

Wates Developments Ltd

Review of the Maidstone AMR 2022-23 by the Appellant

1. Introduction

- 1.1 In December 2023 the Council produced its Authority Monitoring Report (AMR) for 2022-23 which set out the latest position in terms of delivery of commercial floorspace within the borough. The Inspector requested that the AMR be included as an evidence document to the Inquiry and invited the Appellant to provide a statement in response relating to how it affects the case being put forward.
- 1.2 The Appellant's initial review of the AMR data raised a number of questions that needed clarification before a response could be prepared. A copy of the clarification request is appended to this paper, this was originally sent to the Council on 5 January 2024.
- 1.3 The Council provided a response to the clarification request on 12 January 2024, the Appellant appreciates the time and effort from Council staff in providing the information requested which has helped improve their understanding of the figures presented and addressed a number of issues directly. However, there remain some elements which the Appellant wishes to draw the Inspector's attention to, these are set out in the following sections.

THE COUNCIL'S POSITION

- 1.4 In reading this submission it should be noted that, to date, the latest AMR data has not been used, referred to or acknowledged by the Council's Expert Witness on Economic Need Mr Kingham. As such the Council has not offered any evidence as to whether the data presents any material evidence as to the need or otherwise of the Appeal site. That is not entirely surprising, since for the reasons set out below it reinforces that there is an immediate need for additional B8 supply within the district.

THE AMR NET DELIVERY DATA

- 1.5 Turning to the data itself, the key question posed in the clarification request related to the significant shift in the monitoring data in terms of the supply of B8 floorspace within the 2022-23 AMR from the 2021-22 version. As shown below in total the latest report shows a shift from +2,914sqm of B8 space to +7,945sqm despite the 2022-23 data reporting a net loss of B8 space in the 2022-23 monitoring year of -19,777sqm.

Table 4.1 AMR employment data at 2021/22

| | Use Class | | | | | Total |
|--|----------------|-----------------|------------------|----------------|----------------|----------------|
| | B1a E(g)(i) | B1b E(g)(ii) | B1c E(g)(iii) | B2 | B8 | |
| Net requirement 2016-31 (sqm) | 24,600 | | | -18,610 | 7,965 | 13,955 |
| Completions (per annum) | | | | | | |
| 2016/17 | -14,472 | 132 | 3,678 | 5,361 | 1,805 | -3,496 |
| 2017/18 | -10,048 | 28 | -1,305 | -3,656 | -2,734 | -17,715 |
| 2018/19 | -11,085 | 8 | -4,359 | -4,108 | 1,153 | -18,391 |
| 2019/20 | -320 | 960 | 1,148 | 638 | 4,671 | 7,097 |
| 2020/21 | -2,515 | 20 | -1,010 | 2,612 | -2,884 | -3,777 |
| 2021/22 | -1,927 | 1,741 | -824 | 2,808 | 903 | 2,701 |
| Net total (sqm) | -40,367 | 2,889 | -2,672 | 3,655 | 2,914 | -33,581 |
| Consent (extant permissions) | | | | | | |
| Net total (sqm) | 2,901 | 5,182 | 14,173 | 20,147 | 51,099 | 93,502 |
| Remaining net total floorspace (sqm) required to 2031 | 42,494 | | | -42,412 | -46,048 | -45,966 |

Table 4.11: Net delivery of B use class floorspace, by type since 2016/17 (Source: MBC 2022).

| | Use Class | | | | | Total |
|--|----------------|-----------------|------------------|----------------|---------------|----------------|
| | B1a E(g)(i) | B1b E(g)(ii) | B1c E(g)(iii) | B2 | B8 | |
| Net requirement 2016-31 (sqm) | 24,600 | | | -18,610 | 7,965 | 13,955 |
| Completions (per annum) | | | | | | |
| 2016/17 | -14,743 | 132 | 3,678 | 462 | 1,805 | -8,666 |
| 2017/18 | -10,047 | 28 | -1,305 | -17,934 | -2,735 | -31,993 |
| 2018/19 | -13,125 | 0 | -4,409 | -15,364 | 1,153 | -31,745 |
| 2019/20 | 10,692 | 960 | 1,653 | 638 | 26,994 | 40,937 |
| 2020/21 | -3,122 | 20 | -434 | 2,612 | 2,218 | 1,294 |
| 2021/22 | 3,405 | 1,741 | -880 | 2,808 | -1,713 | 5,361 |
| 2022/23 | 2,976 | 0 | -148 | 14,306 | -19,777 | -2,643 |
| Net total (sqm) | -23,964 | 2,881 | -1,845 | -12,472 | 7,945 | -27,455 |
| Consent (extant permissions) | | | | | | |
| Net total (sqm) | -13,928 | 0 | -9,292 | 21,604 | 71,130 | 69,514 |
| Remaining net total floorspace (sqm) required to 2031 | -46,148 | | | 9,132 | 79,075 | 42,059 |

Table 15: Net delivery of B use class floorspace, by type since 2016/17 (Source: MBC 2023)

- 1.6 As shown in the comparison of the two tables above there have been a number of unexplained significant changes to the historic data, all the way back to the start of the monitoring period in 2016/17, with some key examples of major data changes highlighted within the two tables. It is highly unusual for an AMR to revisit data from many years before it was produced.

