

## Full Council

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| <b>Date:</b>            | <b>16 October 2018</b>  |
| <b>Title:</b>           | <b>Land at Kingsmead Business Park, Howland Road OX9 3FB</b>  |
| <b>Contact Officer:</b> | <b>Graeme Markland, Neighbourhood Plan Continuity Officer</b> |

### Background

1. Members will recall Kingsmead Business Park as the home of DAF Trucks. This site has been the subject of four recent planning applications. The first, an application for a foodstore, petrol filling station and offices was refused permission 13 July 2016, partly on the grounds of loss of employment. The second and third were both prior approval notifications of permitted development in order to convert the DAF headquarters building into 45 flats, agreed on 8 September 2017 and 17 January 2018, respectively. The last was a proposal for a 68 bed care home for elderly residents, withdrawn prior to determination.
2. The site currently hosts the now vacant DAF headquarters building which was a mixed use, office and training facility, and a large industrial / warehouse building, also vacant, most recently partly-occupied by Kubota.

### Proposed Development

3. This application is a hybrid planning application on a site of some 4.2 hectares (ha). Full planning permission is sought for a 68 bed care home on a former parking area of the Kingsmead Business Park. Outline planning permission is also being sought for the demolition of all the existing office and training facilities and industrial and warehouse buildings on the estate, in order to erect around 1,500 square metres of office space on 0.25 ha, and 129 dwellings on the remainder.
4. The care home would occupy around 0.56 ha of land on the south-eastern boundary facing Howland Road.
5. The homes would be a mix of dwellings. The indicative mix given within the planning statement is for:
  - 32 x 1 bed flats
  - 27 x 2 bed flats
  - 43 x 2 bed dwellings
  - 40 x 3 bed dwellings
  - 7 x 4 bed dwellings.

This indicates a total 149 dwellings. This may be an error as 129 homes are shown on the application form (20 fewer 2-bed flats are indicated).

### Discussion – Principle of residential use

6. The site is part of the large car park area that served the former DAF Headquarter office and training school, parts depot, etc. The separate industrial/warehouse unit has for the past few years been occupied by Kubota Ltd, who use the building and grounds for the warehousing of parts and storage of vehicles. The buildings are now vacant, DAF having left to occupy a

self-built facility in Haddenham in August/September 2018. Kubota left somewhat earlier, having been able to secure another vacant unit within Thame.

7. The last application to be approved was another prior approval notification for the DAF building that incorporated the extent of the car park now proposed for development. It is believed this application was made in order to attempt to establish a position, namely that the car park served the office building and would also be permitted to change to residential use. This argument is contained within the applicant's Planning Statement (paragraph 2.9), namely that a principle of the site being used for residential purpose has been established.
8. All that has been established through the change of use is the principle to convert the former DAF headquarters building into flats without reference to prior approval matters. The change of use would have to take place without external alterations or any engineering work, other than that needed to service each new flat (for example, through the provision of separate utility supply and metering). Any other change would require full planning permission.

### **Loss of employment**

9. The loss of employment land and floorspace would be extremely regrettable. Combined with loss from other sites and permitted development schemes the Town Council would have to seek redress within any revision to the Thame Neighbourhood Plan. This would mean seeking land on greenfield sites, in the absence of opportunities to intensify on existing employment sites.
10. The application form indicates a gross loss of 3,989 sq.m of office space, and 6,562 sq.m. of storage and distribution floorspace.
11. The current site of just over 4 ha currently has lawful use as B1a – B8 land. The 2017 South Oxfordshire Employment Land Review (ELR) suggests an appropriate land/floorspace ratio for these uses in this location would be 0.4. This suggests this site could conservatively yield a net floorspace of around 16,000 sq.m. of employment floorspace of B1a – B8 land, assuming a relaxed office space density for this out-of-town site (paragraph 2.1). Using the same employment/floorspace ratio as the 2017 ELR this site could yield:
  - 1,280 office jobs, at one job per 12.5 sq.m.;
  - 372 industrial jobs at one job per 43 sq.m.; and
  - 254 warehousing jobs at one job per 65 sq.m.
12. The new office space proposed within the outline scheme is in response to comments received during the earlier applications. The District's Economic Development Team highlighted a paucity of small office space for start-ups and local small businesses to move into. The provision of around 1,300 sq. m. net B1a floorspace would undoubtedly assist small companies currently operating within the area. The provision would, however, at best yield around 97 jobs. The applicant states a loss of 3,989 sq.m. gross office floorspace loss through the proposal; a pessimistic application of Homes and Community Agency standards indicates floorspace loss equivalent to 239 jobs.
13. In the proposal, the applicant has sought to replace the loss of potential jobs from the warehouse unit only. It has been assumed by the applicant that as permitted development rights exist to convert the DAF building to flats, the employment floorspace and land beneath it can be discounted as lost. This is simply not the case; this new application involves the demolition of the structure within which the right to develop the homes exist, and a further comprehensive redevelopment of the whole site. This effectively removes the permitted development scheme as a material consideration.

