLP to determine the location of new retail development.
- 3.37 In the interim, it recognises that there is a need for new retail floorspace for comparison and convenience goods over the plan period and prior to the adoption of a new and robust retail strategy, individual retail planning applications will be accommodated provided that they are in accordance with the sequential test and impact test.
- 3.38 Paragraph 4.1.15 of the JCS recognises that retail is a form of employment and will provide a significant amount of job growth throughout the area, which is as important as allocating specific parcels of land for employment use.
- 3.39 The evidence base provided for the JCS (NLP Report, October 2015), identified that '*retailers are keen to be represented in Cheltenham and are awaiting for space to become available.*'

## **The Framework 2018**

- 3.40 The revised Framework was published in July 2018 (the Framework 2018) and supersedes the 2012 version. In consideration of the appeal development and in relation to the employment land supply, Section 6 is relevant.
- 3.41 Primarily, paragraph 80 sets out that *planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed*

on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address challenges of the future.

## The Planning Practice Guidance

### *Housing and Economic Land Availability Assessments*

- 3.42 The Planning Practice Guidance provides valuable advice on economic land availability assessments and an important benchmark upon which to assess the suitability of the supply of economic land.
- 3.43 From the outset it states that when assessing sites against an adopted development plan, regard will be given to how up to date the plan policies are and consider the appropriateness of identified constraints on sites/broad location and whether such constraints may be overcome.
- 3.44 Sites in existing development plans or with planning permission will generally be considered suitable for development *although it may be necessary to assess whether circumstances have changed* which would alter their suitability. This will include a re-appraisal of the suitability of previously allocated land and the potential to designate allocated land for different or a wider range of uses.
- 3.45 This should be informed by a range of factors, including the suitability of the land for different uses and by *market signals*, which will be useful in identifying the most appropriate use.
- 3.46 In addition to the above considerations, the appropriateness and likely market attractiveness for the type of development proposed will also need to be considered.

(Paragraph: 019 Reference ID: 3-019-20140306)

- 3.47 In addition, a site should be considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time. This is essentially a judgement about the economic viability of a site, and the capacity of the developer to complete and let or sell the development over a certain period.

(Paragraph: 021 Reference ID: 3-021-20140306).

### *What are the steps in gathering evidence to plan for business?*

- 3.48 With regard to the development of Local Plans and policies, the guidance sets out that strategic policy-making authorities will need a clear understanding of business requirements in their area. The steps in building up this evidence include:
- working together with county and neighbouring authorities, Mayors, combined authorities and with **Local Enterprise Partnerships** to define the most appropriate geography to prepare policies for employment;

- preparing and maintaining a robust evidence base to understand both existing business needs and likely changes in the market, with reference to local industrial strategies where relevant; and
- **engaging with the business community to understand their changing needs and identify and address barriers to investment**, including a lack of housing, infrastructure or viability.

(our emphasis) Paragraph: 033 Reference ID: 61-033-20180913, Revision date: 13 09 2018

### *How should authorities use this evidence base to plan for business?*

3.49 With regard to Plan Making the Planning Practice Guidance sets out that authorities should use the evidence to assess:

- **the need for land or floorspace for economic development, including both the quantitative and qualitative needs for all foreseeable types of economic activity over the plan period, including for retail and leisure development;**
- the existing and future supply of land available for economic development and its suitability to meet the identified needs. This should be undertaken at the same time as, or combined with, Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land.
- **the likely availability and achievability of employment-led development, taking into account market signals;**

(our emphasis) Paragraph: 034 Reference ID: 61-034-20180913, Revision date: 13 09 2018

## The Strategic Economic Development Plan for Gloucestershire March 2014

3.50 GFirst LEP has adopted an ambitious Strategic Economic Plan (SEP) for the County in order to produce significant growth in GVA (*gross value added*). To achieve this ambition requires the County to do significantly better than what has been achieved in the past.

3.51 The SEP therefore aims to provide the framework to grow the local economy by creating an environment that attracts new high growth potential businesses and promotes the growth of existing businesses already located within the County.

3.52 The SEP will specifically aim to ensure that sufficient employment land is available in appropriate locations within the County and with the necessary transport infrastructure demanded by businesses.

3.53 Some of the barriers to business growth that the SEP hopes to overcome are:

- The need for a planning system that delivers efficiently and consistently for business;
- Overcoming the lack of suitable premises for high value businesses;
- Ensuring there is a sufficient supply of attractive development sites for all types of businesses; and
- Ensuring that future development strategies provide high quality employment land where businesses want to be.

