

WEST OXFORDSHIRE DISTRICT COUNCIL

DEVELOPMENT CONTROL COMMITTEE:

MONDAY 14 DECEMBER 2015

CONVERSION OF OFFICE PREMISES TO RESIDENTIAL:

ARTICLE 4 DIRECTIONS

REPORT OF THE HEAD OF PLANNING AND STRATEGIC HOUSING

(Contact: Giles Hughes, Tel: (01993) 01993 861658)

(The Committee's decisions on this matter will be resolutions).

1. PURPOSE

To consider the Council's approach to changes introduced by the Town and Country (General Permitted Development)(England) Order 2015 which now allow for change of use from B1(a) (Offices) to Class C3 (Dwellinghouses) without the need for planning permission (Schedule 2 Part 3 Class O).

2. RECOMMENDATIONS

- (a) That authority be granted for the necessary consultation and procedural arrangements for a proposal for Article 4 Directions withdrawing the permitted development right allowing offices to change to residential use on key sites in the district, as specified in [Appendix 2](#);
- (b) That any representations received be reported back to the Committee for consideration when it makes the decision on whether to confirm the Article 4 Directions; and
- (c) That it be noted that the Head of Planning and Strategic Housing will consider using his delegated powers to bring in Article 4 Directions with immediate effect on sites where there is an imminent risk of the loss of important office buildings to residential use.

3. BACKGROUND

- 3.1. Members will be aware that historically planning permission has been required to change the use of commercial buildings to non-commercial use but that most changes within the business Use Class (Class B) were permitted development not requiring a planning permission. This gave flexibility as to exactly what business use was undertaken but ensured that the use did remain as an employment generating one.
- 3.2. Recent changes to legislation were introduced by the Government, initially as a temporary measure, that exempted change of use of offices to residential use from the need for planning permission. Instead there is a "prior approval" process where the only grounds of objection are Transport, Contamination or Flood Risk. Issues such as the economic impact of the loss of the employment use, the impact of the residential use on surrounding retained employment uses or the suitability of the site for residential use are not matters that can be considered under this prior approval process. The Government has recently announced that it intends to make this temporary measure permanent.
- 3.3. Officers have been approached both formally and informally about applying this new permitted development right to some of our key employment sites. The loss of

employment sites and their replacement with residential uses are likely to have a series of economic and other consequences including those set out below.

Economic impact

- 3.4. In Oxfordshire, as in much of the South of England, there is a significant difference in the value of residential and commercial floor space creating a big incentive for office landlords to convert to residential. We are now seeing the impact of this change in West Oxfordshire. Jericho Farm at Cassington (home of ORCC among other businesses) will be lost as will several units at Threshers Yard in Kingham. Notifications have also recently been received for the Zinc office building in Carterton and the Leafield Technical Centre. A full list of notifications received is attached at [Appendix I](#) (page 6).
- 3.5. These changes impact the local economy in several ways:
- 3.6. The West Oxfordshire Economic Snapshot (January 2015) identifies that West Oxfordshire has an undersupply of office space. The loss of any further units will have a negative impact.
- 3.7. The majority of the premises being put forward for change of use are occupied, meaning that businesses are actually having to move out to make way for the change of use. Our shortage of supply means that there is no guarantee that the displaced businesses will be able to find suitable alternative accommodation in the district.
- 3.8. Build costs are still high and the West Oxfordshire Economic Snapshot identifies that the viability for building speculative office space is questionable. This makes the loss of existing space even more of an issue because it is unlikely that new premises will be built to replace the lost stock.
- 3.9. This problem is not confined to rural areas. Enquiries are being made on office buildings in more traditional business estates with the potential for residential units in unsuitable areas where the amenity of the residents will be affected by the surrounding businesses. Similarly those residents moving onto employment sites may have legitimate (in terms of the impact on their amenity) complaints regarding the lawful use of retained businesses surrounding their house which will in turn put further pressure on the retained business in terms of countering such issues as they are raised.
- 3.10. The loss of employment sites could serve to add to the net commuting to retained centres of employment (in many cases out of the District) and exacerbate unsustainable travel patterns.
- 3.11. There is a further and potentially more direct impact for the Council. The Chancellor's recent announcement about the devolution of business rates was intended to act as an incentive to local authorities to attract businesses and bring forward business premises. The flip side of this policy is that if we lose premises through a change of use to residential, the Council's income from business rates will also fall.
- 3.12. In summary, losing offices to residential will:
 - Stifle local economic growth by reducing the availability of offices which are already in short supply
 - Create problems for businesses forced to vacate with no guarantee they will be able to find alternative premises in the area
 - Mean residential units may be created in potentially unsuitable locations

