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Peter Barnett
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(sent via email only)

Date: 5th February 2015
Our Ref: AB/327-000245
Your Ref: AWDM/1626/14

Dear Mr. Barnett

Nynex House, Gardner Road, Portslade, West Sussex, BN41 1PN
Change of use from Office (B1) and Warehouse (B8) to Non-residential Institution (D1) and Assembly and Leisure (D2) including internal and external amendments

We have noted that the application has received a number of responses during the statutory consultation period. These include:

1) Statutory consultees
    a. Environmental Health Officer
    b. Economic Development Officer
    c. Network Rail
    d. West Sussex County Council
    e. Shoreham Harbour Regeneration Partnership
2) Neighbouring residents
    a. Mrs Zoe Binnie
    b. Ms Allison Rundle
    c. Mrs C VW

The majority of comments relate to the matters of the loss of employment site, provision of additional community facilities, proximity to the blast zone, noise, ventilation & extract systems and other matters. These will be addressed in detail below.

Loss of employment site

It is noted that both the Economic Development team of the Council and Shoreham Harbour Regeneration object to the proposal on the grounds of the loss of the employment site, whilst observation of the local residents confirm discontent with the disuse of large sites in their neighbouring area.

Emerging Local Policy

The Shoreham Harbour Regeneration response argues that '*whilst the Partnership accepts that the Plan has not yet been submitted for examination it has been subject to extensive consultation and recently published for 'Test of Soundness'. As such the Partnership considers the Plan should be afforded weight as a material consideration in this application*.'

It is agreed that the emerging policy forms part of material considerations in determining applications in the area, however its weight is still considered limited. The relevant policy having limited weight would be Policy on 'Protecting and Enhancing Existing Employment Sites and Premises'. It is considered that the supporting Marketing Report details of marketing

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the site for the period of over 2 years, and there has been no interest in re-using the site for B1/B2/B8 uses. The only continuous interest in taking up the site has been by the current applicant in utilising the site for the purposes of D1/D2 uses. It should be noted that these uses still generate employment and would provide jobs needed in the area that should be a preferred objective as opposed to maintaining a large empty site in a prominent location in Hove. Accordingly, it is considered that the proposal is not contrary to the abovementioned policy.

Marketing of the site

Shoreham Harbour Regeneration further states that *'there has been recent commercial interest in the site'*. Appendix F of the Marketing Report details the Schedule of Interest in the site throughout the marketing period. It is clear that whilst interest in the site has been expressed, it has not proceeded further due to variety of reasons, including inconvenient configuration, proximity to local amenities, amount of work required, lack of prominence, and proximity to residential property. Over the continuous period of marketing it is clearly demonstrated that uptake of the building by the B1/B2/B8 uses is highly unlikely, and the building is redundant for these purposes.

The comments of the Economic Development Officer suggest that '*the ground floor currently comprises of good quality office accommodation and has the capacity to be returned to industrial use. The first floor has been unoccupied for many years and has been stripped out leaving an open plan shell.*' This assessment is questioned considering the detailed evaluation of the facilities available on the 1st floor, described in the Marketing report, includes non LG7 compliant lighting, toilet and canteen facilities that are dated in a very poor condition. The cumulative cost of the improvements and/or adaptations significantly exceeded acceptable levels for majority of those, who expressed interest in the building. While clearly such adaptations are possible in the building, there is no market interest in undertaking them due to impact on the viability of the relocation.

As further detailed in the Report, changes in the configuration with office areas on the top floor and warehousing on the ground floor would be in excess to the typical requirements of mixed B1/B8 occupier, while change of the whole building to the B8 use would provide significantly less jobs and benefits to the local community than the current proposal.

Further comments of the Economic Development Officer state that '*ED expressed concern that the site was perceived as being marketed at above market value and this was deterring interest in the site. ED was encouraged to hear that the price aspiration had recently reduced and agreed to help promote this site to businesses to secure employment occupation. Since this meeting ED have been working to encourage full employment occupation of this site and have been working with 5 large scale B1/B8 occupiers, who have all expressed leasehold or freehold interest in the site, however, the reduction in price has not fully addressed concerns regarding the market value and 4 of the potential businesses have decided not to pursue the site at this stage.*'

Nynex House was initially June 2012 marketed in June 2012 with no specific value. It was not until November 2013 that the sales particulars quoted a value of £2.75m; which equates to £50 per ft^2. This was subsequently reduced to £2.35m which represents £47 per ft^2. Following discussions with the Economic Development Team, the marketing materials removed reference to a price and stated that "offers are invited" (June 2014). Considering this quoting

price out of context and in isolation, it is worth considering that to construct a building of this size would be in the region of £160 per ft^2 which equates to £8m and that separately one would need to pay for some land to sit it on. Therefore, considering price alone, the existing site represents a significant reduction against the price of a new build opportunity.

