

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Northstowe and New Communities Portfolio Holder

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RESPONDING TO GOVERNMENT CONSULTATION: RELAXATION OF PLANNING RULES FOR CHANGE OF USE FROM COMMERCIAL TO RESIDENTIAL

Purpose

1. To agree the Council's response to the Government's consultation on proposals regarding relaxation of planning rules for change of use from commercial (B use classes) to residential (C3 use classes).

This is not a key decision because it is responding to a consultation. It was first published in the April 2011 Forward Plan.

Recommendations

2. That the Portfolio Holder agrees the response to the consultation with the comments set out in appendix 1 of this report.

Reasons for Recommendations

3. This is an important consultation, as the proposed changes will affect planning in South Cambridgeshire for commercial and residential development, and the control the Council has over changes of use, which could have significant implications for the district.

Background

4. The Use Classes Order (UCO) classifies certain types of use of buildings (and in some cases land) into broad categories. Changes of use within a use class are not classed as development and do not need planning permission. The General Permitted Development Order (GPDO) currently grants automatic planning permission for certain changes between use classes. B1 (Offices and light industry) uses can change to B8 (storage/distribution/), and vice versa, without a need for planning permission, whilst B2 (industry) can transfer to either B1 or B8 (subject to a limit on the size of building).
5. The consultation seeks views on the Government's proposals to amend the Town and Country Planning (General Permitted Development) Order 1995 (as amended) to grant permitted development rights to changes of use from commercial to residential use i.e. to allow such changes of use without the need for planning applications.
6. The key proposal is to introduce permitted development rights to allow changes of use from B1 (business – offices, research and development premises and light industry) to C3 (dwelling houses) to happen freely without the need for planning applications. However, they are also consulting on wider potential changes, to allow changes of use from B2 (general industrial) and B8 (storage and distribution) to C3

(dwelling houses) as permitted development. In addition views are sought on the potential to extend current permitted development rights to allow conversion to more than one flat above a shop, rather than it being restricted to a single flat.

7. Planning permission for any additional work to the exterior of an existing building would still be required although the principal of the change of use will already have been permitted by the proposed changes to the Use Classes Order.
8. Key reasons given by the Government to support the changes are:
 - The Government wants to encourage developers to bring redundant commercial premises back into use and at the same time deliver more housing.
 - The undersupply of housing land compared to employment land, evidenced by difference in their respective land values. This is likely to be in significant part due to the planning system.
 - There are higher vacancy rates for employment land compared to housing.
 - Removing the burden and costs involved in change of use should encourage developers to bring forward more proposals.
 - B1 uses are most likely to be in suitable locations for housing and in many cases lend themselves to conversion without the need for extensive external works.
9. DCLG is also encouraging local planning authorities to use Local Development Orders under their existing powers to grant other permitted development rights to speed up the development process and encourage local growth. This report focuses on the proposed changes to the Use Classes Order but will refer to Local Development Orders as an alternative approach.

Considerations

10. Notwithstanding the fact that a number of safeguards are proposed to address issues of potential conflict between land uses that could be created it is considered that the proposals, if enacted, could have significant adverse implications for the economy and sustainability of South Cambridgeshire. Whilst South Cambridgeshire is a resilient District, we did lose 5,000 jobs in the recession. The changes may, if enacted, have a serious adverse impact on places such as South Cambridgeshire that will not be balanced by the benefits of any additional housing they may bring to new and also existing residents. This seems at odds with the Government's stated aim of local communities receiving the benefits of new development to help encourage the provision of more housing.
11. The consultation poses 11 questions on the proposals, and a further 8 questions on the accompanying impact assessment. A proposed response is included in appendix 1 of this report.
12. In summary, it is recommended to object to the proposals to allow changes of use from B1 businesses uses to C3 dwellings for the following reasons:

