



MARCH 2024

# Hearing Statement

## Elmbridge Local Plan Examination

Iceni Projects Limited on behalf of  
Northumberland Estates Ltd

March 2024

ICENI PROJECTS LIMITED  
ON BEHALF OF  
NORTHUMBERLAND  
ESTATES LTD

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**Hearing Statement**  
ELMBRIDGE LOCAL PLAN EXAMINATION



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# 1. INTRODUCTION

1.1 This hearing statement has been prepared by Icen Projects on behalf of Northumberland Estates Ltd (NEL) in relations to Matters 3 and 8 of the Examination In Public (EIP) of the Elmbridge Local Plan. This statement addresses the Inspector's matters, issues and questions that NEL consider to be of particular importance to the soundness of the overall Plan.

## **Northumberland Estates Ltd (NEL)**

1.2 NEL are an important stakeholder with a crucial role in achieving economic growth in the Borough. In this regard, NEL are landowners, asset managers and developers of the following:

- A number of landholdings within the Hershams Trading Estate, one of only 5 remaining areas of strategic employment land left in the Borough; and
- The entirety of the former Weylands Treatment Works site, an 11Ha landholding containing circa 6.2Ha of previously developed land within the Green Belt containing commercial and waste uses, directly adjoining Hershams Trading Estate

1.3 A plan showing the extent of NEL's existing landownership are attached at Appendix 1.

## **APPENDIX 1**

1.4 The former Weylands Treatment Works site is an allocated and safeguarded waste site in the adopted Surrey Waste Plan. Whilst the site has a Development Plan allocation that envisages an expansion of the site for waste, a currently undetermined planning application seeks to comprehensively redevelop the site through rationalising the waste activities on the site and expanding the commercial uses to create broadly the same level of commercial development but entirely within commercial buildings. If granted, it is envisaged that the development would be delivered in a phased manner, with scope for existing businesses within Hershams Trading Estate to relocate into the new premises, potentially enabling NEL to expand its ownership within Hershams Trading Estate to comprehensively redevelop one of the Borough's five remaining Strategic Employment Areas within the plan period. The Masterplan for the planning application is attached at Appendix 2, together with exhibition boards that provide an overview of the development concept.

## **APPENDIX 2**

## **NEL's Soundness Concerns**

1.5 NEL considers that the Inspector has raised a number of pertinent points in the Schedule of Matters, Issues and Questions in relation to the economic strategy of the draft Plan and the extent to which it

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can deliver economic growth and risk economic decline across the plan period. NEL therefore wishes to participate in the following Matters & Issues concerned with the Examination:

Matter 3 – The vision, spatial strategy, and the distribution of growth over the Plan period

- Issue 5 - Whether the vision and proposed spatial strategy is justified, effective, positively prepared, and consistent with national policy including the proposed distribution of development across the Borough
- Issue 6: Does the Plans spatial strategy expressed within policy SS3 present an appropriate strategy, taking into account the reasonable alternatives?

Matter 8 Meeting Employment Needs

- Issue 13: Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to establishing the scale of employment floorspace needed over the Plan period.

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## 2. MATTER 3 – THE VISION, SPATIAL STRATEGY AND THE DISTRIBUTION OF GROWTH OVER THE PLAN PERIOD

### **Issue 5 - Whether the vision and proposed spatial strategy is justified, effective, positively prepared, and consistent with national policy including the proposed distribution of development across the Borough**

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#### **Q 2.9 - Has the SA considered all reasonable options for a spatial strategy that would secure a sustainable pattern of development in the Borough?**

- 2.1 It is both unclear and unlikely from the available evidence that the SA tested different quantum of economic growth in relation to the objectively assessed need (OAN) for employment outlined in its suite of economic evidence base documents<sup>1</sup>.
- 2.2 Furthermore, it is both unclear and unlikely that the SA tested any spatial options for the provision of new economic development, aside from the default position of maintaining existing strategic employment sites and hoping that intensification of commercial development is achieved on them – the same approach as that adopted in the existing Local Plan that all of the available evidence base suggests resulted in economic harm during the previous plan period, given the Borough has evidenced the sustained and significant losses of commercial floorspace sustained through this approach.
- 2.3 The Council's own evidence demonstrates how a strategy of not planning positively for sufficient economic growth against the backdrop of significant quantum of commercial floorspace being lost through GPDO prior approvals and accepted redevelopment/changes of use (maintaining the current policy approach) results in economic decline and is clearly an unsustainable pattern of development<sup>2</sup>.
- 2.4 The Plan appears to have developed options based solely through testing different quantum of residential development through different spatial approaches, but there does not appear to have

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<sup>1</sup> ECO001-ECO011, in particular the findings of ECO006, which outlined the OAN for additional employment floorspace

<sup>2</sup> Elmbridge Strategic Employment Land Review 2021 Para 5.2 concludes “of the current 13 designated SELs from the Core Strategy 2011, SELs have been eroded or totally lost to non-residential uses as a result of planning permissions or permitted development.. Across all SELs there has been an average loss of approximately 5,926.16sqm per year since 2011. Based on the current loss of employment floorspace, the borough will continue to lose approximately 88,892.4 sqm employment floorspace by the end of the plan period (expected 2036). The borough will result in approximately 258,761 sqm SEL land remaining at the end of the plan period in 2036, should the rate of employment floorspace be lost to non-employment uses continue”

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been any alternative spatial option for achieving economic growth tested. This is the obvious conclusion from reviewing Section B2 of the SA “Develop the Local Plan options including reasonable alternatives”, which explains how the spatial options were formulated exclusively by testing different quantum of residential development and the likely spatial solutions that would be needed to deliver them.

