

5th February 2025
Our Ref: Butterfield

By email only
LocalPlan@luton.gov.uk

Dear Sir/Madam

Re: Luton Local Plan Community Involvement Paper - Issues & Options (Regulation 18)

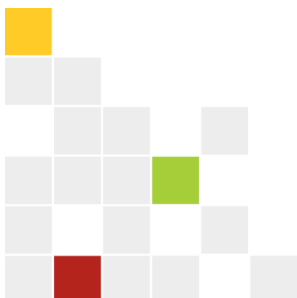
Boyer Planning are instructed by HBD to prepare and submit representations to the Luton Plan – Issues & Options (Regulation 18) consultation. HBD are the Development Partners of The Crown Estate, Butterfield Land and Luton Borough Council (the Landowners), charged with developing Butterfield Business Park (BBP). HBD's involvement in BBP began in 2015 and to date have delivered over 30,000 sq m of commercial floorspace at BBP.

This submission should be read alongside the completed Response Form and response to the Call for Sites consultation.

HBD welcome the opportunity to be involved in the Plan making process and are supportive overall of the Council's aspirations to support economic growth within the Borough. However, much has changed since the current Plan was adopted in 2017 and HBD wish to ensure that the draft Local Plan is, in line with National Planning Policy Framework (2024), informed by an up-to-date evidence base, reflective of both local business needs and wider opportunities for development and capable of responding to changes in economic circumstances.

As part of the Borough's overarching spatial strategy, Policy LLP2 seeks to deliver employment in B Use Classes through several strategic employment allocations, including BBP (LLP7). Policy LLP7 allocates the undeveloped land at BBP for the development of high quality B1 and B2 uses compatible with the technology park concept.

These representations relate to the restrictive nature of current Local Plan, particularly Policy LLP7 and its primarily focuses on B1 and B2 uses, which is not reflective of the current economic drivers or what is happening in the market in light of the rise in demand for industrial and logistics spaces. Nor is it reflective of the 2024 Outline Planning Consent (23/01319/OUT) at BBP. The changing landscape post-COVID, along with technological advancements in the logistics sector, has led to a shift in the types of businesses seeking space at BBP. There is a clear need to adjust local planning policies to reflect the evolving demand for high-quality, flexible industrial and logistics spaces to ensure the Council's aspirations for economic growth are realised.



HBD

HBD has a proven track record of successfully delivering commercial projects across the UK, and has been responsible for the delivery of over 92,000 sq.m of commercial development over the last 12 months. HBD therefore has considerable experience across a wide range of property sectors, and can demonstrate an extensive track record of delivering small and large-scale schemes and multi-phased developments from planning through to construction and occupation. In addition to BBP, HBD's portfolio in the South East includes; Airport Business Park, Southend; Momentum, Rainham, INTER, Welwyn Garden City and Montagu Industrial Estate, Enfield, which include joint ventures with local authorities. HBD are therefore uniquely qualified to comment upon issues of commercial supply and demand and highlight opportunities and obstacles to growth.

Butterfield Business Park

BBP has been allocated for employment uses since 1997. Outline planning permission (00/00573/OUT) was granted in 2003 for a mixed-use development with the initial phases delivered through Reserved Matters. However, development on the majority of the site stalled due to the financial downturn after 2007/08.

Since taking on the Site in 2015, HBD have secured and delivered planning permissions for E(g)(ii)/(iii), B2 and B8 uses. In an attempt to provide greater certainty to the market in terms of the principle of acceptable uses at BBP, meet the requirements of existing and new business frustrated by the restrictive policy position and secure significant investment and employment opportunities in Luton, HBD secured Outline planning permission (23/01319/UT) in 2024.

The 2024 was granted for the remaining circa 13.5 ha of undeveloped land at BBP and secured up to 42,170 sq.m (GIA) of new build flexible commercial accommodation. The development will provide a range of unit sizes to accommodate a variety of businesses to ensure employment potential is maximised and capable to responding to future changes in economic circumstances and occupier demand.

National Planning Policy

At the heart of the Government's objective of delivering a strong, responsive and competitive economy, is ensuring that sufficient land of the right type is available in the right places and at the right time to support growth, innovation, and improved productivity.

The NPPF sets out that the purpose of the planning system should be to contribute to the achievement of sustainable development (para 8), to which there are three dimensions: economic, social, and environmental.