14. The applicant claims that both schemes together will result in the provision of 170 jobs. This would still be 70 jobs short of what the DAF headquarters alone could yield. As an identified employment site within the Thame Neighbourhood Plan however, the site is retained for the provision of “B” class employment. Those within the care home, although of definite value, could not count towards offsetting the loss of employment on this site. The proposal, in proposing the loss of employment space in part or whole, is contrary to both Policies WS12 of the TNP.
15. To permit the loss of **redundant** employment floorspace or land under these policies it must have been proved by the applicant that:
- the site is no longer economically viable; and
  - the site has been marketed at a reasonable price for at least a year for existing or other suitable employment or service trade uses.
16. With the permitted development on the former DAF headquarters, the District Council agreed that only the warehouse land and floorspace needed to be marketed. That advice was given before this hybrid application was submitted. The applicant claims through their Employment Viability Statement (EVS) of September 2018 that the unit be advertised for sale or rent, with a willingness to refurbish, should the client request it. It is claimed that due to a lack of stock along the M40 corridor, prices are buoyant. A variety of marketing initiatives are claimed including mail-outs, advertising on commercial websites and registering with commercial property listings.
17. The applicant states in paragraph 5.12 of the EVS that Fields, the local commercial property experts, were asked to review the basis on which the property was being advertised. The letter from Fields is contained in Appendix 2 of the EVS. It does not actually state the property has been advertised, as claimed by the applicant, “on reasonable terms supported by local comparable evidence”; it only agrees the approach to marketing in terms of flexibility has been reasonable and gives an independent view on likely final rental values. It does not offer a comparison with the rental prices asked of prospective tenants, and sale values are not mentioned at all. The significance of Field’s letter is therefore limited but, it is noted, it does post-date the marketing exercise.
18. Within section 4 of the EVS details of the rates and flexibilities offered to prospective clients are given. While it is worth noting that the commercial rates were only given at the point at which negotiations started, the starting prices are close to those quoted by Fields as being reasonable. It is likely, however, that no prices ever had to be quoted, if the claimed level of interest is true. The length of tenancy sought by the applicant’s agent was for 5 years, with a clause offering a break option within the 3<sup>rd</sup> year. An option to purchase the freehold was offered at £8.95 million, which is claimed to be in line with market expectations.
19. It is stated within paragraph 5.16 of the EVS that little interest was shown as the site is not attractive, being distant from the M40 junction and being constrained for some uses by being surrounded by residential properties. This is in stark contrast to the success of Cotmore Wells, immediately opposite, not to mention Howland Road and the estates off Wenman Road. It is further suggested that most interest within the Thame area is for office space yet this view is contrary to advice from local agents, and our own observations of the types of businesses moving around and into Thame.
20. The odd boundary chosen for the extent of the warehouse site presumably helped restricted interest (EVS, Appendix 6). The greatest blight to the site’s viability is undoubtedly that proposed by the owners themselves, namely the potential placement of a care home specialising in dementia care and residential flats at the entrance to an industrial site.

21. The final decision on whether the applicant has undertaken as sufficiently rigorous advertising and marketing campaign, and thus proved the site is economically unviable, will be undertaken by the District Council. This will be judged by the case officer with input from the Economic Development Team. The combined, negative effect of the housing and care home element on the interest from prospective tenants should be considered as part of this judgement.
22. Members might wish to note the Employment Land Supply section of the EVS (section 6) which claims that due to the probability of the Rycote Lane employment proposals, plus the employment already brought forward at Cotmore Wells, there would be no harm in allowing the Kingsmead Business Park to be removed from employment land supply. Reports to both Full Council and other Thame Town Council committees have expressed concern over the loss of employment land and floorspace through permitted development and plan allocations. The land at Rycote would only partially claw back what would have been lost since the adoption of both the TNP and the SODC Core Strategy.

### **Housing**

23. The housing would occupy around 3 hectares of the site at an approximate density of 43 dwellings per hectare. This figure is relatively high due to the proposed 39 flats. At this early stage the mix is likely to be indicative only, but as the proposal would require the clearance of industrial and office buildings and car parking areas, and potential decontamination, it would be expected that the number of units on the site would remain high.
24. The applicant claims within their Planning Statement that vacant building credit could well apply (paragraph 5.19) and that it is likely that they would not need to provide any affordable housing. The applicant declares they will however negotiate an appropriate level of affordable housing with SODC and secure this through a Section 106 agreement.
25. The District declared on 29<sup>th</sup> April 2018 that they can demonstrate a 5.4 year supply of housing land. Since then, the District have, partly through reworking their housing need methodology in order to test the supply, declared a housing land supply in excess of 7 years. The 5 year supply has / will be tested at planning appeal. This matter now has less significance; on 12 September 2018 the Secretary of State for Housing, Communities and Local Government confirmed through a Written Ministerial Statement that all Oxfordshire planning authorities were to benefit from a lowered bar for housing supply of only 3 years. The provision of housing, although a matter remaining of considerable importance across the District, will not be the material consideration it has been in recent years.