- The removal of planning controls over change of use will reduce the ability to control development to achieve sustainable development.
 - It would undermine the adopted South Cambridgeshire Local Development Framework Policies which were put in place to protect village employment. Assisting provision of local jobs is a Council priority.
 - It could result in unsustainable patterns of development such as larger scale housing growth in infill villages, conversion of former agricultural buildings that have a business use into dwellings, or developments that are poorly served by services and infrastructure.
 - It could result in residential development in inappropriate locations, such as next to existing industry. This could create a poor residential environment, resulting in complaints under environmental health legislation, which could harm the ability to existing businesses to continue to function.
 - It could harm existing businesses, as the proposed change would not just apply to vacant buildings. Owners could seek residential value, and could seek to evict operating businesses.
 - It could be used to seek change of use of land rather than simply conversion. For example convert a building into flats, establishing a residential use, and then demolish and replace with traditional housing.
 - If change of use to residential from offices could be brought forward without planning permission, Local Planning Authorities would lose the ability to address infrastructure requirements created from a residential use through section 106 agreement or Community Infrastructure Levy, including necessary supporting community services and facilities. There would also be no requirement for affordable housing.
 - Change of use of buildings has the potential to significantly impact on the character and viability of a settlement. There would be no opportunity for local consideration of proposals.
13. Widening the change to encompass B2 and B8 would amplify the effects identified above. Whilst B1 uses are may be compatible with a residential area, with B2 and B8 there is a risk of allowing the introduction of fundamentally conflicting land uses. Conversion of one unit to residential that is close to B2 or B8 uses would create a conflict and potentially may threaten valuable employment uses in the longer term owing to current Environmental Health legislation.
14. Proposals to mitigate risks in the document are not sufficient to outweigh the potential harm. These are the imposition of conditions, which could be applied through a self certification process or a system of prior approval. A list of conditions would be unlikely to be able to address all the potential site-specific issues that could arise. A review procedure based on self-certification carries with it significant risk to public safety. It is not clear what the recourse would be if a development cause harm to a neighbour or breached conditions. A prior approval process, where the applicant gains consent if the council does not respond to the developer's notification within a certain time period, would require the Council to scrutinise the complex development proposal of a residential use, within a rigid timescale, in a similar function to a planning application, but there is no mention of a fee for this process.

15. Article 4 directions, which can be applied to restrict permitted development rights in specific areas, are proposed as the solution if Local Authorities have specific reasons to retain planning controls. However, they are normally applied to small and specific areas. The cost of implementing Article 4 directions would be significant, particularly if they were needed over a large number of areas, as they would be if the Councils existing policy approach of protecting village employment was maintained.
16. Local Development Orders are a tool already available to Local Planning Authorities to extend permitted development rights in certain areas where consistent with LDF policies. This offers a more focused response where there would be specific benefits to an area by bringing vacant commercial buildings back into use.

Options

17. Alternative options would be for the Council not to respond, but given the potential impact of the proposals this is not recommended. A further alternative would be to support the proposals, but given the potential issues that have been identified this is also not recommended.

Implications

18. Financial	Potential impacts are highlighted in the report. A particular concern could be infrastructure impacts that could result without the funding being secured from planning obligations and the requirement for the Council to respond to notifications from developers without receiving any income.
Legal	Potential impacts are highlighted in the report.
Staffing	Potential impact as a result of reduced planning applications, but a prior approval scheme could also require staffing to implement. Conversion of employment buildings to residential is currently approximately 0.2% of applications the Council receives annually (2009 2 applications, 2010 4 applications). That number could increase with landowners wishing to maximise land value (so prior notifications could increase if that system is implemented).
Risk Management	A number of potential risks have been highlighted in the draft response.
Equality and Diversity	There could be inequitable impacts on people who do not have a car and end up living in housing on industrial estates or areas far from local facilities and infrastructure.
Equality Impact Assessment completed	No. The Government have not carried out an assessment, and are seeking views on potential impacts that should be considered.
Climate Change	Potential impacts through residential development in unsustainable locations, and loss of village employment.