3.54 There are several exciting opportunities for growth within the County including the potential for development of an M5 Growth Zone and business expansion through High Growth Potential Sectors. Investing in major initiatives along the M5 corridor in Gloucestershire will fuel significant business growth and prosperity throughout the county. New employment land availability will serve latent demand created in the marketplace especially within Cheltenham where there has been a significant loss of employment land without any replacement provision being made. The potential of the Growth Zone has included significant new strategically important employment allocations at North West Cheltenham and West Cheltenham.

3.55 The appeal site is within the Growth Zone.

3.56 It is expected that the overall aims and objectives of the Growth Plan will need to be aligned with the JCS economic strategy as well as the Cheltenham's economic vision.

## Cheltenham Plan Pre-Submission Version (Regulation 19) February 2018

3.57 The Cheltenham Plan, when adopted together with the JCS, will comprise the statutory development plan for Cheltenham up to 2031. Given the subdivision of the employment land supply in the JCS, it is apparent that both plans are inter-dependent on the provision of new employment land to deliver a robust and deliverable employment strategy for Cheltenham and a comprehensive and up-to-date development plan for the area.

3.58 The Council consulted on the submission draft of the Plan between 12 February and 9 April 2018 and the draft plan has now been submitted for examination. The Plan is intended to be consistent with the JCS and aims to develop Cheltenham as a *business location*.

3.59 The National Planning Policy Framework sets out that decision-takers may give weight to relevant policies in emerging plans according to their stage of preparation, the extent to which there are unresolved objections to relevant policies, and their degree of consistency with policies in the National Planning Policy Framework.

- 3.60 At the present time there remains a substantial unresolved objection to the economic strategy of the Local Plan from the Local Enterprise Partnership. In summary, these involve the Plan not providing sufficient employment land or addressing the structural gap in the employment land provision as well as not supporting the right environment for employment development.
- 3.61 It is evident from the LEP letters against the economic strategy of the Plan that they believe the Council needs to be more ambitious in the provision of new employment sites and should not rely solely on the recycling of existing sites as they have done in the past. Irrespective of this, it is apparent that there remains a residual of 108ha of new employment land to be found in the JCS area and if Cheltenham is to maintain and enhance its role as the business centre for Gloucestershire, it is anticipated that there would need to be additional allocations in and around the town to provide a pipeline of smaller business parks to address the structural gap in its employment land supply.
- 3.62 Policy EM3 has failed to address market signals and does not provide a proper platform to decide the acceptability or otherwise of any future business parks coming forward as part of the economic strategy for the town. Therefore, until this objection has been resolved, it is clear that only limited weight can be given to the emerging policies of the Cheltenham Plan including EM3.
- 3.63 In addition to this, the Cheltenham Plan does not provide any policies for the development of new retail within Cheltenham, despite the on-going requirement for such development.
- 3.64 There remains a substantial objection to the economic strategy of the Plan which may lead to the allocation of new employment sites and the re-wording of the proposed economic policies. Accordingly, only very limited weight should be given to the employment policies in the plan as they are currently written. The Cheltenham Plan is not adopted and it would appear has some way to go before adoption. The Plan does not therefore carry the status of being part of the development plan.
- 3.65 The primary evidence base in the development strategy for Cheltenham is cited as being the Cheltenham Economic Strategy: Developing Cheltenham as a Business Location (January 2015) [*included in the Core Document Bundle*] by Athey Consulting and the Employment Land Review produced by Nathaniel Lichfield and Partners Limited in July 2007. The Nathaniel Lichfield Report is now of some age and has been overtaken by more up to date reports provided for the JCS. In addition to this The Nathaniel Lichfield and Partners, Employment Land Assessment Update, October 2015 provided for the JCS also provides valuable background information.
- 3.66 The Athey report does provide a useful background to the economic problems facing the town but has also been overtaken by events surrounding the JCS including the allocation of 45 ha of new employment land at West Cheltenham.

