

**MRBD Limited's response**  
Issued 28 January 2021

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### **About this Consultation**

This consultation concerns the Government's intention to extend permitted development rights to allow certain commercial buildings to be converted to residential dwellings without having to submit a formal planning application.

Developers and owners of commercial buildings would benefit from "prior approval" allowing them to convert buildings to flats and homes. This extended right would include: offices, most retail, financial and professional services, restaurants, gyms and creches.

The proposals have little or no regard to where the building is located, its context or the size of the building that could be converted, which means large offices could in theory be turned into flats anywhere in Manor Royal.

The proposals do suggest some "prior approval matters" that need to be considered before conversion can take place. In summary these are.

For residents, these are: flood risk, transport, contamination, provision of natural light, fire safety and impacts from existing commercial premises.

For businesses and business parks, these are: *the impact on the intended occupiers from the introduction of residential use in an area the (local) authority considers is important for heavy industry and waste management.*

An Article 4 Directive does already exist for Manor Royal effectively removing permitted development rights for the Business District and offering some degree of protection from commercial property conversions to residential. In light of the changes proposed by the Government, the Manor Royal BID is seeking reassurances from Crawley Borough Council as to the extent of protection this Article 4 still provides.

It is the view of the Manor Royal BID that the changes proposed by Government would have a detrimental impact on the function and perception of Manor Royal as an economic centre and business park. It is also the view of the BID that the Government has given poor regard to the application of permitted development rights to places like Manor Royal and the wider negative impact allowing unmanaged and unplanned conversions to residential would have and that a more nuanced approach is required to protect employment locations.

What follows is a summary of the Manor Royal BID response to the consultation carried out by Ministry of Housing, Communities and Local Government and shared with Henry Smith, MP for Crawley.

The response was submitted by Steve Sawyer, Executive Director of the Manor Royal BID.

**\*\*NOTE:** this is a summary of the full response showing the answers to those questions most relevant to the operation and function of the Manor Royal Business District.

# Supporting housing delivery through a new national permitted development right for the change of use from the Commercial, Business and Service use class to residential

**Q1 Do you agree that there should be no size limit on the buildings that could benefit from the new permitted development right to change use from Commercial, Business and Service (Class E) to residential (C3)?**

|            |   |
|------------|---|
| Agree      |   |
| Disagree   | X |
| Don't know |   |

Please give your reasons:

We recognise that the objective of this change is to create much needed homes from otherwise underused commercial buildings. However, we do not agree that this is appropriate for areas such as Manor Royal Business District. We are concerned that the proposed change is indiscriminate, takes no account of the local context or function and - in the case of places like Manor Royal - would have the unintended consequence of severely impacting the core business and employment function of the area.

In effect, the uncontrolled and unplanned way in which this could be implemented poses the very real threat of driving businesses out of the area, making some business functions difficult to operate and make the area unattractive as a business location. We have already seen, before the introduction of an Article 4, how otherwise occupied buildings have been converted and tenants served notice. It is important that economic centres like Manor Royal are retained for business use and landlords and property owners encouraged to re-develop sites for these uses. We have also received feedback from significant employers here that if vacant buildings near or next to them were converted to residential they may not renew leases and look to move away from the area.

Having no limit to the size of the building that can be converted only exacerbates this problem effectively increasing the potential unintended damage this could do to Manor Royal and other similar commercial areas.

**Q3.1 Do you agree that in managing the impact of the proposal, the matters set out in paragraph 21 of the consultation document should be considered in a prior approval?**

|            |   |
|------------|---|
| Agree      |   |
| Disagree   | X |
| Don't know |   |

Please give your reasons:

While relevant, they are far too limited given there is no size, geographic or placed-based considerations of how these rights would apply. As it stands the proposed permitted development right would undermine years of work to create an attractive commercial / industrial area. The limited matters proposed for prior approval would not protect the interests of residents or the neighbouring businesses and business functions.

**Q3.2 Are there any other planning matters that should be considered?**

|            |   |
|------------|---|
| Yes        | X |
| No         |   |
| Don't know |   |

Please specify:

1. Consideration of the impact on business uses and the function of business parks, industrial estates and other similar commercial areas.

2. The extent to which the proposal is in conflict with Local Plan policies or other placed-specific Masterplans or other adopted or endorsed place visions. This is similar to principles applied to proposed Business Improvement

Districts (BIDs) where a local authority has the right to object to a BID proposal should it be in conflict with local place plans and policies. Given the significant and irreversible nature of the change permitted development might have (particularly with no size limitations) a similar consideration ought to apply to the future use, conversion, and curation of commercial buildings.

3. The impact of the direct loss of commercial space and the potential impact that might have on the appetite of existing and future commercial tenants and the impact this change might have on business functions, particularly in areas designated for business use e.g. business parks and industrial estates where accommodating residential uses should be handled with particular care.