- Mean residents may suffer unacceptable living conditions and would look to the Council to remedy the harms (e.g. through EPA powers) thereby adding to the costs and bureaucracy of remaining businesses
- Reinforce adverse commuting patterns with a consequent impact on the highway network
- Reduce the potential rateable income to the Council

Potential remedy

- 3.13. Clearly, in introducing such de-regulation, the Government sees it as providing much needed additions to the housing stock. In areas of the Country where there are large areas of unused/vacant commercial land being held open for commercial use that is never likely to take place your officers would see merit in allowing alternative uses such as residential. However, the policies in West Oxfordshire have been particularly successful at i) promoting barn conversions to employment use to ensure a vibrant rural economy and ii) attracting businesses to locate in our key employment estates as part of a vibrant and successful local economy with low levels of unemployment. In West Oxfordshire, the proposals are having the presumably unintended consequence of inducing successful trading businesses and sites to close in favour of the more lucrative option of residential use and which in turn will not generate the employment required to sustain the increasing population.
- 3.14. Article 4 is a power contained within the Town and Country Planning (General Permitted Development) (England) Order 2015 which enables Local Planning Authorities to advertise their intention to remove the permitted development right and allow a minimum 21 day period to receive representations and at least a further 28 days for it to come into effect. Before making an Article 4 Direction, the LPA must be satisfied that it is expedient that the change of use of offices to dwellinghouses within a particular area should not be carried out unless permission is granted for it on an application. The Secretary of State has to be consulted showing the area to which the Direction relates and, when it comes into force, the County Council also has to be informed. The Direction will only come into force if confirmed by the LPA. In deciding whether to confirm any Direction the LPA must take account of any representations received in the representation period and only confirm the Direction following the expiration of the 28 day period or such other period as the Secretary of State may specify. Once confirmed the LPA must send a copy to the Secretary of State. The LPA retains the right to cancel or vary the direction as does the Secretary of State but the Secretary of State does not have to approve the Direction and will only intervene when there are clear reasons for doing so.
- 3.15. There is an alternative power under Article 4 to bring in Directions with immediate effect if the LPA considers that “the development to which it relates would be prejudicial to the proper planning of the area or constitute a threat to the amenities of their area” but this only lasts for a period of 6 months unless confirmed in accordance with the preceding paragraph. In all cases the local planning authorities must have already begun the consultation processes towards the making a non-immediate Article 4 Direction.
- 3.16. The National Planning Practice Guidance states that the use of Article 4 directions to remove national permitted development rights should be limited to situations where this is necessary to protect local amenity or the wellbeing of the area. The potential

harm that the Direction is intended to address should be clearly identified. There should be a particularly strong justification for the withdrawal of permitted development rights relating to a wide area (e.g. those covering the entire area of a local planning authority) and cases where prior approval powers are available to control permitted development