- 1.7 It should be noted that whilst the highlights focus on the B8 column (as this directly relates to the core Inquiry issue) there are equal and more significant changes to historic data within the B2 column, which again results in a significant shift in the net delivery total (from +3,655sqm to -12,472sqm, despite a +14,306sqm net position in 2022-23).
- 1.8 In their response to the clarification request on this matter the Council provides the following response:
- “A thorough check and analysis of retrospective employment floorspace figures since the start of the adopted Local Plan period (2016-17) was undertaken. Compiling all previous years’ figures into a single location **revealed a small number of recording errors** in the monitoring data. The differences are largely as a result of how the data has been recorded i.e. what stage a development has been classified as either ‘loss – under construction’ or ‘loss – complete’. When it is still ‘under construction’, the floorspace figures are included in the ‘extant permissions’. Only when the work is complete, are they then marked as ‘completions’. These historic anomalies have been corrected through the publication of the most recent AMR 2022-23 on the Council’s website.” [emphasis added]*
- 1.9 The Appellant accepts the challenges the Council faces in compiling the data given the complexity of the information and, as a result, that some errors can occur. However, it remains unclear how such a fundamental shift in the historic records of completed B8 development could be a result of ‘misclassification’ of data within the Council’s records. It is patently the case that the changes are anything but ‘small’ and they therefore remain unexplained changes which result in significantly different totals.
- 1.10 Given in their response the Council also directly note that the ‘corrected’ data is known to contain potential errors the Appellant has limited confidence in the accuracy of the latest AMR as a record of actual B8 delivery, and requests that the Inspector views this work as questionable. Whilst not a matter for these proceedings it is also not known whether or not this data has yet been drawn to the local plan inspector’s attention

SOURCES OF SUPPLY

- 1.11 The Council’s response helpfully sets out a detailed list of the completion and consent data for individual sites across the borough, these are summarised in the table below.

| | Application Reference | Type | Detail | Completed | Consented | Notes |
|-------------|-----------------------|---------------------------|---------------------------|-----------|---|---------------------|
| EDAs | 18/503784 | Reserved Matters | Loss to Resi | - 1,367 | | |
| | 21/500327 | Full | New development | | 370 | 3 units |
| | 21/506173 | Full | Extension | | 2,277 | |
| | 22/501813 | Full | New ancillary development | | 117 | |
| | 22/501197 | Full | New ancillary development | | 656 | |
| | 21/503280 | Full | Change of use | | 428 | Former B1c unit |
| | 21/505463 | Full | New development | | 741 | 4 units + extension |
| Allocations | 19/504910 | Outline | New development | | 26,475 | |
| | 21/502637 | Reserved Matters | New development | | 17,820 | |
| | 21/506790 | Section 73 | New development | | 14,109 | |
| | 21/506791 | Reserved Matters | New development | | 7,916 | |
| | 21/506792 | Reserved Matters | New development | | 1,425 | |
| | 22/503965 | Full | Extension | | 433 | |
| | 18/505561 | Full | Loss to Resi | - 19,000 | | |
| | 18/504236 | Full | Loss to Resi | - 509 | | |
| | 22/501477 | Full | Change of use | - 71 | | |
| | 19/506080 | Full | Loss to retail | - 1,477 | | |
| | 22/503766 | Prior Notification | Change of use | 418 | | Mixed B1c/B8 |
| | 21/504087 | LDC | New development ancillary | 1,306 | | |
| | 21/505194 | Prior Notification | Change of use | 496 | | Mix of E and B8 |
| | 22/501477 | Full | Change of use | 427 | | Mix of B classes |
| | 19/503532 | Outline | Loss to Resi | | - 457 | |
| | 18/500229 | Reserved Matters | Loss to Resi | | - 758 | |
| | 18/506389 | Full | Loss to Resi | | - 890 | |
| | 20/500713 | Full | Loss to Resi | | - 979 | |
| | 17/505986 | Full | Loss to Resi | | - 2,100 | |
| | 21/503457 | Full | Loss to other commercial | | - 67 | |
| 22/502798 | Full | Loss to B1c | | - 167 | | |
| 22/503530 | Full | Loss to café | | - 80 | | |
| 21/503137 | Full | Loss to Resi | | - 422 | | |
| 21/505205 | Reserved Matters | Loss to Resi | | - 180 | | |
| 22/501381 | Full | Change of use | | 86 | To data centre | |
| 22/505937 | Prior Notification | Change of use | | 77 | Former agricultural building | |
| 22/502592 | Full | New development | | 1,530 | Storage | |
| 19/502891 | Full | New ancillary development | | 144 | | |
| 21/503457 | Full | New development | | 151 | 2 storey so is it all B8? | |
| 22/503470 | Prior Notification | Change of use | | 380 | Former agricultural building | |
| 22/505999 | Full | Change of use | | 870 | Retrospective for existing scaffolding occupier | |
| 22/505963 | Full | Change of use | | 860 | Was equestrian storage now commercial | |
| 21/503225 | Outline | New development | | 365 | Mix B1c/B8 | |
| Elsewhere | | | | | | |