The NPPF requires planning policies and decision to:

- promote sustainable patterns of development that seek to meet the development needs of their area (para 11);
- help create the conditions in which businesses can invest, expand and adapt (para 85);
- be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices, and to enable a rapid response to changes in economic circumstances (para 86);
- pay particular regard to facilitating development to meet the needs of a modern economy, by identifying suitable locations for such uses as gigafactories, data centres, digital infrastructure, freight and logistics (para 86); and
- recognise the specific locational requirements of different sectors including making provision for storage and distribution operations at a variety of scales and in suitable accessible locations (para 87).

The NPPF therefore places significant emphasis on the need for planning policies and decisions to reflect the requirements of businesses, including the need for flexibility to support economic growth and productivity and allow sufficient flexibility to enable businesses to respond to changes in economic circumstances.

Obstacles to Growth

Despite an extensive marketing campaign undertaken by HBD since 2015, the majority of interest expressed in BBP has been from occupiers requiring Class B8 (Storage and Distribution) accommodation. The Council's Economic Development Team estimated that 50% of all enquiries since the Covid-19 pandemic have been for Class B8 uses.

In contrast, despite the challenging macro-economic conditions, e-commerce remains a strong market, reflected in the demand for industrial and distribution accommodation at a national, regional and local level. HBD's own experience, which is shared by the Council, confirms there is significant demand for flexible industrial and distribution accommodation at BBP, with particularly strong demand for storage and distribution accommodation, across all sizes of units.

As evidenced in the BPF's 'Levelling up the logic of logistics' factors driving the growth in demand for flexible industrial and logistics floorspace include; near-shoring and reshoring; robotics and automation; and housing growth. These trends have emerged in recent years, having been accelerated by the COVID-19 pandemic. It is critical therefore that this shift in demand is reflected in the evidence base upon which the emerging Local Plan is prepared and reflected in site allocations and policies.

Whilst Class B8 uses have traditionally been regarded as low value employment, with lower productivity and lower skilled jobs, those uses operating under Class B8 are increasingly diverse and productive, utilising advanced technologies, leading to higher wages, greater productivity and the need for higher skilled jobs. Proposals for Class B8 uses increasingly include a high proportion of ancillary office accommodation, further increasing employment opportunities, as experienced throughout BBP. The latest information points to a well-balanced employment sector with increasing productivity, diversity in roles and higher earnings. Recent research on warehousing and logistics employment shows a focus on more technical roles in management, analytics, IT and engineers as well as above average earnings.

Furthermore, in determining the Outline application the Council's Economic Development Team's response was that businesses interested in moving to Luton are mainly looking for large scale, high quality designed general industrial space and high quality, modern space for storage and distribution with excellent transport links in a landscaped setting. BBP, with the required B2 and B8 permission and supportive allocation and Local Plan policies, will support the growth of key employment sectors and be the main strategic contributor leading to an increase in employment for the people of Luton.

Reference in LLP7 to compatibility with a 'technology park concept' is both dated, overly prescriptive and difficult to define, resulting in uncertainty with occupiers seeking to take space and deliver much needed employment opportunity to the Borough. This was first set out in planning policy terms in the 1997 Borough of Luton Local Plan, was carried forward to the 2006 Luton Local Plan and then on to the current adopted Local Plan (2017). Much has changed during this time, not least the granting of the 2024 Outline planning permission and the greater flexibility in respect of uses it permits.

Representations

Having regard to the above our response to the questions raised in the Issues & Options - Developing our Vision and Objectives can be summarised as follows:

Developing our Vision and Objectives

5. Do you have any views on what our future strategy should look like, where we should identify new sites for development and what factors and information we should consider?

Before identifying employment sites or considering preparing planning policies, the Council should ensure they have an up-to-date evidence base. The Council should undertake a thorough assessment of land availability for economic development uses over the Plan period having due regard to the approach advocated in the NPPG (Housing and economic land availability assessment)

The Council or their agents should also seek the views of landowners/developers as part of future engagement to ensure the evidence gathering process is reflective of market sentiment and ensure underlying assumptions are robust and make the most efficient use of land.

19. How can we support economic growth and how and where should land be used to achieve this?

By ensuring the Plan is supported by up-to-date evidence, informed by market intelligence and capable of responding to changes in economic circumstances.

Development Management Policies

57. Do you have any views about our existing policies and what local development management policies we need?

Policy LLP7 is overly perspective and incapable of responding to the needs of a modern economy or flexible enough to accommodate needs anticipated in the plan.

Evidence for the Local Plan

58. Is there any other evidence or information we should be collecting to inform the Local Plan? Do you have any suggestions on the scope of the evidence outlined and what it should include?

See response to (5) above.

Yours sincerely

Nick Diment
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