- 3.17. Article 4 Directions cannot prevent development which has been commenced, or which has already been carried out. Also, an Article 4 Direction will not affect a development where prior approval has already been granted provided that the development is completed within 3 years of the date of the prior approval. It should also be noted that Article 4 directions do not prevent the owners of buildings from applying for a change of use in the normal way. The Article 4 simply removes the Permitted Development right and means that the Council can assess any applications for a change of use based on their individual merits in the normal way. An approach to balancing housing delivery against retention of commercial buildings is set out in Paragraph 51 of the NPPF which sets out that LPA should normally approve applications for change of commercial buildings to residential use "provided that there are not strong economic reasons why such development would be inappropriate"
- 3.18. Officers have identified "at risk" sites (see [Appendix 2](#), on page 8) where the loss of office space will have a detrimental effect on the District's economy. Maps to identify each site will be available to members at the meeting. It is proposed that the Council initiates the consultation and procedural arrangements for an Article 4 Direction. The recommendation in paragraph 2(c) above reflects the fact that the Head of Planning and Strategic Housing will consider using his delegated powers to introduce immediate Article 4 Directions on sites where there is an imminent risk of the loss of important office buildings to residential use as soon as consultation has commenced.
- 3.19. Members should note that the Government has indicated it could widen the PD rights to cover the change of light industrial units and laundrettes to residential. We await further details at the time of writing but this too would be a cause of concern should it be implemented and require an extension to the Article 4 Direction.

4. ALTERNATIVES/OPTIONS

- 4.1. Members could decide to do nothing and let the new regulations take their course. This would mean that the Council would have no control over the long term use of office buildings and run the risk of the loss of many key sites.
- 4.2. Members could decide to try and implement an Article 4 Direction over the entire district. Officers have been advised that this is less likely to be successful than trying to implement the Article 4 Direction on specific sites.
- 4.3. The Council could choose not to use the provisions to bring a Direction into force urgently as an immediate scheme on key sites but this creates the risk of losing these sites from employment use.

5. FINANCIAL IMPLICATIONS

- 5.1. If a local planning authority makes an Article 4 Direction, it can be liable to pay compensation to those whose permitted development rights have been withdrawn, but only if it then subsequently:
 - refuses planning permission for development which would otherwise have been permitted development; or

- grants planning permission subject to more limiting conditions than the General Permitted Development Order
- 5.2. The grounds on which compensation can be claimed are limited to abortive expenditure or other loss or damage directly attributable to the withdrawal of permitted development rights. Therefore the range of circumstances in which the Council could face a compensation claim is limited. This risk can be reduced by effective communication and publicity about the proposed Article 4 Direction so that owners and developers are aware of the changing circumstances.
 - 5.3. Once an Article 4 Direction is introduced, no fee for any planning application generated is payable and the Council would forego the £80 fee that would have been payable under the Prior Approval process. The overall impact of this on the Planning and Strategic Housing Service budget will be negligible.
 - 5.4. If the proposed Article 4 Direction is not instigated, there is potential for the Council to lose rateable income should the Government's plans to devolve business rates come into effect.

6. RISKS

The loss of significant office space to residential will create the negative impacts on the district outlined in this report including a potential reduction in the rateable income received by the Council.

7. REASONS

To sustain vibrant , healthy and economically prosperous towns and villages;

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Head of Head of Planning and Strategic Housing

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Background Papers:

None

Permitted Development – Office to Dwelling

Notifications received as at November 2015

	Reference Number	Description	Address	Decision
1	13/0795/P/PD	Change of use from offices (b1) to residential (c3)	35D Newland Street Eynsham	Prior Approval Not Required
2	13/0880/P/PD	Change of use from office (b1) to residential (c3).	Quarry Barn Little Tew	App returned. Prior Approval not available
3	13/1019/P/PD	Change of use from office (b1) to residential (c3).	The Old Barn Worton Park Worton	Prior Approval Not Required
4	13/1146/P/PD	Change of use from office (b1) to residential (c3).	9 Thames Street Charlbury	Prior Approval Not Required
5	13/1429/P/PD	Change of use of b1 office building to two dwellings.	Derrymerrye Farm Old Witney Road Eynsham	Prior Approval Not Required
6	14/0280/P/PD	Change of use from office (class b1 use) to dwelling (class c3 use).	Unit 1 Threshers Yard West Street Kingham	Prior Approval Not Required
7	14/0310/P/PD	Part change of use from office (class b1 use) to dwelling (class c3 use).	Spendlove Centre Enstone Road Charlbury	Prior Approval Not Required
8	14/0578/P/PD	Change of use from office (class b1 use) to dwelling (class c3 use),	Unit 2 Threshers Yard Kingham	Raise no objection
9	14/0582/P/PD	Change of use from office (class b1 use) to dwelling (class c3 use),	Unit 3 Threshers Yard Kingham	Prior Approval Not Required
10	14/0893/P/PD	Change of use from office (class b1 use) to dwelling (class c3 use).	4 The Quadrangle Woodstock	Prior Approval Not Required
11	14/0982/P/PD	Change of use of first and second floor offices (class b1) to 8 dwellings (class c3 use)	11A High Street Witney	Approve
12	14/1217/P/PD	Change of use from office (class b1 use) to 2 dwellings (class c3 use).	100 Brize Norton Road Minster Lovell	Prior Approval Not Required
13	14/1269/P/PD	Conversion of existing first & second floor offices to create two flats.	73 High Street Witney	Prior Approval Not Required
14	14/01894/PN56	Change of use of B1(a) office to 4 residential units.	Harcourt House	Prior Approval Not Required
15	14/01895/PN56	Change of use from office to 14 residential units.	Harcourt House	Prior Approval Not Required