### *Cheltenham Economic Strategy: Athey Consulting*

3.67 Some of the key findings of the Athey Report are as follows:

- Cheltenham's annual rate of economic growth (0.7%) has lagged significantly behind national average growth rates (1.9%), whereas growth rates for Gloucestershire (1.8%) are more in line with the national average.
- The rate of job growth however, has exceeded the national average, and both economic and job growth are forecast to be strong over the next 20 years.
- Cheltenham remains a significant employment centre within the County of Gloucestershire and this is forecast to continue.
- Cheltenham is a regional shopping centre.
- Between 2000-2012, 6000 net new jobs were created in Cheltenham – a rate of jobs growth (9.1%) that is higher than the average for England (7.6%), but lower than Gloucestershire County as a whole (which grew by 40,000 jobs, or 14.1%).
- Public administration, Education and Health is the largest contributor to economic output. Business services is the third largest contributor and the fastest growing sector in terms of economic output. This sector will provide the largest increase in employment.
- The professional, Scientific and Technical sector within business services has the largest number of business units and has experienced a large increase in business uses.
- Retail, distribution, transport, accommodation and food is the second largest contributor to economic output and one of the largest employment sectors.
- With 5,185 enterprises in 2012, Cheltenham has a strong and growing business base, with stronger than average long-term growth in the number of enterprises (11.7% growth between 2004 and 2012) and a higher than average number of enterprises per head of the working age population.
- This strong growth in Cheltenham's business base has been driven by stronger business survival rates.
- Business survival was badly affected by recession but has begun to recover.
- Businesses in Gloucestershire are more likely to compete on design, quality and innovation than the national average.

- There is a stronger than average presence of information technology and telecommunications professionals in Cheltenham.

- 3.68 Overall the Athey report found that Cheltenham still has the highest quantity of office stock in the County. However, stakeholder engagement demonstrates a sustained demand for office accommodation across the Borough but the existing stock is under stress with a constant and longstanding loss of both office and industrial sites and premises to residential use. Equally the existing office and industrial stock is ageing.
- 3.69 Importantly for the appeal proposal, the report identifies that vacancy rates for office, retail and industrial are falling but rental levels still fall below the levels required to support speculative property development (page 18). Equally, market evidence also indicates that 80% of the office stock comprises accommodation which is less than 500m<sup>2</sup> and in particular ***there are no quality sites or premises for business expansion, relocation or inward investment either within the town centre, edge of centre or greenfield sites.*** Agents highlight a particular deficit in the portfolio for those looking for premises or sites that can accommodate in excess of 1,000m<sup>2</sup>.
- 3.70 The report also identifies a **structural gap** in the provision of Business Parks within Cheltenham that has not been resolved with market signals now showing a greater presence of business parks in both Gloucester and Tewkesbury offering the type and size of accommodation at competitive prices to meet business needs. Importantly these sites are noted to reflect the profile of the newly investing or expanding businesses and should this trend continue then it is apparent that Cheltenham will no longer become the location of choice or search for business.
- 3.71 The recent trends in employment development show that a large proportion of B1 developments are bespoke buildings for existing Cheltenham clients and end users. Current investment is therefore identified as being for design and build specifically tailored for end users and occupiers as current rental values and investment confidence fall short of developing speculative new buildings. Coupled with this, it is also apparent that there is a lack of high-quality office accommodation and choice of Business Park opportunities in the town which provides *the* structural gap in the employment land provision for Cheltenham.
- 3.72 The consequence of this is the narrowing of choice to existing businesses, limited inward investment as well as no opportunities being provided for start-up space particularly for serviced or supported space for incubator or innovation development.
- 3.73 Overall therefore, the Athey report concludes that, **if the Borough is to improve its productivity to meet its economic ambitions, and importantly retain higher value businesses, the development of more employment land is necessary to provide a choice and variety of high-quality employment sites.**
- 3.74 Regrettably the emerging Cheltenham Plan does not follow through with this aspiration and has failed to be ambitious with its economic strategy, choosing instead to adopt a policy of restraint and

the simple recycling of existing employment sites to provide for its future employment needs. This fails to address the critical employment issues within the town and continues to limit the choice and variety of employment sites in the Borough.

- 3.75 This approach also ignores the economic evidence provided to the Council that re-identifies the structural gaps and economic issues facing the town through the under-provision of suitable employment sites.

### ***The Local Plan Economic Policies***

- 3.76 The introduction to the Employment Chapter of the Local Plan sets out that:

*“The Cheltenham Plan is putting forward a strategy which is intended to better manage the use of employment land as part of a coordinated approach with the Joint Core Strategy (JCS) to meet ambitious aspirations for growth, open up opportunities for large companies, SMEs and business start-ups, and create a vibrant, competitive economy. Our ambition is to create an environment that supports economic growth and flexibility within the local economy, whilst also recognising the strategic role Cheltenham plays in the wider economy of Gloucestershire and regionally.”*

- 3.77 To support the economic growth of the Borough up to 2031, the Plan, under Policy EM3 allocates 4 “new” employment sites. Regrettably, none of these sites are *new* employment sites and the third site listed (E3) is the appeal site.

- 3.78 It is suggested that this Policy (and the sites within it) help fulfil ‘Vision Theme B’ of the Plan that seeks to make Cheltenham a place with a prosperous and enterprising economy where education, skill and employment opportunities are increasing and diversifying, where businesses choose to invest and deliver value of economic output, and where the benefits are felt by all.