In addition, it is important to appreciate how the market for large commercial properties operates. Serious firms that are interested in sites are rarely deterred from an opportunity on price. This is because the commercial property market, like many markets, involves negotiation between parties to reach an agreement. What does deter interest is the layout and condition of buildings and their ability to accommodate a modern employer proposed use. As already set out in the report, a number of interested parties were indeed deterred from making offers due to the layout of the building, as discussed above, and nothing to do with quoting prices.

Lastly, it is important to consider the specialised knowledge of the firms which have been marketing the site. Stiles Harold Williams are a substantial and long established Company, founded in 1798, with offices in London, Croydon, Crawley, and the Sussex coast – Brighton, Worthing and Eastbourne. Flude commercial are a well-established firm of Chartered Surveyors specialising in the commercial property market on the south coast of Sussex with a particular emphasis on the area between Brighton and Chichester where the firm's two offices are located. Both firms are active in these markets and negotiate deals and prices every day, and believe that the prices discussed are easily justifiable in a market context and disagree that the property has been over-priced.

In fact their view is that the property is very much "*competitively priced to sell and in the market*". The latter stages where "offers are invited" which of course leaves an employer to make their own opinion of worth know to the vendor. The Economic Development Team have alleged a concern about the value attributed to the existing building, even against the backdrop mentioned above, and it would be appreciated and beneficial for all parties if their evidence to support this view, and any advice they might have sourced to support their contention were to be intimated to the process and the parties involved.

Draft Shoreham Harbour Joint Area Action Plan

The Partnership comments refer to designation of the site for 'continuous employment use' in the Draft Shoreham Harbour Joint Area Action Plan. It should be noted that this is similarly emerging document and does not form part of the Local Plan at this stage. As such designation is not considered binding.

Comments further highlight the Objective 3 of the Plan '*To stimulate the local economy and provide new jobs*'. It is considered that bringing redundant site back to use, whilst providing jobs, services to community and strengthening social capital in order to combat deprivation in the area, is in accordance to the objectives of the plan. This is further supported by other policies in the Draft Joint Area Action Plan and local policy.

<u>Community facilities</u>

Shoreham Harbour Regeneration Partnership concludes that 'whilst the Partnership would welcome the provision of additional community facilities for the Fishersgate area, the proposal

does not demonstrate that another such facility is required.' It should be noted that emerging policy provides that test for loss of the employment use, however there is no policy test within existing or emerging policy for the justification of provision of additional community facilities.

HSE Consultation Zone

The provision of the HSE Consultation Zones around certain areas have the objective **to control development to maintain adequate separation**, including residential areas, buildings and areas of public use around major hazards **when the development is such as to increase the risk or consequences of a major accident**.

The Shoreham Harbour Regeneration comments note that '*site of the proposed development is in close proximity to the fuel storage facility at Texaco Wharf. As it handles potentially hazardous substances, the Health and Safety Executive (HSE) has designated consultation zones around the facility. Within these zones the HSE would advise against certain types of development according to their level of sensitivity.*'



Figure 1. HSE Consultation Zone around Texaco Wharf with site boundary identified in red.

They further note that *'proposed uses of the site would be classified as Indoor Use by the Public. Developments for use by the general public with more than 5000 sqm total floor space are Sensitivity Level 3 due to the substantial increase in numbers of people at risk. Due to the location, uses and size of the proposal it is likely that HSE would advise against development*.'

It is worth noting that both current office use and warehousing would be classified as 'Workplace' by the HSE. This in itself allows for two categories of Level 1 and 2 sensitivity depending on the size and number of employees.

PADHI+ Development Type	Examples	Development Detail and Size	Justification	Sensitivity Level
Workplaces	Offices, factories, warehouses, haulage depots, farm buildings, non retail markets, builder's yards.	Workplaces (predominantly non-retail), providing for less than 100 occupants in each building and less than 3 occupied storeys.	Places where the occupants will be fit and healthy, and could be organised easily for emergency action. Members of the public will not be present or will be present in very small numbers and for a short time.	1
		Workplaces (predominantly non-retail) providing for 100 or more occupants in any building or 3 or more occupied storeys.	Substantial increase in numbers at risk with no direct benefit from exposure to the risk.	2

Figure 2. Excerpt from the HSE Development type and sensitivity level table.

Although Nynex House consists of 2 storeys, it is considered that it would fall in category of the Sensitivity Level 2, due to the gross internal area and number of employees exceeding 100.

Sensitivity level	Development in inner zone
1	DAA
2	AA
3	AA
4	AA

Figure 3. Excerpt from the decision matrix by HSE.