### **Transport matters**

26. The applicant's transport assessment demonstrates the nearest convenience store is over 1.2 km away, at the BP/Marks & Spencer petrol filling station on Park Street (Part 1, Table 3.1). The applicant claims this is a 15-minute walk from the proposed development. It is considered that staff, occupants and visitors will not have suitable access for even the most basic of convenience store items.
27. The site does, however, benefit from close proximity to the Phoenix Trail, part of National Cycle Route 57. Within the Transport Statement (September 2018) it is proposed that the public footpath that runs along the site's southern boundary is diverted onto the Phoenix Trail. Further reference is made to the provision of a footpath from Towersey Road to the Phoenix Trail along the site's western boundary within the Planning Statement (paragraph 5.56). It is assumed this refers to providing a link to Pickenfield, not the Towersey Road.

28. The location of the housing, together with the proposed footpath improvements could provide a scheme that would give reasonable, direct routes to the rest of the town. Access to local transport would be more limited, given the paucity of stopping services that currently exist near the site. The site has the potential to yield a housing development that would comply with Policies ESDQ23 and 24 in enabling attractive and legible pedestrian and cycle access to the wider town.
29. The Transport Assessment September 2018 refers to multiple bus services. The 280 service is the only one that serves the bus stop adjacent to the site, just 5 times per day between 06:15 and 19:15. It is claimed one other service comes within 900 metres of the site, the 40, which drives along Towersey Road (which is physically impossible due to the permanent stopping up of the eastern end of the Towersey Road; the service travels down Queens Road and joins the B4012 / Howland Road at the Kingsey Road). Others, such as the 113, which stops in Kingsey Road, are further away and are village connecting services that do not run daily, and not at all after 6pm. With 3 shifts of staff to cater for, it appears that buses may not figure strongly as a method of access for staff or visitors.
30. Regarding parking, the applicant has used the standards laid down by Oxfordshire County Council for the proposed dwellings. A total of 53 parking spaces have been associated with the flats:
- 32 x 1 bed flats = 32 spaces
  - 7 x 2 bed flats = 14 spaces
  - visitor allowance = 7 spaces
- All of the houses have 2 parking bays each and it is proposed that 44 spaces will be provided within shared spaces for visitor parking.
31. Cycle parking for the required level of 2 spaces per house will be provided within sheds in every garden. The flatted units will have secure cycle stores with 1 space for each one bed flat and 2 for each 2 bed flat. Provision for 32 visitor cycle spaces will be made through Sheffield stands at the proposed play area and across some of the shared surface parking areas.
32. Provision for 23 car park spaces for the care home has been made in line with those agreed with the County Highways Team on 25 July 2018, following the submission of extra information for the now withdrawn care home scheme. Two of the bays will be designed as accessible spaces for people with disabilities. An enquiry will be made into one comment made by the Highways Officer in that report where they state the number of full time posts for the care home is “now 47”, rather than the 70 claimed within the Planning Statement.
33. The District’s cycle parking standard for care homes recommends 1 space per 12 jobs; six are therefore required, however the applicant is suggesting the provision of only 5, albeit in secure cycle lockers.
34. The parking for the proposed office space is indicated as adequate, with 40 spaces available for the offices. Two of these will be designed for disabled users. This is below the Local Plan (maximum) standard of 50 spaces, for an office of 1,511 sq. m. gross floorspace. It is argued within the statement that the location is relatively sustainable in travel terms and that the parking arrangement proposed should prove adequate.
35. For the proposed office scheme the applicant has chosen SODC's cycle parking standards. Eight spaces will be provided for employees in secure, covered space, and 3 spaces will be provided for visitors using Sheffield stands at the entrance to the building.

36. The applicant has used a mix of SODC and OCC parking standards for guidance. Overall, the proposal would meet the requirements of TNP GA6 in providing sufficient parking for residents and visitors.

### **Care Home**

37. The NPPF, planning practice guidance, ministerial statements and announcements are clear. It is the strategic role of the Local Planning Authority, through their housing needs assessments and local plans, in ensuring that sufficient care homes and other types of accommodation for older people are planned for and made available. The Town Council has been in discussion with the District Council over the need to refresh the existing 2012 Housing Needs Strategy, given the relative paucity of area-specific information with regards to older persons housing. Should the Town Council and other towns and parishes be unsuccessful in persuading the District Council of the need for an update, then the revision of the Thame Neighbourhood Plan should provide the strategic lead in this important matter for the immediate local area.
38. The development would therefore provide accommodation for which there is no current identified local need, although some need must exist. The proposal could, however, have the undesirable effect of bringing high dependency people into the area without the matching infrastructure to help accommodate their needs. This is why the Government have recognised that such provision should be planned strategically, in order to avoid harmful outcomes for local health provision.
39. The Oxfordshire Clinical Commissioning Group have again objected to the care home as the new facility would put pressure on an already stretched primary care service. They once more welcome the opportunity to discuss the plans in detail, evidence that the applicant has not discussed their scheme with them.

### **Recommendation:**

40. It is suggested that Thame Town Council object to this application on the balance of the reasons given in the report above.