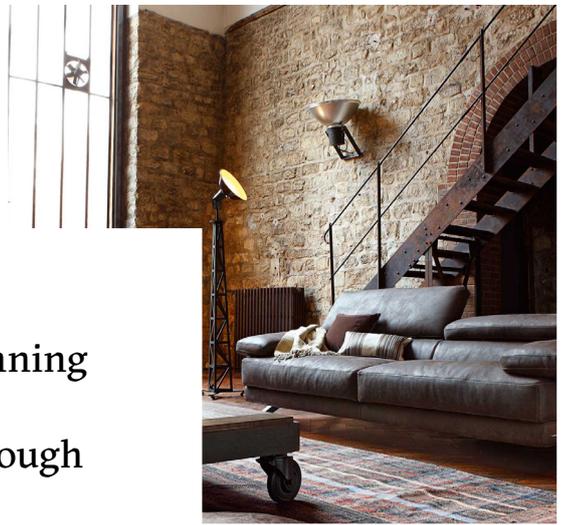


Factory floor to front door



© TNS Sofres

As new light industrial to residential Permitted Development Rights are now in force, local planning authorities will need to consider the case for safeguarding their light industrial premises through the implementation of an Article 4 Direction.

New Permitted Development Rights (PDRs) for change of use from B1(c) light industrial to C3 residential uses came into force for a temporary period of three years on 1 October 2017. The PDR will apply to B1(c) premises which:

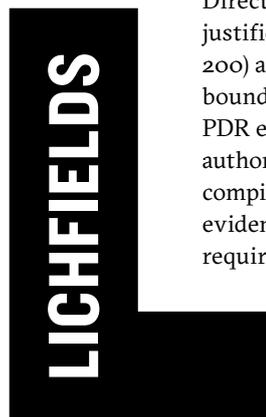
1. Have a floor area of less than 500 sqm; and
2. Were solely in light industrial use on 19 March 2014 or when last used before that date.

Premises which satisfy these criteria will have to undergo a process of determination of whether prior approval is required, covering issues such as transport and highway impacts and contamination and flood risks. As part of this process, planning authorities can also consider on a discretionary, case-by-case basis whether premises are within an area that is important for providing industrial activities, whereby the introduction of residential uses could have an adverse impact on the sustainability of those uses.

Protecting light industrial premises

Local authorities have the opportunity to remove the PDR by bringing into force an Article 4 Direction to retain control over change of use applications and balance the potential benefits and risks of individual proposals.

An Article 4 Direction requires a “clear justification” (NPPF, para 200) and a clearly defined boundary for the proposed PDR exemption area. Local authorities must therefore compile the necessary evidence to meet these requirements.



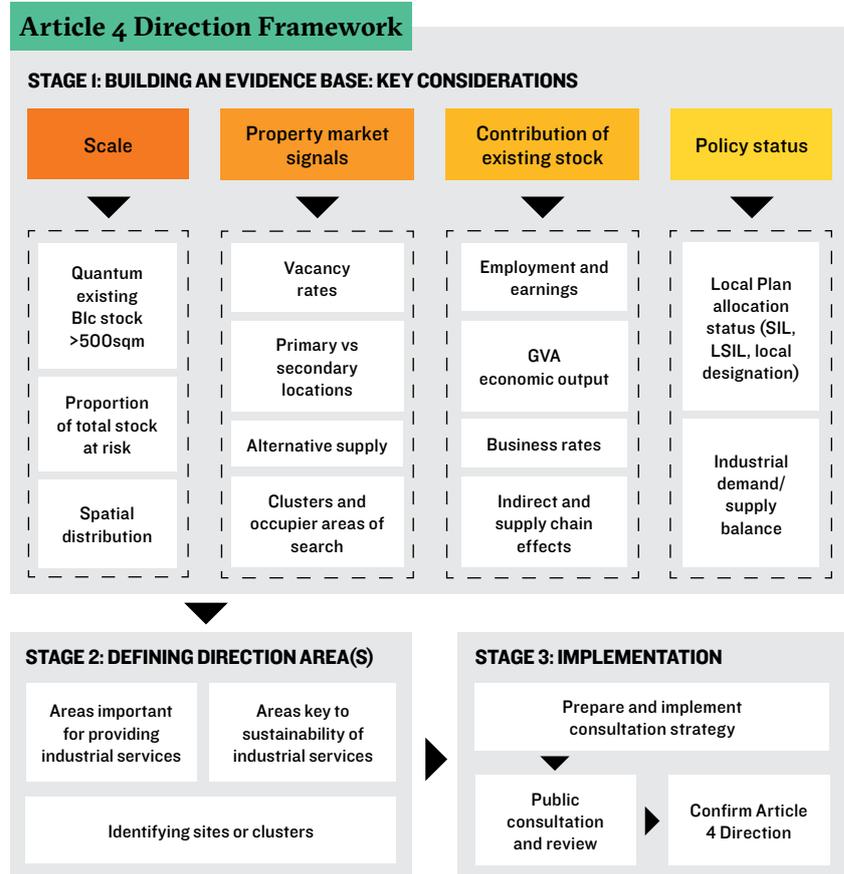
How Lichfields can help

Lichfields has developed a flexible, staged framework (summarised below) to support local authorities in making a robust case for a non-immediate Article 4 Direction. It supports the development of an evidence base by drawing on: a range of economic data sources; local commercial property market intelligence and market signals; and the existing planning policy position. It enables local authorities to justify an Article 4 Direction by quantifying the scale of existing stock at risk of residential conversion, the economic contribution made by this space and its spatial distribution.

