Application ref: AWDM/0926/12

21-23 Buckingham Road, Shoreham-by-Sea

Company and Financial Information and Planning Assessment

Site and Surroundings

The site comprises no's 21 and 23 Buckingham Road which were originally two dwelling houses. No 23 has been used as offices since a change of use in 1981 with no 21 being converted to office use in 2003.

The site is located within 20m of Shoreham-by-Sea Railway Station and on local bus routes. A bus stop is immediately adjacent. Local shops are within the same terrace and opposite and the town centre lies immediately to the south across the railway station. Other day-to-day services such as doctors, dentists and schools within very easy walking distance.

Company and Financial Information

D.W.Electrical (DWE) moved into 23 Buckingham Road in 2000 and in 2003, due to expansion purchased the next door property 21 Buckingham Road. At the time of purchase the property was a derelict house and planning permission was granted for the change of use to office accommodation. Although contrary to the planning policy at the time, it is thought that the change of use of no 21 was allowed due to the existing company wanting to expand their business and that, as the property had lain derelict for some years, it seemed unlikely, at the time, that it would be brought back into residential use.

DWE are now part of a group of 3 companies all of which operate from the same premises. The DWE Group employ 46 people and have an annual spend of some £2m a portion of which is spent with other local companies in the way of subcontractors, wholesalers and general suppliers.

In 2007 DWE refinanced with a new bank, the property was valued at this time but was given two different valuation figures, one as a commercial property and a higher valuation figure given the interest it was likely to attract should it go to auction to convert to residential, at this time, the adjacent property (no 25) had planning permission for change of use from commercial to residential. Given these reasons the bank were happy to lend against the higher valuation.

The fixed rate mortgage ended in July 2012 and the bank has changed its policy and will no longer lend on commercial properties. The company are unable to find anyone who will lend the necessary funds due to the high loan to value figure, therefore the only way to clear the bank, is to sell both properties.

DWE will be then able to relocate their business to more suitable premises within a purpose built light industrial unit within the Adur district and given the equity release that will be available following the sale of two houses this will put DWE in a much stronger position to trade through this difficult economic climate. This will enable the company to expand further taking on new employees

and apprentices which will be beneficial to the local community and the economy. The release of the two properties for conversion back to residential will release 2 family size dwellings within this very sustainable area. This will also be beneficial to two families and materially help Adur to achieve its housing targets.

Planning Assessment

Both existing and emerging local planning policies protect existing employment uses and resists changes of use to premises to non-employment uses. On the other hand, housing policies resist the changes of use from residential to other uses, therefore in this case, there is a conundrum.

Although no formal marketing has been carried out to ascertain the likelihood of the properties being sold or re-let as office premises, the applicants stated in their original submission that several local agents had been contacted and they were advised that the best way to sell the properties was to convert them back to residential use. The original residential uses of both properties can easily be converted. The commercial use of the buildings have not altered the internal structure permanently and the external appearance of both properties remains as original. Again, within the original submission, the applicant detailed what internal works were required to convert the properties back to their original residential use.

After discussions with the planning officer, Michael Jones Commercial Estate agents of Chapel Road, Worthing were contacted and the Agent has visited the premises. He has written a report to the applicant which states that that in their professional opinion *'is it unlikely that the offices are re-lettable without a change of use to possible D1 Medical and Health Services however a significant amount of investment would be needed by any ingoing tenant or purchaser in order to make this viable. Demand for these offices is likely to be relatively poor, bearing in mind that commercial agents Warwick Baker have available office suits in the building next door'.*

The employment policies within the current Local Plan do not require marketing evidence for changes of use. Within the housing policies, again, there are no requirements for other uses to have been marketed for a certain period before applying for a change of use to residential.

Draft Policy 24 of the emerging Local Plan requires applicants to demonstrate that the site/use is genuinely redundant and unlikely to be used for commercial purposes within the Plan period. This would include marketing the premises. An SPD in relation to this is to be produced.

The emerging Local Plan is out to consultation and the consultation period will end on 31st October. However, this is in its early stages and the LDF timetable does not expect that the emerging Plan will be adopted until Spring 2014. The existing local plan policies therefore are extended more weight than the emerging plan policies.

The NPPF came into force in March 2012 and paragraph 11 states that; *Planning law requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise.* As the local plan was adopted in 1996 and the emerging plan is still 2 years off, it can be considered that the local plan is out-of-date in most

respects. The NPPF should therefore be a material consideration when making decisions on applications.

Paragraph 14 requires *Local Authorities to approve development proposals that accord with the development plan without delay; and where the development plan is absent, silent or relevant policies out of date, grant planning permission unless; any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the framework taken as a whole; or specific policies in the Framework indicate development should be restricted.*

Paragraph 51 is also relevant as this requires *Local Authorities to normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in the area, providing there are not strong economic reasons why such development would be inappropriate.*

The South-East Plan (2009) sets out housing targets for each district and Adur has a target to provide 2,100 dwelling units within the Plan period. Adur District Council published its Five Year Housing Land Supply Assessment for 2011-2016 based on figures from June 2009. The conclusion of this document states that Adur manages to meet (and exceed) the housing targets for the five year period. However, these figures are based on sites which can accommodate 6 or more dwelling units and smaller sites such as the application site are considered 'windfall sites' which are not calculated for the purposes of the Land Supply Assessments. Windfall sites are usually welcomed and can bring up the shortfall when larger sites do not come forward.

It is unknown as to how many of the sites allocated within the Assessment have been delivered or are in fact achievable, given the drastic changes in economic circumstances since the Assessment was published. However, in the case of the application site, the two dwellings can be delivered within a very short time period as they will be offered for sale with vacant possession as soon as the applicants company are able to relocate.

There will be no loss of employment use within the District. Both existing and emerging local plan policies seek to resist the loss of employment sites, both within allocated industrial areas as well as smaller commercial uses within residential areas. However, the applicant requires more suitable premises for his expanding business and as a local employer; the company intends to take up premises within the District. With more suitable premises and with additional capital, it is likely that more employees as well as apprentices may be taken on.

The Adur Employment Land Review Update (2011) states that loss of employment land is likely to have a detrimental impact on the economy in the longer term. However, in this case as the premises are within a residential area and were originally dwelling houses then there is a good case to return the properties to their former use. Employment numbers will not be reduced by returning the properties to residential dwellings as DWE will then be able to relocate and expand so there will be no impact on the business economy.

Conclusion

The proposed change of use should be allowed. The reversion of these two converted dwellings back to residential status will enable two family homes to be brought back into the housing market.

There will be no loss of employment as the company are to relocate within the District to more suitable light industrial premises.

It is the professional opinion of the commercial Estate Agent that there is limited viability in marketing the premises for office use and they have recommended that if the applicant wished to test the market for commercial uses then, to allow for flexibility, a change of use for D1 purposes should be considered. This, however, would be speculative and would not help the applicant's current financial circumstances.

Although in usual circumstances the financial aspects of the applicant are not considered as a reason for granting planning permission, in this case, as the applicant has explained the reasons for the proposed change of use in these exceptional circumstances we request that the LPA allow this change of use as it is unlikely that allowing the application will set a precedent elsewhere.