

Consultation – Economic Growth

Application No.: 22/01829/OUT

Applicant's Name: Graven Hill Purchaser Ltd

Proposal: 'Outline (fixing 'Access' only) – redevelopment of Graven Hill D1 Site, including demolition of existing buildings, development of B8 'Storage or Distribution' use comprising up to 104,008 sq. m (GIA), creation of open space and associated highway works, ground works, sustainable drainage systems, services infrastructure and associated works.'

Location: Unit D1 Graven Hill, Circular Road, Ambrosden

Summary

- 1) Proposals in recent years to redevelop this allocated strategic employment site for a range of different employment uses and occupiers have complemented the Council's aim to enable a strong and resilient local economy by providing high quality, local employment opportunities. The accepted principle of a logistics-led, mixed employment use development is, however, being challenged through this proposal whereby the entirety of the site would accommodate a 'Logistics Park'. This would involve the loss of space to accommodate any light and general industrial uses despite there being recent market evidence of increasing demand for such uses in a variety of formats, including for some smaller, growing businesses.
- 2) Towards contributing to the aims of local economic, planning and garden town policies, it is unclear why such a restrictive approach is being proposed – especially as the Logistics Park does not have access to the adjacent Railhead. Therefore, whilst I cannot offer my support to this proposed more restrictive, less diverse approach, I remain highly supportive of the existing proposal to create a balanced (logistics-led) scheme that should better integrate both physically and economically within the town.

Background

- 3) Pre-application advice was provided in early 2022 to assist the applicant in making a prompt planning application to begin the development of this important Strategic Employment Site: 'Bicester 2'. Guidance was provided for the applicant to meet the objectives of the Council and its partners in creating a knowledge-based, diverse economy including:
 - Why this site should effectively be excluded from meeting the needs and demand of businesses engaged in 'light' and 'general' industrial activity?
 - How would logistics alone create resilience within the local economy?
 - How would this site serve the needs of the locality, or is it to serve wider regional/national need?
 - For sustainable transport, how would this proposal relate (if at all) to the Oxfordshire Strategic Rail Freight Interchange? (Access to a railhead could justify a dedicated Logistics Park).
- 4) Whilst some progress is shown within the supporting documents of good design principles being established, the direction of the proposal has not changed. Consideration of the stated planning, local economic and commercial property market matters therefore requires some attention.

Economic Benefits

- 5) The key headline (estimated) benefits included within the supporting documents are indicative of the importance in principle of this allocated employment site. Some aspects, however, require explanation (as shown in brackets):
 - Up to 2,430 operational jobs, including high-skilled, tech-led employment ([proportion?](#))
 - 450 FTE jobs over the duration of the construction build programme ([locally-based?](#))
 - Up to £7,003,000 per year in local spending by employees ([in-commuters?](#))
 - Up to an additional 2,160 indirect jobs in the local supply chain ([mapping?](#))
 - Up to £153,240,000 per annum in GVA ([comparison with existing masterplan?](#))
 - Annual business rates of £909,000, a portion of which will be retained by the council for investment in local services and facilities ([comparison with existing masterplan?](#))

Established use

- 6) The Applicant's Supporting Planning Statement seeks to justify why the previously agreed range of employment provision should be altered and narrowed to solely a B8 'Logistics Park'.

- 7) When owned and occupied by the MoD, this site formed part of the Logistics, Commodities and Services (LCS) function providing 'storage' with some 'distribution'. Vehicular movements on the road were limited by the specific nature of the use and - notably - a dedicated railhead enabled importation and exportation of goods to and from the site to be done most efficiently and sustainably whilst minimising traffic impact on local roads.
- 8) Having dismissed any scope to use the railhead, the applicant relies heavily upon a broad interpretation of 'established use' to justify an increased amount of 'modern logistics' floorspace (to 100%) over a larger footprint to that previously built or most recently permitted. There is a failure to acknowledge that whilst the 'established use' may be perceived as B8 it inherently incorporated sustainable transportation with far less impact upon the road network.
- 9) It is argued that this site is 'ideal' for logistics. However, whilst it could be argued to be *suitable* (for the current balance) it is without a direct link to the M40 for the foreseeable future. It therefore would add congestion to the A41 junctions around Bicester Village and Bicester Gateway and – without rail/road interchange - cannot be considered 'ideal' for the local community.