4. A requirement for developers/landlords to contribute to improvements to public realm, facilities, transport, open space etc and other associated issues arising from the conversion of a commercial building to residential - particularly in areas like business parks that do not provide the amenities required or expected by local residents. This is increasingly important now when COVID has reinforced the notion of "local" and "hyper local" where wellbeing and sustainability factors are impacted the ease of access to open local amenities and open space. This is another reason why business parks like Manor Royal are not suitable for this kind of permitted development.

**Q5 Do you have any other comments on the proposed right for the change of use from Commercial, Business and Service use class to residential?**

|     |   |
|-----|---|
| Yes | X |
| No  |   |

Please specify:

We recognise the principle objective of this change is to create much needed homes. We also recognise that for some places and specific contexts the introduction of residential dwellings can help re-purpose otherwise underused commercial buildings and help reinvigorate high streets and town centres that might also be able to provide easier access to amenities, transport and open space - but even then certain local considerations ought to apply. However, we do not agree that this is at all appropriate for areas such as Manor Royal Business District ie purpose built industrial areas, business parks and designated commercial areas.

We are concerned that there is distinct lack of control or accountability for the economic function of places like Manor Royal and this can lead to occupied buildings being converted and tenants served notice. It is important that economic centres like Manor Royal are retained for business use and landlords and property owners encouraged to re-develop sites for these uses.

The availability of employment land (evidenced by Crawley Borough Council, the Local Planning Authority) already shows that employment land in Manor Royal and Crawley generally is in short supply and likely to get worse. With the possibility of a second runway at Gatwick this will make this situation more acute and make it even more important to protect land designated for employment uses.

The Manor Royal BID alongside partners such as Crawley Borough Council, West Sussex County Council and the Coast to Capital LEP have worked incredibly hard to invest in the Manor Royal Business District to make it a modern, attractive and vibrant commercial area that meets the needs of key employers and serves to attract new commercial tenants. Plans set out by the BID, local Towns Fund Proposal, Crawley Growth Programme and other strategic plans would be severely impacted by the introduced of this Permitted Development Right.

The effect of these changes, as we have already seen, is to allow buildings to be converted in an unplanned and uncontrollable way setting different uses (residential and commercial) in close proximity to one another. This can have the effect of disrupting normal business operations. These kinds of changes can only be made in a planned and considered way that this policy change does not allow because it effectively removes any controls that take account of the economic function of a place like Manor Royal and incentivises owners to consider converting commercial buildings – underused or not – to residential.

As well as eroding much needed employment land in Manor Royal and disrupting business operations, the other unintended consequence of this change has been to undermine the reputation of Manor Royal as a “Business” location by introducing other uses that do not complement the existing business use. These allowable changes are also unpopular with the business community, which could impact future investment in the area and further erode the ability of the area to properly serve its intended function as a key employment location.

It is also the case that the lack of available land in the surrounding area means any loss of land in Manor Royal cannot be found in the surrounding area resulting in an overall loss of commercial space. This is both at odds with local planning policy and the objectives of the Manor Royal Business District Limited to promote Manor Royal as a location for business thereby eroding its ability to continue to operate as a key employment location and economic hub.

Manor Royal is a key employment location in the town of Crawley strategically positioned at the heart of the economic area of the Gatwick Diamond. It is vitally important that this area is retained for business use. Any material changes in the use of land and buildings should only be done in a sensitively planned way and not be allowed to happen in an opportunistic piecemeal fashion which we feel this permitted change would allow.

**Q6.1 Do you think that the proposed right for the change of use from the Commercial, Business and Service use class to residential could impact on businesses, communities, or local planning authorities?**

|            |   |
|------------|---|
| Yes        | X |
| No         |   |
| Don't know |   |

If so, please give your reasons:

Absolutely. While these permitted development rights may serve the intended purpose for some locations to help revitalise places and provide much needed housing, for the reasons given in Q5 this permitted development right in its current form would have significant and lasting unintended negative consequences for places like Manor Royal (e.g. business parks and industrial estates) where the introduction of new uses can only be done in a planned way with great care allowing for places to be properly curated in accordance with a well-evidenced vision for the function of the area.

**Q6.2 Do you think that the proposed right for the change of use from the Commercial, Business and Service use class to residential could give rise to any impacts on people who share a protected characteristic?**

|            |   |
|------------|---|
| Yes        | X |
| No         |   |
| Don't know |   |

If so, please give your reasons:

The permitted development right makes little or no provision for the quality of life of the residents who would occupy residential buildings on a business park. Nor does it have any regard for the impact it would have on business operations that would be disrupted by being in such close proximity to commercial operations or how those operations might impact on the residents. We can provide examples of where this is problematic bringing residents and businesses into conflict. This usually results in "quality of life" issues of residents taking precedent thereby impacting business operations and limiting them to such an extent that could make them unviable. This in turn causes problems of business retention, place promotion and inward investment, and - ultimately - job retention and creation of otherwise key employment areas.

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