	Reference Number	Description	Address	Decision
16	14/02148/PN56	Change of use under Class J of offices (Use Class B1(a) to 3 dwellings (Use Class C3)	Jericho Farm Barns	Prior Approval Not Required
17	15/00135/PN56	Change of use from office to residential unit.	Harvestway House 28 High Street Witney	Prior Approval Not Required
18	15/00572/PN56	Conversion of offices to three 2 bed and two 1 bed apartments.	5 Thames Street Eynsham	Prior Approval Not Required
19	15/00927/PN56	Conversion of existing office to residential dwelling.	Old Fire Station Browns Lane Charlbury	Prior Approval Not Required
20	15/01021/PN56	Change of use of offices to form 16 residential apartments.	Pinkhill House Oakfield Ind Estate Eynsham	Prior Approval Not Required
21	15/01544/PN56	Conversion of office to dwelling.	Alfred Groves & Sons Groves Business Centre Shipton Road	Prior Approval Not Required
22	15/03516/PN56	Change of use from office to 159 Apartments.	Leafield Technical Centre Langley	Refused
23	15/03552/PN56	Change of use of a building from Office (Use Class B1) Use to a use falling within Use Class C3 (Dwellinghouse)	Buttercross House 16 Langdale Gate Witney	Pending Consideration
24	15/03715/PN56	Change of use from office to six flats.	Unit G (Zinc Building) Ventura Park Carterton	Pending Consideration
25	15/03735/PN56	Change of use from office to residential unit.	Alfred Groves And Sons Ltd Groves Business Centre Shipton Road	Pending Consideration
26	15/03861/PN56	Change of use from offices to two dwellings.	Dickenson House 30 Albion Street Chipping Norton	Pending Consideration

Sites proposed to be protected with Article 4 Direction

SITE NAME	TOWN	TYPE	STATUS
Windrush industrial estate	Witney	Existing	There are a number of large format industrial buildings on site some of which have been subdivided to provide units of varying sizes. Includes Witney Business and Innovation Centre on the Burford Road frontage. Small industrial units are located at Glenmore Business Park and Newman Court.
Range Road	Witney	Existing	Site includes a range of premises including modern high quality units, small industrial and office units (100sqm+) making up Witney Office Village/Network Point and larger single user office, industrial and distribution buildings.
Station Lane industrial area	Witney	Existing	There are a wide range of sizes and types of premises located at Station Lane with a diverse range of occupiers including food manufacturing, building merchants, motor repair, distribution as well as office and some retail and trade counters.
Eagle Industrial Estate	Witney	Existing	Small industrial estate in town centre location with mix of uses including some office units.
Thorney Leys industrial park	Witney	Existing	Industrial park of mostly modern, two storey office units with dedicated parking areas and attractive environment. There are also industrial / warehouse units on site housing tyre fitters, window, door and tile showrooms.
Des Roches square	Witney	Existing	Purpose built small and medium sized office units established in the 1990s. High quality premises in good condition.
Meadow Court	Witney	Existing	Small courtyard of 1990s two storey small offices. Good quality premises. Occupied by business services, financial advisers, accountants, surveyors and recruitment.
Waterside Court	Witney	Existing	Modern 1990s development of 2 linked, purpose built 2/3 storey high quality small/medium sized office buildings.
Spinners Yard	Witney	Existing	Site is comprised of converted 3 storey mill buildings which accommodate small serviced start up offices. Buildings are well maintained. There are 22 units in total.
Compton Way	Witney	Existing	Modern, high quality 3 storey office buildings developed on part of the old Compton Headress works since 2000. Self contained small offices from 100sqm on each floor.
Crawley Mill	Crawley	Existing	Range of older former mill buildings with mix of uses from light industrial to office
New Mill	Crawley	Existing	Substantial mill building converted to offices. Currently headquarters of Audley Travel