1.12 The detailed analysis of the list of completions and consents reinforces the Appellants position that the borough's employment land supply is inadequate to meet the full range of needs of the B8 sector. The

majority of sites tend to deliver a small quantum of B8 space and therefore are not capable of meeting the identified need in the area for larger floorspace units.

1.13 Outside of the two major mixed use business parks (Woodcut and Syngenta) over 50% of the consents within the borough granted between 2018 and 2023 relate to:

- Extensions to existing properties, and therefore offer no additional supply to the market to meet new business needs or necessarily provide additional jobs;
- New space that is ancillary to a main business use, and therefore are for the sole occupation of the existing business and are therefore not available to meet new business needs or necessarily provide additional jobs (and therefore meet identified needs resulting from employment growth);
or
- Are a change of use from an existing economic activity to another, and therefore provide no overall increase in floorspace in the borough and likely provide no net uplift in jobs.

1.14 Therefore, despite these consents providing a quantum of space, they offer limited genuinely available space to accommodate new business activity or deliver modern accommodation of the type sought by a number of B8 businesses, despite the clear evidence of need provided by the Appellant.

1.15 There also appear to be ongoing issues with the accuracy of the data in relation to B8 floorspace with the detailed list of sites provided by the Council as contributing to the B8 capacity in Table 18 not summing to the same amount of space as Table 18 presents.

1.16 In particular there are issues with the following data:

- Woodcut Farm – in total the data suggests the potential for 39,845sqm of B8 space within the original red line (plus a further 1,425sqm in the extended site). It is noted elsewhere in the Council's response that the figures for Woodcut are not necessarily cumulative, and it is common ground that the original site was limited to a total of 22,455sqm B8 space (see Economic Statement of Common Ground). The total B8 space across all the Allocated sites in Table 18 is presented as 67,745sqm, the only way to arrive at a figure roughly equal to this (68,178sqm) is to use the 39,845sqm figure – suggesting the Council have treated the Woodcut Farm consents cumulatively in Table 18 and therefore overstating the borough's B8 capacity. Reducing the Woodcut Farm quantum to the corrected agreed maximum parameter would mean the actual B8 capacity within the allocated sites reduces to 50,788sqm, a reduction of c.17,000sqm from the stated 67,745sqm capacity. Qualitatively this means much less capacity is available in the prime location in the borough for B8 activity than the Council have assumed in the AMR.
- Mixed Employment Use Sites – a number of smaller sites are noted as having been consented for a mix of different Land Use classes (for example 22/501477 and 21/503225) however it appears the full quantum has been wrongly attributed to B8, potentially overstating the space the borough could achieve.
- Nature of Development – the data includes a mix of activities that do not directly contribute to meeting the employment growth numbers, including data centres and storage of 'commercial items'.

1.17 Given the above, and the general misalignment of the summary tables and granular data, the Appellant continues to have serious concerns as to the robustness of the AMR as an accurate record of the borough's B8 delivery and therefore any conclusions that can be drawn from it about the suitability of the Adopted Local Plan strategy in meeting all identified B8 needs.

CONCLUSION

- 1.18 Overall, it is the Appellant's conclusion having reviewed the AMR and subsequent clarifications that it has no material impact on the evidence and case put forward in relation to the need for the Appeal site in order to address the shortcomings of the identified employment land portfolio.
- 1.19 The AMR does not demonstrate any additional capacity either quantitatively or qualitatively that could accommodate the scale and nature proposed by the Appeal scheme, for which a clear need has been evidenced.
- 1.20 Given the nature of the sites shown as consented and completed within the latest monitoring period, and the potential issues with how they have been translated into the overall capacity figures (and therefore a potential overstatement of true B8 capacity) the Appellant considers that the AMR, if anything, serves to reinforce the need for the Appeal site given the borough has failed to bring forward any significant actual supply of additional B8 floorspace in the Plan Period outside of Woodcut Farm.
- 1.21 Given Woodcut Farm Phase 1 is almost fully occupied (with only 1 unit remaining) and Phase 2 has 41% of its floorspace pre-let to occupiers, and the other allocated sites and EDAs are failing to deliver a meaningful increase in B8 floorspace there is a clear need to broaden the portfolio to ensure the borough can meet the full range of evidenced qualitative needs.