- 3.79 Criterion ‘a’ of this vision theme looks to secure sufficient sites and a range of employment land. Regrettably, the policy has not had regard to the Athey report and the structural gaps identified in this report.

### ***Cheltenham’s Retail Strategy***

- 3.80 From an Inspection of the evidence base presented for the Cheltenham Local Plan, it is apparent that there is no evidence to support a retail strategy or provide relevant retail policies. Conversely, the duty to co-operate statement sets out:

*“Retail Review*

*2.3. A brief of work has been prepared and the tendering process is underway in order to find a suitable consultant to prepare a retail and leisure study to inform the retail review.*



2.4. Included within the brief a timeline indicates that an inception meeting will take place in October 2018 and evidence preparation and policy drafting will be undertaken up to March 2019. "

3.81 The Duty to Co-operate Statement does not show inclusion of the LEP in their consultation.

3.82 The retail chapter of the Plan reads:

*"...the new Cheltenham Plan does not include any policies on retail. Retail policies will be introduced at the earliest opportunity upon completion of the JCS retail review and will be formulated to work in tandem with revised JCS retail policy in future."*

3.83 It is therefore likely that the retail strategy will be written after the Examination of the Local Plan.

3.84 In the interim, new retail development will therefore be determined on the JCS policy, and the CBLP which are generally permissive to new retail floorspace provided that it is in accordance with the sequential test and impact test and in accessible locations.

***Gloucester, Cheltenham and Tewkesbury JCS, Employment Land Assessment Update, October 2015, Nathaniel Lichfield and Partners (NLP)***

3.85 The NLP Employment Land Assessment for the JCS was produced after consultation with stakeholders including the LEP and revised the employment land provision in the County from 64ha up to a *minimum* of 192ha up to 2031.

3.86 The conclusions to the stakeholder consultations confirmed that a shortage of land for employment development should not be allowed to constrain the economy or potential employment growth.

3.87 With regard to employment land in Cheltenham the report at paragraph 3.17 sets out that:

*"Cheltenham Borough Council's records reveal that the level of employment land losses has been lower at 5.26ha over the 8 year period between 2006/7 and 2013/14. This equates to 0.66ha p.a. However, whilst only a relatively modest amount of employment land has been lost to other uses, evidence provided by Cheltenham Chamber of Commerce has identified a total of 24 employment buildings in Cheltenham, each more than 1,500 sqft (143sqm), that have been redeveloped for non-B Class uses. The total amount of floorspace lost amounts to 523,500 ftsq (48,633 sqm) and it is understood that a considerable number of units under 1,500 sqft have also been redeveloped for non-B Class purposes. Whilst a proportion of this was relatively low quality, it has fuelled the current shortage of space which was identified as a major problem by those active within the local economy."*

3.88 With regard to retail, the NLP Report identified that the LEP Retail sector group confirmed that:

*"Retailers are keen to be represented in Cheltenham and are waiting for space to become available."* (paragraph 2.37)

## 4.0 Employment Land Supply within Cheltenham

4.1 The Council's primary objection to the appeal proposal/s is based on the premise that the loss of employment land to the ancillary uses within the development (foodstore, day nursery and coffee retail unit), would be contrary to the development plan and emerging plan. The Council allege that the loss of this land to ancillary development would be detrimental to the on-going and future employment strategy for the Borough.

### *What is the current supply of employment land in Cheltenham*

4.2 There is a significant evidence base relating to the employment land within the Borough. These can be seen in the *Cheltenham Economic Strategy* by Athey Consulting, January 2015, The Employment Land Assessment Update by NLP, October 2015 and correspondence from the LEP dated 9 April 2018.

4.3 It is apparent from this evidence base that the employment land position within Cheltenham is critically low and there are structural gaps in the employment supply that need to be addressed.

4.4 Looking first at the planning history, it is apparent from the CBLP (2006) that there was an outstanding requirement for 12ha of new employment land that was never provided. Inspector David Asher also commented that there was 10ha of employment land that was lost over the previous period that was not replaced.

4.5 The NLP report also sets out that a further 5.26ha of employment land was lost over the period 2006/7 - 2013/14.

4.6 Therefore, there has been a significant loss of employment land to other uses that has not been replaced. This is also compounded by the fact that the total amount of office floorspace that has been lost amounts to 523,500ft<sup>2</sup> (48,633m<sup>2</sup>) at 2015 with many other smaller buildings and office spaces under 1,500ft<sup>2</sup> being lost to other uses but not being recorded.