Consultations

19. The report has been prepared with input from a range of officers, including the Head of Planning, and the Development Officer (Economic Development). In addition, the Portfolio holder for Sustainability, Planning and Climate Change, and the Portfolio Holder for Economic Development have been consulted.

20. Cllr Wright, Portfolio holder for Economic Development, requested it is noted that he has a prejudicial interest concerning agricultural buildings at Marshalls Farm, Conington. He provided the following comments. "I would prefer the Council to be expressing comments rather than objections. There is no doubt that there are districts in the Country where these proposals will be of great benefit in providing growth and housing. However your comments made in relation to SCDC are fair. We have a tried and tested core strategy in place that addresses most of the time the balance between sustainable housing and employment. This is reflected by our growth, our low unemployment and surveys proving SCDC to be one best places in England to live. We do not have many of the redundant industrial buildings but we do have a housing shortage. For us I see that Local Development Orders might be a safer route to ensure that any housing brought forward is sustainable. I am concerned that this relaxation would result in the loss employment buildings, because the pressure for more houses is enormous. This could lead to the slowing of growth in our district. However we do not want buildings empty and our policies and new plan need to accommodate the flexibility to provide what our residents require."
21. Cllr Topping, Portfolio Holder for Sustainability, Planning and Climate Change, broadly supports the proposed response. He commented that landowners would be looking to build commercially under this relaxed regime so it wouldn't help the delivery of more affordable housing.
22. An email to members seeking views on the report in advance was circulated on 1st June. Cllr Hawkins submitted views that the Government's proposed changes should be supported, subject to appropriate checks and balances being put in place. In addition, the potential impact on existing businesses of developers who might wish to convert buildings that are still in use, and force out businesses to achieve their aim would need to be addressed. In particular in rural areas where there is a shortage of housing, and where the developer can get more for the land in question if used as residential. This would again be detrimental to those communities who by their very nature have few business units anyway.

Consultation with Children and Young People

23. None.

Effect on Strategic Aims

24. The change could impact on Aim D 'We are committed to assisting provision for local jobs for you and your family'. The Council will be less able to regulate the potential loss of employment buildings, or manage the supply of employment land.
25. It would also impact on AIM E, 'We are committed to providing a voice for rural life.' Opportunities to protect villages would be reduced. It will also reduce the Council's ability to achieve planning gain from development proposals.

Conclusions / Summary

26. The report has highlighted a range of potentially significant impacts of the Government's proposed changes to the use class order. It is recommended that the Council object to these proposals, as they would reduce the ability to control development to achieve sustainable development.

Background Papers: the following background papers were used in the preparation of this report:

The consultation document 'Relaxation of Planning Rules for change of use from Commercial to Residential' is available to view on the Communities and Local Government website:

<http://www.communities.gov.uk/publications/planningandbuilding/relaxationchangeconsultation>

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Appendix 1

RESPONDING TO GOVERNMENT CONSULTATION: RELAXATION OF PLANNING RULES FOR CHANGE OF USE FROM COMMERCIAL TO RESIDENTIAL

Question A:

Do you support the principle of the Government's proposal to grant permitted development rights to change use from B1 (business) to C3 (dwelling houses) subject to effective measures being put in place to mitigate the risk of homes being built in unsuitable locations?

1. No.
2. A central element of the planning system is to deliver sustainable development. As highlighted in PPS1, good planning through a plan-led system ensures that we get the right development, in the right place and at the right time. The removal of planning controls over change of use will reduce the ability to plan with any certainty in development plans or to control development to achieve these objectives, and therefore to achieve sustainable development.

