

Additional Information to Support Article 4 Directions in Bromley Town Centre

1. Summary

The B1 (a) to C3 Article 4 Directions proposed by LB Bromley relate to three discrete and targeted areas within Bromley Town Centre.

The Council sought exemption in February 2013 to the, then, proposed permitted development right for the whole of Bromley Town Centre and the borough's business areas – a total area in the region of 150 hectares.

The current three small areas proposed total only just over 13 hectares, including railway land and roads.

The Council is seeking the Article 4 Directions to support the local economy and help ensure that the Borough has the office floorspace required to accommodate the forecast business and employment growth within the Borough, and maintain and enhance Bromley Town Centre's role as a Metropolitan Town Centre.

The three areas comprise, on the whole, the more modern and up to date office accommodation within the Town Centre (and the Borough), and certainly the most accessible, being close to the transport interchanges at Bromley North and Bromley South Stations.

The Council's saved UDP policies and the Bromley Town Centre Area Action Plan (BTCAAP) (2010) aim to retain offices. The BTCAAP proposed the NW area, and most of the Southern area as Business Improvement Areas. The Draft Policies and Designations stage of Bromley's Local Plan has extended the Bromley South Business' Improvement Area, and added Bromley North as a new Business Improvement Area given the quality of the stock, proximity to key transport interchanges, and their role in supporting not just the Town Centre but also the Borough's economy as stock elsewhere is lost.

In the first year of B1a to C3 permitted development rights being in operation the Council received 48 applications for prior approval, 37 were approved within the timescale which could provide 165 homes, and result in a loss of 12,100sqm of office floorspace.

The Council considers the Article 4 Directions important in managing the loss of office floorspace within these sensitive areas, and provide for the forecast increase in office employment as part of the sustainable future of the town centre and the Borough.

2. The Three Proposed Areas

A Bromley Town Centre North West

This area forms the London road Business Improvement Area within the Bromley Town Centre Area Action Plan.

B Bromley Town Centre North East

This area surrounds and includes the Bromley North station area; with most of it forming an area which is anticipated to be a significant site allocation within the Local Plan (it was a proposed Opportunity Site in the BTCAAP).

The BTCAAP identifies London Road (Area 1) and Bromley South (a smaller version of Area 3) as Business Improvement Areas.

C Bromley Town Centre South

The section North of Bromley South Station is designated a Business Improvement Area within the BTCAPP. However, a review of part of the preparation of the Local Plan proposes extending the BIA South to include the area with a significant number of existing offices, and within a few minutes' walk of Bromley Town Centre. The whole of the southern area is recognised as the section of the Town Centre most appropriate for large scale office development.

Market Context and need to Retain Offices within Bromley Town Centre

Bromley commissioned DTZ's '@LB Bromley Retail, Office, Industry, and Leisure Study' (2012). This highlighted an indicative total floorspace requirement within the Borough for offices of 106,500sqm for the period to 2031 (based on the 2011 London Plan employment projections). The evidence base for the draft Further Alterations to the London Plan shows Bromley with a lower base employment level but a higher rate of employment increase and therefore the requirement for a similar large amount of additional office accommodation remains.

Bromley Town Centre has relatively high residential values. For example, when the remaining residential units in the scheme currently under construction at Westmoreland Road are marketed, it is expected that asking prices will be in the region of £500 per sq. ft. This compares with office values for existing stock of around £160-£190 per sq. ft.

The commercial market has and continues to improve as the economy moves out of recession with employment higher than forecast.

The Council identified mixed use potentially including office at key sites within Bromley Town Centre Opportunity Site C Bromley Old Town Hall. It is anticipated that this will be refurbished/redeveloped for hotel and residential uses and Opportunity Site L which has planning permission for offices/residential has been purchased by the Education Funding Agency for a free school. This places greater emphasis on existing offices within the Town Centre to be retained to accommodate the growth in the economy and employment.

3. Impact of New Permitted Development Rights to change to housing use

The Council has a current five year housing land supply paper showing it meets the current London Plan housing targets for the Borough.

In the first twelve months of the new PD rights to change from B1a to C3 the Borough has:

- Received 48 applications
- Approved 37 applications which could provide 165 homes, and a loss of 12,100sqm of offices
- 3 withdrawn
- 2 appeals received

The applications of Prior Approval cover most parts of the Borough, as shown on the attached maps. As the Council is seeking Article 4 Directions for a very small part of Bromley Town Centre, the PD rights will continue for other areas of the BTC and the other parts of the Borough. It is anticipated that PD will therefore continue to provide a significant number of homes within Bromley. The Article 4 Direction is to seek the ability for the Council to manage the loss within the proposed Business Improvement Areas, and enable the Town Centre to perform effectively its office employment function which is important to the sustainability and the viability and vibrancy of Bromley Town Centre.

The commercial attractiveness of residential use is demonstrated by the number of prior approvals. The new permitted development rights will preclude Bromley Town Centre from effectively fulfilling its function, and accommodating the much needed office floorspace the economy requires.

4. The Plan and Development Management Policy Context

Saved UDP Policies and BTCAAP

Most of the UDP 2006 policies were 'saved' in 2009. This includes:

Office Development

EMP1 – This identifies where large new office development is appropriate. This includes Bromley Town Centre.