4.7 In the appeal of 2007 that supported the release of the land from the Green Belt due to the *Very Special Circumstances* arising from the dearth of employment land, Inspector Payne stated that:

***“Council attempts to delay positive action and the difficult decisions necessary by the production of various studies, reviews and reports have failed to demonstrate robust and credible evidence that the employment needs of the Borough can be met by redevelopment schemes alone. As stated in para 12.32 of the IIR, nor can the requirement reasonable wait to be delivered until a comprehensive GB review has been finalised and the Core Strategy of the new LDF process adopted. It seems to me that even if this were to be achieved in 2009 it would be 2011 at the earliest before jobs were created on new sites, particularly in the light of the Council's less than encouraging recent track record of delivery and delays to the completion of Employment Land Audit.*”**

*To my mind, this proposal satisfies the sequential test in PPS6 in respect of new office provision in that there are no suitable alternative sites readily available of the type necessary to meet modern business requirement in the town centre or in more sustainable locations than the appeal site in the remainder of the built-up area at present. Accordingly, I consider that the scale and urgency of the need in this case outweighs the general desirability of awaiting the completion of the LDF Core Strategy in accord with the plan led system before additional land is released for new employment development in the Borough. In my judgement, it also overrides the conflict with the CBLP, which makes no provision for additional employment land allocations, and policy GB1 and GSPSR.”*

4.8 The Athey report demonstrates that there is a sustained demand for quality office accommodation in Cheltenham because over and above the substantial losses that Cheltenham has experienced, the existing stock is still under stress with pressure remaining to convert older office buildings to residential use. It is also apparent that there remains a strong appetite for high quality offices, as much of the existing stock is based on older buildings that are no longer appropriate or suitable for modern office use.

4.9 The Athey report also identifies a structural gap for Business Parks within Cheltenham that has not been resolved and will not be resolved with the short term. This position is supported by the Cheltenham Economic Strategy produced by Athey Consulting in January 2015, in support of the JCS. In respect of business parks, it states:

*The 2007 Employment Land Review identified a structural gap for Business Parks in the employment land and premises portfolio. This gap has not been resolved. Indeed stakeholders and business confirm that locations at Gloucester and Tewkesbury have stronger Business Parks, offering the type and size of accommodation at competitive prices to meet business needs. Importantly these sites are noted to reflect the profile of the newly investing or expanding business. There is a clear and distinct identified risk that this trend will continue and Cheltenham will no longer be a location of choice or search for businesses.*

In stating ‘key trends’ identified throughout the study, I note that the report states that:

*Cheltenham lacks a modern business park, which is something that enquirers and potential business occupants have often sought in terms of business location. Existing business parks and industrial parks require upgrades and improvements to attract higher value uses.*

It is also relevant that the Athey Consulting report notes that there is a limited market for businesses who will custom-build their own properties and that “without developer interest in speculative building, this may make it challenging to develop vacant sites with appropriate planning permission in the short to medium term”.

- 4.10 The appeal proposals would help to provide a solution to this unfortunate key trend identified in Cheltenham Economic Strategy. The appellant is a developer who has been proactive and has sought named users who are willing to invest in the site and deliver a modern business park for Cheltenham.
- 4.11 With this in mind, it is noted that the Site Analysis and Employment Land Review (January 2015), which supported Cheltenham's Economic Strategy (*part of the Core Document Bundle*) highlights the importance of utilising a mix of employment uses on a site in order to encourage the provision for office-based businesses on a site. Paragraph 8.19 specifically states:
- “All of the Economic Forecasts Model identifies job growth for those employment generating industry sectors that do not require B class employment land provision. **These sectors include accommodation and food services, education, human health and social work, arts entertainment and recreation and retail.** The Borough Plan will need to consider these job growth forecasts alongside the requirement for B Class development as they represent significant levels of employment growth ranging between 4,100 and 9,600 jobs over the plan period.”
- 4.12 The document goes on to conclude (para 8.49) that in order to deliver the vision for increased economic well-being, it is important to recognise that the delivery of B class land is not in itself sufficient. It directs that consideration must also be given to the ways in which the other pillars of prosperity might be supported. This is reflected in policy SD1 of the adopted JCS which supports the wider definition of employment and their delivery.
- 4.13 There remains a short-term need for the delivery of more quality employment land within Cheltenham if the town is to retain its existing businesses and attract further inward investment as well as meeting its own ambition of being the business location within the County.
- 4.14 The approach being adopted by the Council in these appeals clearly does not assist in the delivery of good quality employment sites within the JCS area or the Borough and will simply frustrate the supply coming forward. A more flexible approach is required that is able to respond to changing circumstances. It is apparent that the confidence level in developers for building speculative office buildings, without having pre-lets in place, still remains low.
- 4.15 Equally office users are searching for the right office environments that in turn assist them in attracting the best staff and retaining them for the future.
- 4.16 The approach in Cheltenham should therefore be to concentrate on providing a greater choice and quality of Business Park that reflects the market need. To address the employment issues facing the town, a greater focus should be made on the early delivery of such sites and ensuring that the 'best' is made of the employment opportunities that are presented.
- 4.17 In responding to market signals, it is apparent that new, modern business parks need to provide:
- Modern office buildings that have good lighting, open plan accommodation and parking;