SITE NAME	TOWN	TYPE	STATUS
Carterton South Industrial Estate	Carterton	Existing	Significant industrial estate adjoining the RAF base and accommodating mostly industrial uses in a range of smaller and larger premises - including chemicals and steel manufacture vehicle repairs, haulage and plant hire as well as children's play centre and fitness suite. Mostly well occupied although some units and vacant plots to let. Some office premises, highly unsuitable for residential
Ventura Park	Carterton	Existing / With permission	New employment area allocated through previous local plan. Mix of offices and industrial units – generally well occupied. ZINC office building already subject to attempted change of use to residential through permitted development.
West Oxon Business Park	Carterton	Existing / With Permission	Modern units comprising a mix of uses including office, storage, light industrial and retail.
Greystones Industrial Estate	Chipping Norton	Existing	Site is comprised of range of older converted farm buildings to form lower specification, small industrial units. Greystones House recently renovated for office space.
Station Road Industrial Estate	Chipping Norton	Existing	Site of larger industrial units occupied by building merchants and hydraulics company. Smaller units also present and occupied by post office, furniture makers, tyre services and plant hire.
Worcester Road / Primsdown Industrial Estate	Chipping Norton	Existing	Worcester Road Industrial estate is generally 1980s / 90s modern purpose small industrial units (80-300sqm) occupied by furniture manufacturers, interior designers, agricultural engineering and photographic specialists.
Elmsfield Industrial Estate	Chipping Norton	Existing	The site is comprised of old converted farm buildings to form small lower specification units (from 50sqm) A range of business uses including offices.
Depot and rear of Cromwell Park	Chipping Norton	Allocated	The site is a former highways depot and is allocated for BI uses in the current local plan. Half of the site has outline permission for office use- 10/1084/P/FP (0.5ha)
Cromwell Park	Chipping Norton	Existing	There are a number of modern, high quality office buildings. A range of offices are available from start up space (20sqm) to medium sized units (500sqm).
Chalford Barns	Chipping Norton		Group of barn conversion offices on A44 just to west of Chipping Norton
Aston Works	Aston	Existing	Small collection of small offices and workshops in converted works.
Bampton Business Centre	Bampton	Existing	Former MOD communications outpost in remote location over two sites forming two secure compounds including a range of small offices and workshops and medium sized industrial units.
The Old Brewery	Burford	Existing	Old brewery buildings converted to form a courtyard of high quality, small offices. Some offices are within vernacular, listed buildings while others are in the converted brewery buildings.