POTENTIAL RISKS

The new PDR represents a key measure to boost housing supply across the country, but it also poses a number of potential risks to future economic vitality and growth potential of local areas, including:

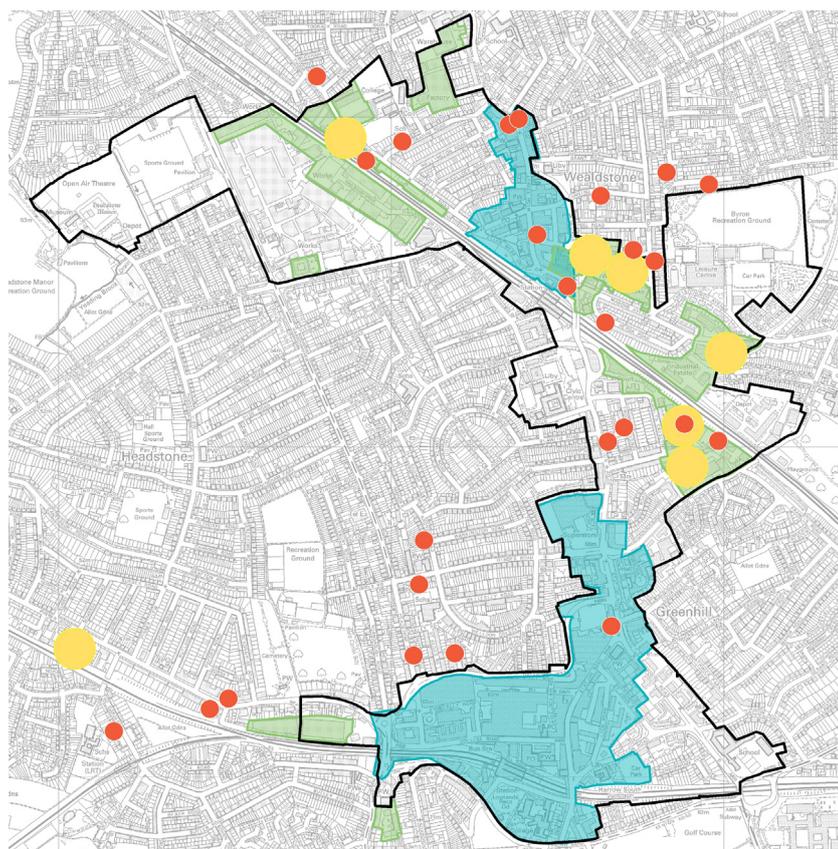
- Permanent loss of business space, particularly smaller premises outside of strategically important or designated areas;
- Limiting the ability of local areas to plan effectively for business needs and growth; and
- Creating uncertainty for businesses and reduced control for the local planning authority.



The value of existing light industrial space in supporting employment, generating economic value and fiscal benefits (such as business rates) can also be considered in the context of the local economy. GIS mapping can be used to identify particularly important light industrial areas or clusters in order to define an appropriate Article 4 Direction boundary and PDR exemption area(s).

We can draw together this body of evidence into clear, concise, digestible outputs supplemented by impactful graphics to provide a robust evident base to help establish the case for an Article 4 Direction. Lichfields can also assist with the practical process of preparing an Article 4 Direction by ensuring that key procedural steps required by Government (such as consultation and engagement) are executed and evidenced.

Figure I: Light industrial floorspace clustering example output



Key

- Opportunity Area
- Town Centre
- Light Industrial Units: >500 sqm
- Designated Employment Land
- Light Industrial Units: < 500 sqm

Source: Lichfields analysis

ABOUT US

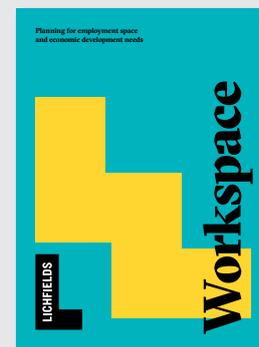
Lichfields is the pre-eminent planning and economics consultancy in the UK with market leading skills in employment space and economic impact assessments.

We use our wealth of experience, proprietary methodologies and in-house graphics capabilities to develop transparent and easy to understand outputs.

Our dedicated policy and law team can help to ensure the necessary compliance with legislative requirements to support the smooth preparation and making of Article 4 Directions.

We have supported a number of local authorities in preparing an evidence base and Article 4 Directions. Get in touch to find out how we can help.

RELATED PRODUCTS



Workspace

Planning for employment space and economic development needs

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