- Good access to main road artery networks, in this case the A40 and the M5; and
- Ancillary facilities on site to create a more attractive environment for the office users.

- 4.18 It is evident that most office occupiers are now looking for office space that meets these criteria with the older office buildings becoming less attractive and more suitable for smaller SMEs and/or residential use.
- 4.19 The second aspect of ensuring early delivery is to secure developer/investor confidence. The office market remains difficult as rents still remain relatively low for speculative development. Developers therefore prefer to wait until end users are identified and then to design and build new buildings to meet these requirements. Office users will however be drawn to developments that meet the criteria above and therefore creating the right environment for business parks is paramount for a successful development.
- 4.20 The Council's approach in trying to safeguard all employment sites for only B Class use does not respond to market signals and in the long term may be counterproductive simply because it will not create the right business environment.
- 4.21 The Council's desire to safeguard employment sites just for B Class employment without complimentary ancillary uses is driven by a historical undersupply in the market place which can only be resolved by a marked change in direction of the emerging Local Plan. The LEP identifies that there is a short-term deficit of good quality employment land and whilst this may be addressed to some extent with the delivery of land at West Cheltenham and North West Cheltenham, there remains a need to provide a pipeline of smaller employment sites in order to speed up the delivery of new employment land as well as to provide a variety and choice in the market place. Therefore, the Council needs to be more ambitious in identifying new employment sites in the Local Plan to maintain the economic health of the town and to support local businesses.
- 4.22 In order to make sites attractive, business parks should be in accessible locations and accommodate some ancillary uses (up to 20% - as specified in the LEP letter) on site to make them more attractive to end users. It is apparent from the appeal proposals that the office contents remain high on both developments, with the ancillary uses only making up 16% in the first appeal and 14% in the second appeal. Such a low percentage in the ancillary content will not have a detrimental impact on the supply of new offices in the town and conversely will assist in the early release and delivery of this site and in the development of a more attractive business environment and the creation of an attractive and much needed business park.
- 4.23 The inclusion of such ancillary uses is common place on many business park developments and is instrumental in gaining occupier interest.

- 4.24 The first appeal proposal is typical of this approach. This development provides three ancillary uses that provides the right environment for a business park but more importantly instilled the confidence within the developer to build two speculative buildings from the outset.
- 4.25 The second appeal proposal secured two office head quarter buildings that would create the office environment on site, and with the ancillary uses in the form of a foodstore and day nursery that would also create the right environment to provide confidence to the developer as well as make the site more attractive to other office users coming to the site.
- 4.26 In response to these concerns, it is clear that there is a substantial unmet demand for employment land in the Borough that currently isn't being met by the extant development plan policies.
- 4.27 The Cheltenham Borough Local Plan (Second Review) July 2006 recognised that (paragraph 9.13 and Table 9) there was a substantial loss of employment land in the Borough between 1991 and 2006 (8.41ha) and the employment allocations within the Plan also fell short of the Structure Plan requirement of 12ha over the Plan Period to 2011.
- 4.28 This background currently sets the tone that the Borough has been gently starved of useful and attractive employment land throughout the last plan period.
- 4.29 The JCS and its supporting evidence has recognised that the area has seen a steady decline in employment land, whilst also recognising a need for new and attractive sites in the area in order to support the growth of local businesses as well as encourage further inward investment.
- 4.30 The JCS has therefore aimed to be ambitious, increasing the employment supply in the area from 64ha to 192ha in order to make up for employment losses and replicate past trends in employment growth.
- 4.31 Presently the JCS provides 84ha of new strategic employment sites within the area with the anticipation that the individual Districts will undertake their own localised employment assessments and deliver the residual allocation through their Local Plans.
- 4.32 From the analysis above, it is apparent that Tewkesbury Borough is likely to deliver 45ha of new employment land through its emerging Local Plan. There is an existing capacity of approximately 20.6ha which leaves a residual employment land requirement of 42.4ha to be found within the JCS area.
- 4.33 Given the significant dearth of attractive employment sites in Cheltenham and its role as a business centre, it would therefore be anticipated that there would be a pipeline of new business park sites emerging through their local plan in order to address the current shortfall in employment land and tackle their economic problems. Conversely, the emerging Cheltenham Plan has adopted a more conservative approach, seeking simply to recycle existing employment sites and without identifying any new employment land within their plan.