SITE NAME	TOWN	TYPE	STATUS
Tannery Yard	Burford	Existing	The site is comprised of a mixture of older industrial buildings and a courtyard of more modern (90s) two storey offices at the other end of the site.
Factory premises Charlbury	Charlbury	Existing	The site is comprised of a large single user workshop / warehouse and office premises. Currently occupied by Hydac Technology
Spendlove Centre	Charlbury	Existing	High quality two storey office building located close to the centre of Charlbury.
Mount Farm	Churchill	Existing	The site provides a range of small workshops in converted farm
Blenheim Saw Mill	Combe	Existing	Former sawmill site recently redeveloped by conversion of redundant buildings and erection of new buildings to create 10 office units and 2 larger industrial units (50-200sqm). The retained mill is a visitor attraction when operational.
Southill Business Park	Cornbury park	Existing	A collection of vernacular stone barns converted to high quality offices within an attractive, park setting within and managed by the Cornbury Estate.
The Stable Block	Cornbury Park	Existing	The Stable Block in front of Cornbury Park House has been converted into high quality offices
Rangers Lodge	Cornbury Park	Existing	Range of BI units
Kingstanding Farm	Cornbury Park	Permission granted	Permission just granted for the conversion of semi-derelict agricultural barns to form light industrial workshop, office accommodation and storage
Manor Barns business centre	Finstock	Existing	Four vernacular stone buildings in attractive location on edge of the Cornbury Estate which have been converted to modern, high quality and fully fitted offices.
Lotus F1 technical facility	Enstone	Existing	Modern purpose built facility for F1 motorsport engineering, research and development. The facility is currently occupied by the Lotus F1 Team.
Old Station Way	Eynsham	Existing	The largest building on site is a steel framed, profile clad warehouse with offices to the front. There is a further detached office block.
Oasis Business Park	Eynsham	Existing	Good quality business park. Contains a number of medium sized office units which are relatively modern having been built in the 1990s.
Oakfield Industrial Estate	Eynsham	Existing	There are a variety of different types of unit on site including single user manufacturing and distribution units and a small estate of smaller units. There are a number of more modern units developed in the 80s and 90s, most of them located in the south of the site. There are also some relatively modern offices on the estate.
Elm Place	Eynsham	Existing	Purpose built small office courtyard.
Stanton Harcourt Industrial Estate	Stanton Harcourt	Existing	Mixed use site located on a former airfield

SITE NAME	TOWN	TYPE	STATUS
Langston Priory	Kingham	Existing	Small workshops (up to 100sqm) in good condition within converted priory buildings and some more modern workshop / office units.
Threshers Yard	Kingham	Existing	Site includes a range of mainly small units (100-250sqm) in vernacular converted buildings and some more modern in design.
Leaffield Technical Centre	Leaffield	Existing	Large former FI racing team base with manufacturing, R & D and office space
Little Clanfield Mill	Little Clanfield	Existing	Collection of small workshops and industrial units
Long Hanborough Business Park	Long Hanborough	Existing	Mix of office and light industrial buildings
Blenheim Office Park	Long Hanborough	Existing	Site of good quality and relatively new office premises.
Groves Timber Yard	Milton u Wychwood	Existing	Site of varying size and age of premises comprising converted buildings to form a business centre of small offices and an established industrial area to the rear of the site
New Yatt Business Park	New Yatt	Existing	Site of small industrial / office units
North Leigh Business Park	North Leigh	Existing	Modern small and medium sized offices to the front of the site and industrial unit and yard to the rear of the.
Bell Lane	Cassington	Existing	Salvage yard and small office buildings
Gate Farm	Over Kiddington	Existing	Site is comprised of high quality offices converted from farm buildings
Radford farm	Radford	Existing	Converted stables providing office/workshop unit.
Wychwood Business Park	Shipton under Wychwood	Existing	Small estate of mostly relatively modern industrial/workshop/office units
Heath Farm	Swerford	Existing	Site is comprised of modern converted (non vernacular) agricultural buildings of various sizes and incorporating various users.
Court Farm Barns	Tackley	Existing	Attractive courtyard of converted barns and two new barns utilised as high quality offices.
Green Lane	Woodstock	Existing	Site is comprised of modern buildings of various ages and is fully occupied by Owen Mumford, manufacturers of medical equipment.
The Quadrangle	Woodstock	Existing	Converted barns around central courtyard including 6 office units

SITE NAME	TOWN	TYPE	STATUS
The Cowyards Blenheim	Woodstock	Existing	Listed former cowyard buildings now converted to high quality offices and occupied by Ridge architects and construction consultants.
Worton park	Worton	Existing	Site of high quality modern converted buildings as office accommodation.
Field Barn	Woodstock		Stone office building associated with roofing business on site
Glympton Farms	Glympton		Farm office building