The decision matrix provided by the HSE further suggests that both the existing and proposed use would fall under the classification of development which would not be supported. As such there should be an equal assessment of both uses. If the site was vacant and the existing use were being applied, than it would not be supported under this decision matrix. It therefore seems illogical to be objecting to '*an inappropriate use*' on a site which contains '*an inappropriate use*' already.

It should be further noted that subsection (d) of the Article 10(1) of the Town and Country Planning (General Development Procedure) Order 1995 states that '*Development within an area which has been notified to the local planning authority by the Health and Safety Executive for the purpose of this provision because of the presence within the vicinity of toxic, highly reactive, explosive or inflammable substances and which involves the provision of -*

(i) residential accommodation;

(ii) more than 250 square metres of retail floor space;
(iii) more than 500 square metres of office floor space; or
(iv) more than 750 square metres of floor space to be used for an industrial process, or which is otherwise likely to result in a material increase in the number of persons working within or visiting the notified area.'

The Employment Densities Guide (2010, 2nd ed) assists in estimation of employment generated by property development based on 'employment density' ratios. This allows for comparison of the number of people on site if the B1/B8 use is let/sold and potential of proposed uses (D1/D2).

	Use Class	Area	Suggested Density (m2/person)	No. on site
Existing	B1(a)	2548 m2	12	212
	B8	2768 m2	70	40
			Total	**252**
Proposed	D1	3310 m2	36	92
	D2	2006 m2	65	31
			Total	**123**

It is clear that the proposed uses would significantly reduce the number of people on site and as such would result in a material decrease in the number of persons on the site. Accordingly it would further decrease potential consequences of an unlikely major incident in comparison to the existing uses, and therefore the proposal would not be contrary to the objectives of the health and safety regulations.

Noise

Conditions with regards to the cumulative noise limits, as well as specific noise limits for ventilation and extract systems would be acceptable in accordance to guidance provided by the Environmental Health Officer.

Ventilation & Extract Systems

Details in regards to the extraction and ventilation systems for the catering area in the building can be conditioned in accordance to the guidance provided by the Environmental Health Officer.

Other Matters

Sustainability Statement

The Shoreham Harbour Regeneration Partnership comments state that '*The Shoreham Harbour Interim Planning Guidance (2011) requires development proposals within the Shoreham Harbour regeneration area to include a Sustainability Statement. The Partnership notes that no such statement has been provided in support of the application*.'

Sustainability of the proposal is in detail discussed in the 'Considerations' section of the Planning, Design and Access Statement. The proposed development would bring back into use a redundant site and would provide employment, which is in accordance with the economic objectives. The included community uses would improve the choice of facilities available in the area, add services for wider community, and as such bring significant social benefits. The site would not have any significant environmental impact and is located in easily accessible location, thus in line with environmental objectives.

Demand for residential use

Demand for the residential use has been highlighted in the responses of the neighbour consultation. Whilst provision of the residential dwellings would be welcome considering the shortage of housing in the area, it is clear that provision of housing on this site would be impossible due to the high sensitivity level of the use within the HS Consultation Zone (evident by a recently refused permitted development scheme for the conversion of the building to flats).

Highways & traffic

Concerns over the increase of the traffic in the area as a result of the proposal has been noted in neighbourhood consultation responses. It is considered that the site is located in close proximity to public transport as well as a residential area, and as such the majority of the trips are expected via the sustainable modes of transport. Furthermore there is significant provision of parking on site that will be available to the employees and visitors of the site that would eliminate any need for the on-street parking. Finally, it should be noted that considering the current B8 use of the site, the proposed use removes the potential of regular heavy goods vehicle traffic in the area that would be beneficial to the neighbouring residential amenities and overall traffic in the neighbouring area.

These arguments are confirmed by the comments of the West Sussex County Council as the local Highways Authority for the application. It should be highlighted that the provision of cycle parking is already included in the proposal and highlighted on the provided plans.

Details of operation

The uses proposed in the building include:

- Ground floor
  - Sports Hall with associated areas (storage of equipment, offices, reception)
  - Gym and associated areas (changing facilities)
  - Nursery with associated areas (various play spaces)
  - Café (including kitchen and storage areas)
  - Workshop in association with 1st floor uses
- 1st floor
  - Library with associated areas (study areas, reception)
  - Church with associated areas (sacristy, baptism room)
  - Conference hall with associated areas (training, storage of equipment)

All of the areas would be available for member of wider public as well as members of the church. It is expected that the building would be used by maximum of 150 people at one time,

including staff and visitors. The church services would be held twice a week, while rest of activities would be daily.

We consider that this further detail addresses all the matters raised by the consultees, and provides sufficient information for you now to be able to determine the application. Please do not hesitate to contact me if any further information required.

Kind regards,



Alex Bateman BA (Hons) MSc MRTPI
Senior Planner
for and on behalf of
Stiles Harold Williams Partnership LLP