Undermine the Established Strategy

3. The adopted South Cambridgeshire Local Development Framework seeks to achieve sustainable development, with policies to direct development to appropriate locations. The development strategy for the district, as a key part of the Cambridge Sub Region growth area, is economically led, with significant new housing proposed close to existing and forecast jobs. That housing is concentrated into large developments in the most sustainable locations, and is a move away from the previous strategy of housing development distributed around villages in this rural area because this proved to be an unsustainable form of development, particularly in terms of accessibility to local jobs by sustainable forms of transport and the presence of adequate levels of services, facilities and jobs in local villages.
4. However, the objective is to make our villages as sustainable as possible. Employment sites within villages are a scarce resource. With significant levels of out commuting to Cambridge from many villages across South Cambridgeshire, the Council considers it important to retain village employment, to provide opportunities for people to both live and work in these settlements. Adopted planning policies, which have been subject to public consultation, and found sound by Planning Inspectors, seek to protect employment sites in villages, unless it is demonstrated on a case by case basis that there it is inappropriate for employment use to continue, including taking into account market demand. Changes to the use class order would undermine this policy, meaning that the loss of this resource could no longer be controlled, with potential consequential harm to sustainability objectives.
5. The Council already sees a trickle of village employment land changing to residential uses, at around 1.7 hectares a year, through planning applications where issues have been fully considered, including testing that marketing has taken place to ensure there are no suitable alternative businesses to accommodate the premises. This trickle could become a flood.
6. There is a particular risk in the South Cambs context that employment buildings within village centres, mixed use areas or residential areas would be lost to

residential. Whilst this would provide more housing, it could impact on sustainability. Businesses could be forced out to rural business parks, increasing commuting levels further. There would be less local employment opportunities in villages, which is a key factor in assessing the sustainability of villages and determining the appropriate level of housing development that is appropriate. Loss of businesses should not be taken lightly in the context of the current market conditions and whilst there is a need for new housing, the Council sees supporting local business as a key corporate priority.

7. The proposed change threatens the Council's ability to manage the supply of employment land, and to provide for the current and future needs of local businesses. It could result in losses of employment land at a time when the country is only slowly coming out of recession, and when the market picks up, will need more land allocations to offset the losses.

No Account of the Location

8. The consultation makes the assumption that the location of B1 uses is always likely to be appropriate for residential. However, not all B1 is in locations appropriate for residential use, and may also for example be a buffer between residential areas and other incompatible uses. Dwellings are a more environmentally sensitive land use than business uses. The consultation appears to rely on the market to avoid inappropriate locations, but it could equally result in low cost housing being developed providing poor residential environments.
9. Allowing conversion into a dwelling could actually harm existing businesses. For example, if a B1 use adjoins B2 uses, where noise or other environmental issues that were previously not an issue, installing a residential use could create conflict. The new residential occupiers could object to these impacts, and seek to restrict the operations of the existing businesses. This could deter investment if they fear encroachment by residential development. It could also make it harder for businesses to find locations for potential bad neighbour uses.
10. It must also be noted that there are B1 uses in rural areas, such as conversions of agricultural buildings. Government policy has previously focused on the reuse of redundant buildings for employment uses, to enhance the rural economy. Such buildings could freely be turned into dwellings, losing the benefit of his policy, and creating unsustainable patterns of development, contrary to normal planning policies restricting housing development in the countryside.
11. There could be an impact on the character of village and town high streets if businesses are converted to residential properties. Whilst listed buildings are proposed to be excluded, the potential impacts on Conservation Areas are not explored in the consultation document. Building works required for use as residential could harm traditional frontages, which could have an impact on the character Conservation Areas. Even in circumstances where planning permission for building work is not required, the change in character to a residential environment could be significant, for example, the appearance of curtains in a traditional building frontage, the lack of amenity space or storage for wheelie bins, or impact of additional car parking.

Land Value Differences

12. One of the key reasonings behind the Government's proposal is the difference in values between residential and employment land, and that in most cases housing

land has a significantly greater value than that for commercial uses. The difference in land values enables businesses to find affordable premises. It could affect business start up if available premises are reduced and costs increased.

13. The consultation also focuses on the opportunities to bring vacant buildings back into use. However, the change would also apply to non-vacant buildings, and there is significant potential that land and property owners may take up the opportunity to realise residential land values. This could impact on existing businesses where they are in leased or rented premises, as they could end up being evicted, and forced to go through an expensive relocation process, with consequential impact on the recovery of the economy.
14. As the easiest buildings to convert are likely to be small offices within settlements, the impact is likely to be greatest on small businesses.