Market Evidence

- 10) Demand for a variety of logistics operators in north Oxfordshire (especially small-medium scale) has been very strong in recent years - as reflected in the Planning and Economic Statements. This sectoral demand is evident today and projected for the foreseeable future but may not always be the case. The resilience of Cherwell's economy has been secured by the provision of a range of uses at various locations including with the balanced provision of 74% logistics approved most recently in 2019 for the commercial aspect of this site.
- 11) The current proposal, however, to exclusively develop logistics uses at the site removes any office/B1/E-class provision on the basis of 'lack of demand' yet fails to address the fact that B2 (General Industrial) uses have also prospered locally. This is very disappointing given recent investments by, for example, Arrival, Tecknos, Bakels and others that have included production and/or headquarters facilities with a much wider range and density of employment than typically generated by B8 Logistics.
- 12) The market evidence of interest beyond logistics is clear from the above examples and through the recent approval given to Siemens to construct its UK Headquarters with R&D and production/logistics facilities near to Bicester. This indicates how Bicester is now seen as a location to accommodate high-value employers that would previously only have located within or adjacent to Oxford. Indeed, I would urge the applicant to engage with the Oxfordshire property market to prepare for and nurture such investment interest as part of creating a more balanced portfolio of occupiers.
- 13) Further illustration of the commercial property market being far broader than 'logistics' is provided at Bicester Gateway where Oxford spinout 'knowledge intensive' employment is now emerging. Evolito, for example, is expanding within the district to Bicester from Yarnton. Whilst this prominent site adjacent to a range of facilities (and other employers) may be considered more suited to such knowledge-intensive employment uses, it demonstrates the desirability within commercial developments to juxtapose complementary uses.
- 14) The prominence of the entrance of the Graven Hill site to the A41 and proximity to the town's facilities (e.g. Bicester Village Railway Station) would support the existing balance of employment uses approved for the site. The adjacent emerging residential neighbourhood could also benefit from a 'blending' of employment uses which could provide opportunities for more diverse employment options within walking/cycling distance of Graven Hill residents.
- 15) The 'broad-brush' consideration of logistics interest is also selective in attempting to justify a precedent being set by the **Symmetry Park** development. Some years ago, Symmetry Park's large scale, flexible units satisfied a pent-up demand that had not been provided for over the previous decade. It is also notable that those units (e.g. Bentley Designs) provided a greater amount of Grade-A office space and HQ facilities than the indication of a basic ~5% in each of the indicative units on the Graven Hill site.
- 16) In arguing for 100% logistics, the applicant does not consider other recent market experience – for example:
 - **Link 9** (where a range of production and HQ operations are housed in newly constructed 'large format' premises, including a range of sizes to cater for the needs and to enable the growth of smaller businesses).
 - **Bicester Motion** (where the owner and occupiers have embraced the Council's and Oxfordshire Local Enterprise Partnership's economic development aims to prove that the local economy can very successfully be developed beyond the single dimension of 100% logistics). Indeed, the juxtaposition of

B8, B2 and B1/E uses assists the development of local supply chains and adds flexible options for businesses to alter their property requirements over time.

- 17) Whilst logistics is therefore an important aspect of Cherwell's economy, focus should not be at the expense of other sectors that the Local Plan and previous planning permissions on this site have confirmed to be acceptable. By already having an allocation of 74% logistics on this site, one should question what is the purpose of excluding other activities that could support the Council's reasonable and realistic aim of diversifying the economy and providing job opportunities to suit the needs of its residents – especially those currently needing to out-commute?
- 18) In paragraph 7.35 of the Planning Statement (Para 2.15 of the EIA), it fairly notes that "*Bicester is not a traditional office destination and that the demand profile means that it is less feasible for a developer to create new office stock. It notes that demand, take up and rents are low.*" Rather than considering B2 options, it jumps to a conclusion that: "*This adds further justification to the proposed B8 use at the site*". It also fails to recognise that knowledge-intensive employers tend to specify a high amount of Grade-A office within flexible B2/B8 buildings – especially where they are not solely dedicated as 100% logistics parks.
- 19) The absence of B2 (General Industrial) uses that could cater for production and HQ-type buildings is therefore disappointing. This is particularly so as it has been shown to be an effective approach in the case of Link 9 and Axis 9 in Bicester, and at Chalker Way in Banbury. This flexibility has apparently served the requirements of investors and occupiers alike, creating 'knowledge intensive' employment in, for example, Arrival, Prodrive, Bakels and Collins Aerospace. This has demonstrated that both local indigenous expansion (of HQ, R&D and production uses) and inward investment can also broaden and strengthen the local economy.
- 20) The unrealistic point may be offered that, because demand from non-B8 uses has been met elsewhere in Bicester, the needs of other diverse occupiers need not be met at Graven Hill. To accommodate further growth, however, the availability of alternative allocated sites is extremely limited and cannot therefore provide a readily available balance.
- 21) Furthermore, the scale of the indicative 9 buildings proposed is between 50,000-258,000 sq.ft – referred to as similar to recent provision elsewhere in the town. However, it is unclear why provision is not also being made for smaller premises to respond to local demand for the sustainable growth of smaller businesses to complement local growth ambitions?

