

North Somerset Site Allocations Plan Examination

Hearing Statement

Standard Life Investments

Matter 3 – Employment

April 2017

Prepared by

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This Statement should be read in conjunction with GL Hearn's representations on behalf of Standard Life Investments (SLI) and seeks to complement those representations, including by providing relevant background information, to assist the Inspector in determining the extent to which the Site Allocations Plan (SAP) meets the appropriate tests of legal compliance and soundness.

1 Background

- 1.1 GL Hearn acts for Standard Life Investments (SLI), which manages the Old Mill Road Business Park and Wyndham Way Retail Park in Portishead Town Centre on behalf of Phoenix Life Ltd, the life assurance fund which owns the sites.
- 1.2 The Old Mill Road Business Park and Wyndham Way Retail Park sites are referred collectively within the SAP, Schedule 1 as "Old Mill Road".
- 1.3 The Phoenix Life Property Fund as a whole comprises a diversified portfolio of UK Commercial Real Estate assets currently valued at c. £400m. The objective of the Fund is to provide long term growth from a combination of income and capital growth.
- 1.4 On behalf of our client, GL Hearn submitted representations to North Somerset Council (NSC) in April 2016 in respect of the Site Allocations Plan (SAP) Consultation Version which included confirmation of SLI's ownership of the Old Mill Road site and the adjoining Wyndham Way Retail Park, as well as details of the lease expiry dates of the site's current tenants. GL Hearn submitted further representations to NSC in December 2016 in respect of the SAP Publication Version.
- 1.5 The Old Mill Road site (excluding the retail warehouse units at Wyndham Way Retail Park) principally comprises light-industrial 'type' buildings. Current uses include storage and distribution (Class B8), car repairs, car rental (Sui Generis), fitness studio (Class D2), children's soft play centre (Class D2), retail (Class A1) and light industrial (Class B1) uses. All of the current leases held on the site are set to expire on or before March 2019. The adjoining Wyndham Way Retail Park includes stores for Homebase, Argos and McDonalds, with leases expiring in 2020 and 2025.
- 1.6 The site is within Portishead Town Centre.
- 1.7 The OMR site came under the management of SLI following SLI's acquisition of Ignis Asset Management Ltd ('Ignis') in 2014. Ignis had previously promoted redevelopment of the site for retail and other town centre uses, including informal discussions with NSC and representation to the (then) 'Sites and Policies Plan Consultation Draft' in 2013.

- 1.8 SLI proposes comprehensive redevelopment of the OMR site for a mix of town centre uses in line with the site's town centre status, NSC Core Strategy support for development within Portishead Town Centre (e.g.: Policy CS21), and the principle of the emerging SAP Policy SA3/Schedule 1.
- 1.9 SLI intends to put forward draft development proposals in early May 2017, via the Council's pre-application process, for a 'Phase 1' scheme. The Phase 1 scheme will not include redevelopment of the existing Wyndham Way Retail Park units.
- 1.10 Initial draft development proposals for the site are currently being finalised with the intention that formal discussions with NSC by way of the Council's pre-application process will inform and help frame the scope and scale of the intended subsequent planning application. A programme of community engagement and consultation on the redevelopment opportunity of the site, to run parallel to the pre-application process, is also expected to help inform the composition of the proposed development.
- 1.11 In the light of on-going site assessment, development viability and other technical work, which will ultimately support the submission of a planning application by September 2017, and ahead of formal pre-application discussions, the composition of the redevelopment proposal for the site is expected to include circa 15,000 sq.m commercial floorspace, including new retail and leisure uses, and potential for at least 100 residential dwellings.
- 1.12 Subject to securing planning consent, SLI would expect to take vacant possession of the site on expiry of the existing leases at March 2019, and commence delivery of the scheme thereafter. It is projected that the scheme, including the residential element, could be delivered in full by 2022.
- 1.13 The development intentions for the OMR site have been informally discussed with NSC at officer level (7 Jul 2016), local district & town councillors (3 Nov 2016) and NSC Councillors (between Dec 2016 and Feb 2017).

2 Does the SAP provide for the distribution and delivery of employment land as required in CS policy CS20?

Are Policies SA4, SA5 and SA6 in accordance with Government policy and the CS?

i. Are there any employment sites within Schedules 2 or 3 which should be excluded or amended in order to make the Plan sound?

ii In Policy SA6, what does the term "economic use" cover?

iii Would the policies allow for an extension to an existing employment site such as Stowell Concrete at Yatton?

iv Should more employment land be allocated at Nailsea in order to secure employment led development?

- 2.1 The Council's response to the Inspectors letter ID1 (CD1) acknowledges that the 'employment opportunities' required by CS20 include the non-Class B provision. Policies SA4 and SA5 both refer specifically to 'business development' that is then defined within the policies as, "*Class B1, B2 and B8*" (SA4) and "*primarily B1, B2 and B8*" (SA5). Additionally, sites subject to SA4 and SA5 are defined explicitly by SAP Schedules 2 and 3, and both SA4 and SA5 provide specific criteria for proposals for non-Class B use at the Schedule 2 and 3 sites. These schedules are repeated within CD1, and the Council's response to the Inspector's letter reaffirms that Schedules 2 and 3 of the SAP are "*land allocations to facilitate the delivery of B Class employment*".
- 2.2 Against this context it would be neither clear nor consistent, and it cannot reasonably be interpreted that the term 'economic use' as applied by Policy SA6 should be limited to Class B uses. Rather, in line with national policy, 'economic use' in the context of SA6 must cover the range of uses defined as 'Economic development' at Annex 2 of the NPPF, and thereby include a range of non Class B uses, including Class A, Class D2 and other main town centre uses.