Infrastructure Costs

15. If change of use to residential from offices could be brought forward without planning permission, Local Planning Authorities would lose the ability to address infrastructure requirements created from a residential use through section 106 agreement or Community Infrastructure Levy. This would mean impacts on transport, education, open space would all be increased, but without the funding for improvements being secured, or for other provision normally secured through section 106 obligations to support a development such as community provision. There would also be no requirement to make provision for affordable housing which is a key aspect of housing provision in an area such as South Cambs. This could incentivise conversion and loss of employment land over other planned development or regeneration, as costs would be significantly lower.

Vacancy rates

16. The consultation document highlights that vacancy rates for employment land are higher than residential, but this does not take account of where the vacant buildings are located.
17. The Employment Land Review undertaken for Cambridge City Council and South Cambridgeshire did find a significant oversupply of employment land in South Cambridgeshire. That oversupply is primarily in relatively remote business parks as at I Q Cambridge (previously known as the Cambridge Research Park located on the A10, 5 miles north of Cambridge) where there are vacant buildings and large areas of still undeveloped land. These would not be sustainable locations for residential development unless they are large enough to develop freestanding new communities with a full range of local services and facilities, including schools and (ironically) local employment, which is unlikely but it is also of concern that significant scale of residential development could come forward outside the plan making system and in the absence of a properly planned approach, potentially at odds with the development strategy for the area.

Result in demolition and rebuild as well as conversion

18. Establishing a use in a building could be as simple as converting part of a building into a flat. Having established a residential use the building could then be demolished and planning permission for housing sought where a residential use has been established. Given the differential in the value between residential and commercial development, there is the potential for a significant loss of employment

buildings which could include losing existing firms which are leasing buildings and the landlord decides to realise the asset or where firms take the increased value of their assets and relocate their businesses. It could also have a significant impact on the sustainability of a settlement if there is a large increase in dwellings at the same time as a significant loss in employment.

Local input

19. The current system allows the public and stakeholders to give their views on applications for change of use, so that issues can be fully considered, through the democratic processes of local authorities. Change of use of buildings has the potential to significantly impact on the character and viability of a settlement, and it is therefore reasonable that local people can have the opportunity to consider proposals on their merits.
20. The consultation document mentions that discussions could occur between a developer and a neighbourhood on a voluntary basis, to address local concerns or issues. However, developers are primarily profit driven. It is not appropriate to rely on a voluntary approach to secure necessary infrastructure contributions that would properly be requirements on other residential development coming through the planning system.

Mitigation Measures

21. The mitigation measures proposed are not sufficient to outweigh the potential harm of this policy change, as detailed later in this response.

Question B:

Do you support the principle of granting permitted development rights to change use from B2 (general industrial) and B8 (storage & distribution) to C3 (dwelling houses) subject to effective measures being put in place to mitigate the risk of homes being built in unsuitable locations?

22. No.
23. Widening the change to encompass B2 and B8 would amplify the effects identified above.
24. The approach would undermine a planned approach to employment land provision, and could lead to homes being developed in unsustainable locations. Further to this, and taking account the mitigation and prior approval measures being considered, there is a risk of allowing the introduction of fundamentally conflicting land uses. B1, B2 and B8 can all generally comfortably co-exist next to one another with little conflict. Conversion of one unit to residential that is close to B2 or B8 uses would create a conflict and potentially may threaten valuable employment uses in the longer term owing to current Environmental Health legislation as outlined in response to Question A.

Question C

Do you agree that these proposals should also include a provision which allows land to revert to its previous use within five years of a change?

25. No.

26. Particularly in the case of B2 or B8, the location may no longer be compatible with employment uses if a residential environment has been established.

Question D

Do you think it would be appropriate to extend the current permitted development rights outlined here to allow for more than one flat? If so should there be an upper limit?