Skills & Employment Planning

- 22) The Planning Statement (Para 4.15) concludes that 100% logistics would generate significant investment resulting in "substantial job creation and opportunities for Bicester". However, it fails to associate the jobs to be created on this site with the available and projected availability of skills locally. Indeed, recognition in the Economic Impact Statement of significant 'out-commuting' is not shown to involve local residents commuting to logistics jobs elsewhere. A series of questions remain on details of how the jobs would be filled, how far employees would need to travel and the effect on existing businesses?
- 23) The proposal is based upon examples in Lancashire and Reading. However, these areas are quite different from Bicester and it raises questions for both phases:
 - **During the construction phase**, the Skills and Employment considerations appear to rely upon a notional distant, mobile labour force. Without sufficient planning and engagement with local skills providers, delays to the development may arise and local apprentices and work experience opportunities may not be in place;
 - **For the (long-term) operational phase**, a shortage of labour should also be mitigated against through the preparation and implementation of an effective of Skills, Training and Community Employment Plan.
- 24) A s106 Agreement should be made (with the assistance of local partners as required) and should commence well in advance of need.

Cherwell District Council's Business Plan

- 25) Of the Council's four priorities, the creation of "An enterprising economy with strong and vibrant local centres" is key to assess against this proposal.
- 26) As considered within the paragraphs above, the proposed development could contribute to this priority – more so if the employment uses permitted on the site were not restricted solely to logistics:

- *Support business retention and growth;*
- *Develop skills and generate enterprise.*

27) 'Multiplier spend' in the local economy can be expected to arise, as stated in the Economic Impact Assessment. It would also be expected to be greater where wages are higher in relation to knowledge intensive employment and where the workforce also lives close to the employment location.

28) The Business Plan also seeks to:

- *Secure infrastructure to support growth in the district.*

29) The Employment Access Road appears to be offered as part of a future relief road (to access M40) but LGV movements for the foreseeable future could impact the Bicester Village/Gateway section of the A41. The views of those businesses and the Highways Authority will be key.

Design

30) The Design and Access Statement indicates some positive emerging design elements around coherence and sensitivity to the colour of the buildings to complement enhanced landscaping. This is to be welcomed yet should go further by adding to the specific Garden Town context and also demonstrating how sustainable design and operation can meet the rising corporate aspirations of occupiers. For example:

- BREEAM 'Excellent' accreditation is indicated but it should be explained why BREEAM 'Outstanding' is not appropriate in this case?
- 'Net Zero Carbon' is proposed at the construction phase and both occupiers and the environment would surely benefit from fabric-first investment from the outset with local energy generation and support for electric delivery vehicles included. It is indicated this could happen "where feasible": If not, it would be important to understand why it might not be feasible given the eco-town objectives, rising energy costs and global climate crisis?

Conclusion

31) The demand for logistics-led development continues yet is already provided for significantly through outline planning consent granted for this site. Recent local market evidence also shows that value-added, knowledge-intensive employers also require premises at prominent, high quality, well-served sites.

32) With developable land severely limited in Oxfordshire, the applicant could engage further with the local commercial property market and with the generators of investment – local employers, inward investors seeking HQ facilities, the science parks and universities. By doing so, it should be possible to satisfy the needs of all - investors, occupiers and the local community – providing a far broader range of employment opportunities.

33) The proposal to develop 100% of the site for 'logistics' is therefore disappointing when considering the economic aims of the Council (illustrated though the Local Plan) to create a knowledge-based and diverse local economy containing a range of employment opportunities - able to withstand future economic shocks.

34) The proposal therefore fails to convincingly justify why a balanced provision of commercial premises to support the growth of a diverse local economy should effectively be excluded from this strategic site, and why an entire Logistics Park is now appropriate in an exemplar Garden Town no longer served by sustainable rail access for such operations.

Steven Newman MRTPI MIED
Senior Economic Growth Officer
Cherwell District Council