- 4.34 The JCS was adopted against the backdrop of an acute need for new employment land which was partly resolved through the strategic allocations. The additional land to support the JCS was intended to emerge through the Local Plans and the JCS was designed intentionally to be complimented by these allocations.
- 4.35 Without the additional employment land supply, the JCS is incomplete and unable to provide for the economic needs of its area contrary to the requirements of Paragraph 11 of the NPPF. Therefore, until such time as the employment needs of the area are able to be met, the development plan policies contained in the JCS and the Cheltenham Borough Local Plan are out of date and accordingly these planning appeals should be approved as it is apparent that both proposals would provide much needed employment land for the Borough and would respond to market signals on the delivery of quality employment land that have not been recognised by the Council as well as help address the structural gap in the employment strategy of the Borough.

## 5.0 Conclusions

- 5.1 There is currently an acute unmet need for employment land in Cheltenham that was not resolved during the last Local Plan period.
- 5.2 The JCS has sought to provide a minimum supply of new employment sites within the JCS area and, to this end, it has provided 84ha of new employment sites through strategic allocations. However, there still remains a significant residual allocation that needs to be met through the district plans.
- 5.3 At present 45ha is provisionally allocated in the emerging Tewkesbury Borough Local Plan with a further undeveloped capacity of 20.6ha available through previous allocations and deliverable planning permissions. There remains a need for new sites to come forward and to meet the residual requirement of 42.4ha of employment land for the area. More critically, there remains a strong need for new employment sites in around Cheltenham if it is to retain its local businesses and if it is to attract further inward investment.
- 5.4 Cheltenham seeks to be the business location of the County and has historically provided a significant amount of office accommodation for local businesses and inward investment. However, there has been an erosion of employment land since 1991, with very little replacement provision being made. This has been recognised by the last Local Plan Inspector as well as Inspector Payne who granted planning permission for the appeal site in 2007. The existing employment sites are becoming less attractive and are centred around aging stock which is also less attractive for larger businesses. Equally these sites are also being converted for residential uses, which command higher values.
- 5.5 An opportunity exists for the emerging Cheltenham Plan to provide additional employment land allocations that would be consistent with the approach adopted by the JCS. Unfortunately, the economic strategy adopted has simply focused on the recycling of existing employment sites, not recognising the 'market signals' given in the design and delivery of good quality employment site or indeed responding to the Athey Consulting Report, which was produced for the Council to provide 'options, ideas and recommendations' to further develop Cheltenham as a business location.
- 5.6 There remains a significant structural gap for Business Parks in Cheltenham which cannot be rectified without the allocation of new sites in the Borough or more planning permissions being granted, such as the appeal proposals.
- 5.7 In my view the appeal proposals will create the right environment for a new business park that will stimulate the interest of other office occupiers and will ensure the early delivery of the outline elements in the appeal proposals. It is apparent that the second appeal would certainly improve the economic fortunes of the town by creating two new headquarters buildings and employing a significant number of staff that would stimulate further investment in the development of employment buildings on the site.



- 5.8 Both of the appeals will provide valuable employment accommodation, which is much needed for the town. The ancillary elements of the proposal remain subservient to the main B Class uses at a paltry 16% and 14% of the overall accommodation. Rather than being detrimental to the employment provision, I see that their inclusion responds to marketing advice and provides a more vibrant business environment and thereby making the employment development more attractive and deliverable.
- 5.9 The appeal proposals therefore provide for an un-met need that currently is not being provided for in the JCS, saved policies of the CBLP or the emerging Cheltenham Plan. For these reasons, I consider that both appeals should be allowed.

## APPENDIX 1

# CURRENT EMPLOYMENT LAND POSITION BY BOROUGH

## TEWKESBURY BOROUGH:

	Allocations	Available hectares – JCS	Comment	Actual hectares available
1	B14 - Cleeve Business Park Smiths Industries/GE Aviation	5.7	5.5ha allocated in the Local Plan – B14. Site safeguarded by GE Aviation – not available	0
2	BR2 - Gloucester Business Park	27	Sites now committed and not generally available. Reported to committee in December that there was a supply there but not universally accepted as being available and deliverable.	0
3	B13 - Bishops Cleeve/ Southam. Malvern View Business Park	7.2	Only 2.5ha allocated by B13 of the Local Plan. Landowner constraints – site not coming forward	0
4	Staverton/ Churchdown (Dowty)	3.4	Site now being developed for Messier Dowty (15/01115/FUL)	3.4
		<b>43.3</b>		<b>3.4</b>

## TEWKESBURY BOROUGH SELAA

1. Claimed to have potential for 102.84ha
2. Included only sites outside the Green Belt and next to existing employment and claim to have 25ha available.