- 2.5 The Plan appears to have either relied on economic growth being secured through residential development, or assumed that economic growth could be secured under a scenario of maintaining the existing policy towards employment which has seen significant quantities of commercial floorspace lost for residential development over a sustained period. This outcome has not been identified or supported by any evidence. Moreover, Paragraph 2.21 of the Plan recognises the negative impact of losing (strategic) employment land to housing:

*“Without a plan, the borough’s strategic employment land could be lost to residential development which would reduce the local economy. People would need to travel outside the borough for work which could impact on pollution from car use. Town, district and local centres could also lose their vitality and viability as more buildings are converted to residential. Travelling outside the borough to access retail and leisure uses could also add to the road network volume.”*

- 2.6 The failure of the SA to recognise the likelihood of employment land being lost within the Borough and not testing any spatial option to arrest that decline or consider how the objectively assessed need for employment might be accommodated is a failing of the Plan.

**Q 2.12 - Is it clear how the SA has assessed employment needs arising from the Plans overall approach? In particular, how have the economic growth (6) and employment (7) scores been arrived at (see tables 7 and 11 of the SA) and what is the rationale behind the difference of approach in relation to these two sets of scoring? Paragraph 3.71 states that unknown scores are also given to SA objective 6: Economic growth as all three-options support economic growth but do not allocate land due to the uncertainty in the market for premises. Is this correct? Why is this different from the options assessed at table 7?**

- 2.7 It is unclear how or whether the SA has assessed employment needs, whether it has been cognisant of the Council’s Local Plan evidence base which defines an objectively assessed need for employment and whether any of the options have considered the effect of planning for different levels of employment growth in different ways. The SA has tested different growth levels for residential, but the issue of employment need appears to have been ignored.

- 2.8 The approach taken to employment in the SA appears to be consistent with the approach taken to employment in the wider Plan, which is to ignore the evidence base produced and reach conclusions

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that economic growth will be achieved - despite the SA in places questioning whether this would indeed be the case.

- 2.9 The questions raised here are for the Council to answer, but the SA conclusions are confusing and bear no resemblance and have no regard to the negative economic outcomes that have materialised through the existing Plan approach, which has largely been replicated through the new Plan.

**Q2.17 What is the rationale behind the Plans approach to supporting economic growth but not allocating land due to the uncertainty in the market for premises (paragraph 3.71 of document CD002) (Please note this question refers specifically to how the SA has assessed economic growth only, meeting employment needs in detail is set out under matter 8 below)**

- 2.10 This question is obviously one for the Council and its SA authors to answer. However, uncertainty in the market for premises is clearly an inadequate justification for not planning positively for growth across a 15 year plan period.

- 2.11 From the approach taken across the SA, there may have been an assumption that economic growth can be achieved through residential development alone. If this were the assumption, we would question the soundness of this when the Council's own evidence base indicates a significant unmet need for significant new commercial floorspace across the plan period and has profiled the negative economic outcomes that have resulted from the existing plan approach to employment, which is being largely replicated across the plan period.



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**Issue 6: Does the Plan’s spatial strategy expressed within policy SS3 present an appropriate strategy, taking into account the reasonable alternatives?**

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**Q 2.20 Does the Plan present an appropriate spatial strategy and in what way is this supported by the evidence base? In particular, will the proposed distribution of housing help to ensure that sufficient land will be available in the right places to meet the housing needs of present and future generations**

2.12 The Plan is not considered to present an appropriate spatial strategy and this is demonstrated through its failure to acknowledge and respond to its evidence base.

2.13 The NPPF in paragraph 8 defines the economic objective of the three overarching objectives of sustainable development:

*“to help build a strong, responsive and competitive economy, by ensuring that **sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity**; and by identifying and coordinating the provision of infrastructure”*

2.14 Paragraph 20 goes on to state that *“strategic policies should set out an overall strategy for the pattern, scale and design quality of places... and make sufficient provision for... employment... and other commercial development.”*

2.15 The economic evidence base documents prepared to inform the Plan identify an objectively assessed need for new employment floorspace, but the strategy makes limited provision for new employment floorspace through a hopeful strategy that intensification will be achieved on the Council five remaining strategic employment areas, with no evidence that the need can or will be met.

2.16 The Council’s Strategic Employment Land Review Addendum 2021 profiles the way in which the Council’s strategic economic land has been decimated over the period of the current Core Strategy, which adopted broadly the same approach to economic growth (support for employment in Strategic Employment Locations and town centres) as the current Plan.

