

New Permitted Development Right Light Industrial to Residential



Last years' 'Town & Country Planning (General Permitted Development) (England) (Amendment) Order 2016' introduced a new permitted development right for the change of use (of up to 500 sq. m) from light industrial (Class B1c) to residential (Class C3). However, this change only **comes into force from 1st October 2017.**

As is the case with most PD rights, listed buildings (and those in the curtilage of listed buildings) are exempt from this permitted change of use.

Prior Approval Process

Like many of the recently introduced permitted development rights, this one is also subject to a Prior Approval process for Councils to assess evidence presented in relation to:

1. transport and highways impacts of the development;
2. contamination risks in relation to the building;
3. flooding risks in relation to the building;
4. the impact the proposed change of use would have on existing industrial or storage and distribution services (or a mix of those services).

Timescales

This permitted development right is being introduced on a temporary basis, with Prior Approval needing to have been agreed on or before 30 September 2020 and, with works completed within 3 years from the date of the approval. However, once completed within this timeframe, 'temporary' does not mean it has to convert back.

Article 4 Directions

The delayed introduction of this permitted development was deliberate, to provide time for Councils to issue Article 4 Directions to remove the 'right' where they considered it appropriate.

Whilst some Councils have now issued Article 4 Directions (in part or in full across their administrative areas), there are still a significant number of Councils which haven't done so.

Commentary

Unlike 'office to residential' permitted development, this latest attempt to boost housing supply comes with restrictions and constraints, designed to prevent the conversion of vast amounts of light industrial stock. The most notable protective measure being the 500 sq. m limit on the amount of floorspace that can be converted and the ability for Councils to reject Prior Approvals on the grounds that they consider the change of use would detrimentally harm their supply of existing industrial or storage and distribution floorspace.

Our view is that Councils with up to date employment land evidence (showing a lack of floorspace) will use this to resist changes of use, whilst those with an over-supply of employment land (and no Article 4 Directions) will struggle to resist them.

We also expect that developers will have greater success pursuing older light industrial premises, located closer to existing residential areas, than pursuing more modern accommodation located in larger industrial areas.

Contour Planning is happy to discuss the caveats of this permitted development right, to assist with the prior approval process and advise you whether Article 4 Directions have been issued in your area of interest and/or assess employment land supply.

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