27. No.
28. Whilst enabling a single flat above a shop allows potentially efficient use of redundant space with a relatively minor impact, allowing more significant scales of development should be considered through the planning application process, so that impacts can be assessed and appropriately mitigated, and infrastructure requirements considered.

Question E

Do you agree that we have identified the full range of possible issues which might emerge as a result of these proposals? Are you aware of any further impacts that may need to be taken into account? Please give details

29. No.
30. The following issues need to be considered:
- There would be no provision for affordable housing as a result of these developments, which is a key aspect of housing need in many areas, including South Cambridgeshire.
 - There will be unplanned growth with no assessment of infrastructure needs, and no mechanism to obtain funding through section 106 or CIL, which is likely to result in poor quality developments and inadequate provision of supporting infrastructure.
 - There is no assessment of the potential negative impacts on business and employment, such as the potential loss of certain types of premises, or the impact on businesses potentially being forced to relocate, which is of concern to the Council under any market conditions, but is of particular concern in a time of challenging market conditions where supporting business is key to economic recovery.
 - The proposal could impact on development of new communities or regeneration projects, which are likely to have higher costs in comparison to conversions. Developers could therefore focus on the lower cost opportunities instead.
 - It would increase the burdens on viable industry by creating insecurity and uncertainty, as employment sites could be affected by residential conversions occurring on adjoining sites or by landowners deciding to terminate leases to maximise land value.
 - There is a reliance on the market delivering good quality dwellings in suitable locations. In reality the driver in house buying is price. If dwellings are sold at a significantly cheaper level they are likely to sell even if they are a poorer quality of dwelling and even if developments come forward that may be suitable, they will not make appropriate infrastructure and other contributions (as above).

- It will undermine development plan policies which protect important employment land resources, to take a strategic approach to sustainable development.
- The potential for it to be used to change the use of buildings before demolition and replacement with traditional housing, resulting in the potential loss of larger scale employment land.
- Potential transport impacts of housing development occurring piecemeal in employment developments, both in terms of traffic safety, and access to alternative modes such as public transport. This could have an impact on carbon emissions.
- See also Question F and the notification process and impact on Council funding and resources.
- Impact on the localism agenda, reducing ability of communities to input to planning decisions or shape their neighbourhoods.

Question F

Do you think there is a requirement for mitigation of potential adverse impacts arising from these proposals and for which potential mitigations do you think the potential benefits are likely to exceed the potential costs.

31. Yes. Adverse impacts must be mitigated, but proposals in the consultation would not prevent the potential for significant adverse impacts.

Conditions and Prior Approval

32. A standard list of conditions attached to the permitted development right would need to be significant and specific, but would be unlikely to be able to address all the potential site specific issues that could arise. Evidence of this is the range of issues and consultees that are addressed when considering a planning application.
33. A self-certification route carries with it significant risk to public safety. It is not clear what the recourse would be if a development caused harm to a neighbour or breached conditions.
34. The current prior approval process means the applicant gains consent if the council does not respond to the developer's application within a certain time period, and most commonly relates to telecommunication or agricultural developments. Such a system would require the Council to scrutinise the more complex development proposal of a residential use, within a rigid timescale, to ensure conditions are met. This would appear a similar function to a planning application, but there is no mention of a fee for this process. This has significant implications for Council resources, particularly in times of restricted public sector funding and the need to secure income through the planning process.

Thresholds and Exclusions

35. Applying a size threshold would not address all the potential adverse impacts identified above.

36. Potential exclusions listed in the document, such as listed buildings and contaminated land, do not go far enough to ensure potential impacts would be addressed. It would also be difficult to apply and enforce. Using contamination as the example, how is the mechanism established? Consideration often requires specific on site investigations that would normally be required as part of a planning application and considered through that robust process.

Article 4 directions

37. Article 4 directions, which can be applied to restrict permitted development rights in specific areas, do not offer an appropriate solution. They are normally applied to small and specific areas. The resources to identify locations where Article 4 Directions may be needed and the cost of implementing Article 4 directions would be significant, particularly if they were needed over a large number of areas, as they would be for South Cambridgeshire if the Council's existing policy approach of protecting village employment was maintained.