Of all the sites listed it is considered that only 2 are suitable and deliverable for employment use:

- Sub 103 – Land adjoining Highnam Business Centre – 1.0ha; and
- Sub 188 – Extension to Brockridge Business Park – 0.68

Sub 188 has already achieved planning consent - February 2014 13/01120/FUL

- In addition to this, Tewkesbury Borough Council resolved to grant planning permission for a 2.4ha site on land adjoining Ashville Business Park. This site will be occupied for Spectrum Medical and Strastone Landrover but can be attributed as a new employment land supply.
- A planning application (15/01378/OUT) has recently been submitted for Plots 3200, 7400, 7520, Gloucester Business Park. This seeks to change land currently approved for B Class Use to residential. If approved this would lead to a loss of 3.87ha of employment land.

The amount of suitable and deliverable land available from the Tewkesbury SELAA is 4.08ha.

The amount of suitable and deliverable land available from past allocations is 3.4ha.

Current Tewkesbury Borough Land Supply: **7.48ha**

## GLOUCESTER CITY

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	Allocations	Available hectares – JCS	Comment	Actual hectares available
1	EA03 – Land East of Waterwells	6.37	Available	6.37
2	Land West of South West bypass	0.7	Available	0.7
		<b>7.07</b>		<b>7.07</b>

### GLOUCESTER CITY SALAS SITES

The Gloucester City SALA sites comprise of brownfield employment regeneration sites and cannot therefore be attributed to a new employment land supply.

Current Gloucester City employment land supply: **7.07ha**

## CHELTENHAM BOROUGH

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Cheltenham Borough has no remaining local plan allocations for employment purposes.

None of the sites identified in the Cheltenham SALA are considered suitable for B Class employment.

Cheltenham Boroughs existing employment land supply: **0ha**

**FORTHCOMING JCS EMPLOYMENT LAND ALLOCATIONS:**

	<b>Allocations</b>	<b>Available hectares – JCS</b>	<b>Comment</b>	<b>Actual hectares available</b>
1	A1 Innsworth	9.1	Extension to existing business park. Predominantly B2 & B8 uses. Compact and well used with few/no vacant units. Situated close to residential uses. Not well connected to local transport links. Class II site and needs strengthening.	9.1
2	A3 South Churchdown	17.4	Extension to Elmbridge Business Park. Recently refurbished single storey office complex on the A40/A417 roundabout. Very accessible location and will provide for the office needs of Gloucester.	17.4
3	A5 North West Cheltenham	23.4	Part of a mixed use urban extension being promoted by Bloor Homes. Considerable work already undertaken on the delivery of this site and it is understood will deliver a well-conceived new office park.	23.4
4	A8 MOD Ashchurch	20	Site already in employment use and therefore cannot be considered to be a new land supply.	0
5	A9 Ashchurch	14.3	Site currently being promoted for a garden centre and retail use and not providing B Class employment. 13/01003/OUT	0
	<b>Totals:</b>	<b>84.2</b>		<b>49.9</b>

**JCS EMPLOYMENT SUPPLY:**

- Existing JCS Allocations.....64ha
- MOD Ashchurch (recycled).....(20ha)
- Remaining allocations:
  - Tewkesbury.....40ha
  - Cheltenham.....11ha
  - Gloucester.....24ha
- Other sites suitable for employment purposes:
  - Tewkesbury.....25ha
  - Cheltenham.....4ha
  - Gloucester.....7ha

**Actual Supply.....195ha**  
**Requirement.....192ha**  
**Over-supply.....3ha**

**ACTUAL EMPLOYMENT SUPPLY:**

- Existing JCS Allocations.....49.9ha
- MOD Ashchurch (recycled).....(0ha)
- Remaining allocations:
  - Tewkesbury.....3.4ha
  - Cheltenham.....0ha
  - Gloucester.....7ha
- Other sites suitable for employment purposes:
  - Tewkesbury.....4.08ha
  - Cheltenham.....0ha
  - Gloucester.....0ha

**Actual Supply:.....64.38ha**  
**Requirement:.....192ha**  
**Residual that needs to be found:.....127.62ha**



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