EMP2 – Requires development to be accessible areas, and not impair the shopping functions of the town centres.

EMP3 – This policy states that:

“the conversion or redevelopment of offices for other uses will be permitted only where:

- i) it can be demonstrated that there is no local shortage of office floorspace and there is evidence of long term vacancy despite marketing of the premises; and
- ii) there is no likely loss of employment resulting from the proposal.

It is policy EMP3 which is the key policy which would be used to assess a change of use from office to residential use in the areas covered by the Article 4 Direction once in place.

BTCAAP Policy BTC5 Office Development seeks to retain existing office uses

The Council will seek to retain existing office uses and to maximise the opportunities for new employment generating activity through the development of around 7,000sqm (gross) of additional business floorspace (Class B1) on Opportunity Sites A and C.

With the exception of changes of use which may be permitted in the Bromley North Village Improvement Area under Policy IA1, development proposals resulting in the loss of B1 office floorspace will only be acceptable if the office floorspace is re-provided as part of the redevelopment of the site.

The Council will achieve these policy aims through promoting the development of the Opportunity Sites identified in the Plan and improvements to existing premises and facilities in the Business Improvement Areas on the Key Diagram to create a high quality business environment. (Relevant policies EMP1 & EMP2 of UDP (2006) and 3B.1, 3B.2, 3B.3, 3D.1, 3D.2, 3D.3 of Consolidated London Plan (2008).

Emerging Local Plan

The Council is preparing its Local Plan, and consulted on the 'Draft Policies and Designations' document in February – March 2014.

Draft Policy 9.1 identifies three strategic priority areas for economic growth. This includes Bromley Town Centre.

Draft Policy 9.5 Business Improvement Areas (BIAs)

The Council will seek to manage and improve the supply of high quality office floorspace in Bromley Town Centre through designating the following as Business Improvement Areas (BIAs):

- i. Bromley South BIA
- ii. Bromley North BIA
- iii. London Road BIA

Redevelopment of proposals resulting in the loss of B1 office floorspace or which compromises the primary function of the BIA will not be permitted. The Council will work with businesses to secure quantitative and qualitative improvements to premises and facilities in these areas to ensure a good supply of high quality office accommodation.

These three areas are coterminous with the proposed Article 4 Direction.

Draft Policy 9.6 Large Office Development

Proposals for office floorspace (greater than 2,000sqm) will be directed to the Business Improvement Areas (BIAs) as part of the employment growth plans for Bromley Town Centre.

Draft Policy 9.8 Office Change of Use/Redevelopment Outside Business Improvement Areas (BIA)

Proposals for change of use or redevelopment of purpose-built large offices outside of the Business Improvement Areas will be considered based on the following criteria:

- i. demonstration of lack of demand for office floorspace marketing evidence over an 18 month period.
- ii. it would not be feasible and/or viable to refurbish, renew or modernise the offices in order to meet the current requirements of occupiers. This should be demonstrated through marketing evidence and an independently validated viability assessment.
- iii. it would not be feasible and/or viable to adapt the office floorspace as smaller business units to meet demand from small businesses. This should be demonstrated through marketing evidence and an independently validated viability assessment.
- iv. re-provision of employment floorspace as part of a mixed use scheme assessment.

The independently validated viability assessment should address the feasibility and economic viability of refurbishing, renewing or modernising larger office buildings for use as smaller B1 units. It should be produced by a qualified person familiar with the local market for business premises. The Council may seek independent validation of the report in order to assess the quality of the evidence provided.

The redevelopment of offices will be supported if the quantity of original B1(a) floorspace is replaced or increased as part of the development (or elsewhere within the immediate area).

The aim of the Council's office policy approach is to safeguard sufficient land for office based employment in the most appropriate locations, in particular the proposed Business Improvement Areas proposed for the Article 4 Directions.

5. Consultation

Consultation on the Draft Policies and Designations stage of the Local Plan preparation did not receive any objections to the Business Improvement Areas, or the draft office policy.

Consultation with regard to the Article 4 Directions has included:

- Site notices for each area, appropriately located
- Letters sent to known addresses within each of the proposed areas
- Information available at the Borough's Bromley Business Event on 18th June
- Public notices in the local papers

To date there have been no objections to the proposed Article 4 Directions. There have been half a dozen enquiries seeking clarification of the implications of a Direction.

Consultation started in the last week of May and runs until July 31st 2014, exceeding the required six week period.

6. Background documents

- UDP saved policies
http://www.bromley.gov.uk/downloads/file/213/expired_udp_policies-july_2009
- BTCAAP
http://www.bromley.gov.uk/downloads/download/194/bromley_town_centre_area_action_plan
- Draft Policies and Designations Document
<http://www.bromley-consult.objective.co.uk/portal/lpdpd/lpdpc>
- DTZ Report (2012) (“Retail, Employment and Leisure”)
http://www.bromley.gov.uk/site/scripts/google_results.aspx?q=DTZ+Report+2012
- Michel Rogers (2014) BTC Offices Report
http://www.bromley.gov.uk/downloads/file/1854/bromley_town_centre_office_market_study_2013