Question G

Can you identify any further mitigation options that could be used?

38. No. The Council is firmly of the view that the range and scale of potential significant adverse impacts cannot be appropriately mitigated.

Question H

How, if at all, do you think any of the mitigation options could best be deployed

39. The Council does not believe that it is possible for suitable mitigation measures to be deployed.

Question I

What is your view on whether the reduced compensation provisions associated with the use of article 4 directions contained within section 189 of the Planning Act 2008 should or should not be applied? Please give your reasons

40. It would increase financial losses if Local Authorities were forced down this route.

Question J

Do you consider there is any justification for considering a national policy to allow change of use from C to certain B use classes? Please give your reasons

41. No.
42. The question appears unrelated to the wider consultation, and has not been given the same level of scrutiny in the document.
43. Most of the same risks identified regarding the potential to change use from employment to residential would apply with regard to change from residential to employment. It could lead to an unplanned loss of dwellings in inappropriate locations for business uses, and risk harm to residential amenity. This would undermine the purposes of a plan led system in the same way as the current proposals.

Question K

Are there any further comments or suggestions you wish to make

44. The proposals are so far removed from anything the Council could support that there are no further comments or suggestions.

Impact Assessment Questionnaire

Question 1:

Do you think that the impact assessment broadly captures the types and levels of costs and benefits associated with the policy options?

45. No.
46. The impact assessment does not fully assess the benefits of the current system. A number of the potential costs identified above have not been fully considered.

Question 2:

Are there any significant costs and benefits that we've omitted?

47. Yes to both.
48. Costs to existing businesses (particularly small business), costs to local authorities, and costs to local communities identified above have not been adequately assessed.
49. Cost savings have been exaggerated. For example, the analysis notes the average cost of a small residential development is £25,100. However, it does not make clear whether this is based on a conversion of business to residential. Much of this cost would be likely to be technical documents, to demonstrate how site issues could be addressed, such as flood risk assessments. Costs will still apply if operational development is required rather than simple change of use.

Question 3:

Are the key assumptions used in the analysis in the impact assessment realistic?

50. There are a number of judgments that do not appear to be based on evidence. These include the following:
- If there was complete freedom to change between uses, over time, supply would simply adjust to the price differences resulting in more land for housing (page 44);
 - Making it easier for land to be used for its most valuable purpose will reduce transaction costs and increase economic efficiency (page 45);
 - The removal of planning restrictions will help to encourage the most efficient use of land (page 45);
 - The risk of unsustainable development is considered "minimal" as locations such as industrial sites are unlikely to represent an attractive option for housing providers (albeit that they could still be attractive to property speculators) (page 62);

Question 4:

Are there any significant risks or unintended consequences we have not identified?

51. Yes.
52. These have been addressed in response to previous questions.

Question 5:

Do you agree that the impact assessment reflects the main impacts that particular sectors and groups are likely to experience as a result of the policy options?

53. No.

54. Impacts have been addressed in response to previous questions.

Question 6:

Do you think there are any groups disproportionately affected?

55. House buyers will be faced with potentially sub-standard housing that has not been sufficiently planned in relation to required infrastructure.

56. Small businesses could face a loss of suitable premises.

Question 7:

Do you think this proposal will have any impacts, either positive or negative, in relation to any of the following characteristics – Disability, Gender Reassignment, Pregnancy and Maternity, Race, Religion or belief, Sex, Sexual Orientation and Age?

57. There could be inequitable impacts on people who do not have a car and end up living in housing on industrial estates or areas far from local facilities and infrastructure.

Question 8:

Do you have any information on the current level of planning applications for change of use from B use classes to C3 in your local authority area which might be helpful in establishing a baseline against which to measure the impact of this policy?

58. The Council monitors employment land supply, and net change in employment land supply, through its annual monitoring report. The amount of employment land lost, and specifically the amount of land lost to residential is also monitored.