2.17 The Plan pays no regard to changes in national policy that have to date compromised and look set to continue to compromise any strategy to boost employment in town centres given the backdrop of an expansion of permitted development rights which undermines the Council’s plan strategy. Whilst the national policy change boosts the potential for residential windfall development in town centres, it clearly reduces the likelihood of secure employment growth and enhances the likelihood of further commercial floorspace losses.

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- 2.18 The Council does have reasonable alternatives to the strategy sought in terms of its economic strategy. For example, NEL's commercial landholding that adjoins the Hershams Trading Estate could be developed to boost commercial development in the Borough and help meet the OAN for new commercial floorspace without having to review the Green Belt and in a way that could revitalise one of the remaining five Strategic Employment Land allocations in the Borough, but the option has not been properly tested through SA, as alternative options do not appear to have been tested.
- 2.19 It is considered that the failure to positively identify anything like a sufficient level of new employment floorspace in the Plan constitutes an inappropriate spatial strategy and this is evidenced by the Council's own evidence base.

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### 3. MATTER 8 – MEETING EMPLOYMENT NEEDS

**Issue 13: Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to establishing the scale of employment floorspace needed over the Plan period.**

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- 3.1 NEL has identified a wholly sustainable and achievable site which can be at the heart of an effective and successful economic strategy. In our view, it is the only realistic and sound way to plan for a sufficient amount of commercial development in relation to objectively assessed need and provide the environment and opportunity to foster a prosperous economy with modern, flexible and well-connected workspaces where industries and businesses can thrive (Principle 4 of the Plan).

**Q7.1 The evidence base identifies that the borough requires an additional 58,000 sqm of employment floorspace between 2015 and 2035. What is the total employment floorspace requirement to 2039?**

- 3.2 This is evidently a question for the Council to answer, but NEL considers it appropriate to roll forward the 2015-2035 20-year requirement to a 15 year Plan period to 2039, weighing the losses incurred in the interim into the floorspace figure. This is considered a minimum given the substantial rise in demand for industrial and warehousing premises since the completion of the Elmbridge Commercial Property Study 2017.

**Q7.2 The evidence base refers to the pattern of prior approvals within the borough and the loss of employment floorspace which has taken place as a result. Does the employment floorspace requirement for the Plan period to 2039 take this position into account?**

- 3.3 The employment needs assessment was undertaken in 2017 and was therefore cognisant of employment floorspace loss in the period to the end of 2015. However, the floorspace losses since have not been assessed and there has been no assessment of future losses of floorspace in town centres, which may now accelerate following the removal of the floorspace cap in March 2024.

**Q7.3 Paragraph 82 of the Framework sets out that planning policies should set out a clear economic vision and strategy. Part B goes on to states that planning policies should set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the Plan period. In light of this, should the employment floorspace requirement over the Plan period be defined within policy SS3 which has been identified as a strategic policy and purports to identify the scale and location of good growth?**

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- 3.4 It would be good practice in line with the Framework's requirements and in line with other Plans across the country for the employment floorspace or land requirement to be stated in the Plan and a strategy explicitly put forward as to how this will be achieved. Without such a strategy it is unclear what the economic vision and strategy is and how local and inward investment can be achieved. In the historic context of Elmbridge, economic decline is otherwise probable.

**Q7.8 Does the policy approach to protecting employment land outside of the Strategic Employment Areas provide an appropriate balance between protecting employment land and supporting economic growth?**

- 3.5 Policy ECON 1 provides a degree of protection for employment sites in B2, B8 and Sui Generis uses that sustain employment uses. However, the policy is ineffective against the backdrop of national planning policy that makes provision for sites that are in Class E uses to be converted to residential.

**Q7.12 Is the policy (Policy ECO 2) justified by the evidence base? Should alternative uses be permitted within these SEL areas?**

- 3.6 The Policy is not considered to be effective in securing the intensification outlined. For example, the 4,350sq.m identified for Hershams Technology Park under Allocation H14 is unlikely to be delivered through Policy ECO2. In this regard, that site is currently being marketed for sale as a comprehensive redevelopment site for a wide range of land uses. Whilst Policy ECO 2 seeks no net loss in commercial floorspace, it is clear to the market that the site is suitable for mixed-use development under part 4 of the policy, which provides policy supports for residential accommodation if it forms part of a larger comprehensive redevelopment proposal and would bring investment to floorspace which has been demonstrated to be redundant for employment uses whilst comprising a mix of flexible uses. The likelihood of securing a net increase of 4,350sq.m against the policy backdrop is very low and relies wholly on a developer specialising in commercial land such as NEL outbidding a mixed-use residential developer, who can build in residential land values into their acquisition price in order to acquire the land.
- 3.7 NEL does not consider policy ECO2 to necessarily be unsound for the above reasons, but would question the extent to which the collection of economic policies can secure a sufficient amount of employment land and deliver the aspirations of the Plan such as providing the environment and opportunity to foster a prosperous economy with modern, flexible and well-connected workspaces where industries and businesses can thrive (Principle 4 of the Plan).

# A1. NEL ELMBRIDGE LANDHOLDINGS



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## **A2. WEYLANDS ESTATE EXHIBITION BOARDS**