

Hearing Statement on Inspector Questions

Mid Sussex Local Plan 2014-2031 Site Allocations DPD

Examination: Matter 5 Science & Technology Park, Burgess Hill

On behalf of Dacorar (Southern) Limited & Wortleford Trading Company Limited

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Prepared as response to ID-02: Matter 5.1(iii)

Prepared by: Suzanne Holloway BA (Hons) BTP MRTPI Partner M: 07769 938554 E: sholloway@vailwilliams.com

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Matter 5 - Are the policies to manage and promote the Local Economy and Employment Areas and Allocations sound?

5.1 **Policy SA9** allocates land for a **new science and technology park**; it is located to the north of the A2300, whereas the District Plan policy DP9 is for a high-quality business park to the south of the A2300.

(iii) Is the recent economic downturn in the Crawley/Gatwick area a strong argument for proceeding more cautiously, with a significantly smaller scheme, say closer to the proposed size in policy DP9?

The Project Newton team have continually assessed the brand, role and function of the STP in the context of the economic backdrop for the region. The critical mass and scale of the STP is a regional aspiration included in the MSDC District Plan 2018¹ which reiterates the C2C LEPSEP 2014 and can act as a deliverable catalyst for economic growth and change in the wider region, as supported by the C2C LEP, and the 2018 MSDC Economic Strategy². The Science Park, as defined in Adopted District Plan Policy DP1, supports and enhances the need for the region to robustly respond to recent economic challenges.

The STP Project Team includes clients with significant delivery experience, active local agents, architects and technical consultants all of whom regularly plan and deliver what the market requires in the local region. This wealth of local expertise has informed the Positioning Statement (SA9.1), in particular, sections 12-16.

The two landowners are jointly promoting the site and have considered the significant infrastructure requirements and high-level costs to support transport and other mitigation, and the promotion of the STP to this stage. The scheme is deliverable. The indicative phasing allows an appropriate planning strategy to support phased delivery, responding to market needs, whilst the allocation will act as a green light to potential occupiers.

In line with Para 81 and 82 of the NPPF, the DPD sets out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to C2C LEP Local Industrial Strategies and other local policies including the MSDC Economic Strategy to support economic development and regeneration.

Central Government is promoting Build Back Better ³ to consider the growth sectors and opportunities to support a sustainable economic future and the STP allows this to be delivered at a highly sustainable and accessible location within the MSDC area.

¹ https://www.midsussex.gov.uk/media/3406/mid-sussex-district-plan.pdf

² https://www.midsussex.gov.uk/media/1835/economic-development-strategy.pdf

³ https://www.gov.uk/government/publications/build-back-better-our-plan-for-growth/build-back-better-our-plan-for-growth-html



The DPD identifies the STP North of the A2300 as a strategic site, for local and inward investment to match the C2C LEP strategy and to meet anticipated needs over the plan period.

The scale and size of the STP will allow the Project Team and its experienced developers to address potential barriers to investment, such as inadequate infrastructure, especially regarding highways matters, and link successfully with adjacent Housing at Northern Arc being developed. Smaller/non-strategic sites would not be able to coordinate and deliver the significant infrastructure required.

Representation 696 (from the Amptico Group) suggests smaller employment sites should be spread more broadly than the concentration at the STP as proposed. However, the EGA shows that only 17 ha of employment floorspace is required across the other 7 sites proposed in the DPD and SA9 seeks to meet the regional aspiration for a strategic STP employment location, rather than a spread of smaller allocations in more disparate locations. Further, such a disparate approach would fail to achieve the critical mass necessary to attract the right sort of investors and occupiers, or to achieve the required infrastructure works.

Para 81 of the NPPF also requires MSDC, as LPA, to ensure planning policies set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, and identify strategic sites, for local and inward investment to match the strategy, meeting anticipated needs over the plan period while addressing potential barriers to investment.

Given the recent economic downturn, it is also relevant that para 81 requires policies to be "flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances". The phasing and illustrative masterplan layout for the plan period will allow such flexibility and provide the ability to respond to any downturn and significant demand increases that may occur.

Para 82 of the NPPF seeks to ensure that LPAs' planning policies and decisions should "recognise and address the specific locational requirements of different sectors" by making provision for "clusters or networks of knowledge and data-driven, creative or high technology industries; at a variety of scales and in suitably accessible locations"⁴.

The District Plan allocation at DP1 and the DPD at SA9 therefore provides a regional scale and cluster network opportunity, in a sustainable and accessible location, consistent with the NPPF. The level of scale and critical mass at c1.3 million sq ft (120,000sqm) ensures that a catalyst of change can occur beyond that currently being built, or emerging, across the region. In Matter 5.1(1) we provide further information on the other smaller SEL allocations available within the region that do not significantly provide for this sector, or this gap in the market demand, as required through central government policy, planning framework or local and regional strategies.

⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF _Feb_2019_revised.pdf



DP9 is a completely different proposition to the Science and Technology Park (STP) and comprises the development known as the HUB⁵ (c15Ha) and a circa 4Ha site in the Northern Arc (reduced from the 10 ha site in DP9) to be sold by Homes England (HE). Neither the HUB, nor the Homes England site, offers the same potential accommodation, in a campus style high quality environment, or the scale and opportunity as proposed at the STP.

As set out above, the HUB comprises circa 15 Ha of the total 25ha DP9 allocation in the District Plan. The HUB development will total circa 50,000 sq m (540,000 sq ft) once completed, with pre-lettings already secured and buildings constructed and occupied by DPD and Roche. Our client, as the developer, has recently obtained a variation to the existing planning consent, permitting a higher proportion of B8 warehouse space under ref DM/20/3614. They also have Reserved Matters approved for Plot 2 comprising 3,600 sq m (39,000 sq ft) which will be developed speculatively in the summer of 2021, and as a result of the planning variation, they intend to progress Plot 5 for another 11,000 sq m (120,000 sq ft) B8 speculative build, with the Reserved Matters for this plot being submitted in June.

As part of DP9, the HUB is highly likely to be let and occupied by B8 uses, typically to 'last mile' e- commence delivery companies / third party logistic companies, with Plot 2 being let to local businesses. Therefore, the HUB will not compete with the STP.

The current economic downturn as a result of Covid-19, whilst unprecedented in terms of its nature and scope needs to be seen in the context of the cyclical economic peaks and troughs that are experienced in economies, including in the South East. The DPD covers the time frame of the District Plan to 2031 and a longer term assessment has been undertaken to align with the District Plan period. (Lichfields EGA Update Jan 2020⁶)

The Executive Summary from the EGA update states that "*From a property market perspective, NWS has seen a great deal of development activity over the last few years and since the original EGA was undertaken. The commercial property market in NWS is relatively self-contained, and continues to be relatively buoyant, boosted by its central location within the Gatwick Diamond and wider South East, and access to a range of transport links."*

Page 84 table 6.2 of the EGA update confirms the importance of Burgess Hill with 31.7% economic floorspace in Mid Sussex clustered there. Para 6.84 of the EGA also confirms that Mid Sussex is a well-functioning economic area, with economic losses and gains illustrating the resilience of the local market.

It states that "the monitoring data suggests that gains of new employment space significantly outweighed losses of existing floorspace in Mid Sussex over the last eight years." The EGA confirms that confidence in the market is mirrored by the delivery and development of new employment floorspace.

⁵ https://thehubburgesshill.co.uk/

⁶ https://www.midsussex.gov.uk/media/5809/e2-northern-west-sussex-ega-update-2020.pdf



The allocation of the STP will complement the smaller employment sites within the DPD and reflects this economic confidence. The economic situation has been appropriately reassessed and considers a number of high and low growth scenarios.

Mid Sussex historically delivers commercial employment generating floorspace and as local market agents Vail Williams support this level of confidence based on our soft market testing, and discussions with occupiers, as set out in the Positioning Document (SA9.1).

The 2 landowners are very experienced and are committed to delivering the STP, and progressing to an application, with early discussions on a PPA ongoing with MSDC. (This is despite the current economic downturn.) The phasing of the development promoted by the Project Team on the illustrative Masterplan and endorsed and required by SA9 of the DPD allow delivery and implementation to be market led, responding to occupier demands.

We therefore believe our evidence base and that of the DPD by MSDC illustrate that despite the recent economic downturn in the Crawley/Gatwick area, there is a strong argument for proceeding with the critical mass and scale of the STP, to provide cluster and network opportunities not available elsewhere in the region.

This STP location is supported by MSDC, and the C2C LEP and is required by those occupiers looking for additional significant Science and Tech based floorspace within the region, that is not currently provided, nor emerging in any other planning framework in the region. The STP to be provided under policy SA9 is therefore of an appropriate scale and location, and can be delivered and is justified in line with para 35 of the NPPF.



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Our offices:

Birmingham

Edmund House 12-22 Newhall Street Birmingham B3 3EF T: +44 (0)121 654 1065

Crawley

Unit 4 Peveril Court 6-8 London Road Crawley West Sussex RH10 8JE T: +44 (0)1293 612600

Woking

One Crown Square Woking Surrey GU21 6HR T: +44 (0)1483 446800

Heathrow

450 Bath Road West Drayton Heathrow UB7 0EB T: +44 (0)20 8564 8300

London 2nd Floor, 33 Cavendish Square Marylebone London W1G 0PW T: +44 (0)20 3589 0050

Portsmouth

Lakeside North Harbour Western Road Portsmouth PO6 3EN T: +44 (0)23 9220 3200

Reading

550 Thames Valley Park Drive Reading RG6 1PT T: +44 (0)118 909 7400

Southampton

Savannah House 3 Ocean Way Southampton SO14 3TJ T: +44 (0)23 8082 0900

Bournemouth

170 Magna Road Bournemouth Wimborne BH21 3AP T: +44 (0)1202 558262

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