

Watford Borough Council

Article 4 Directions- Designated  
Employment Areas- Evidence Report



[watfordlocalplan.co.uk](http://watfordlocalplan.co.uk)



## 1. Introduction

- 1.1 In 2019 Watford Borough Council placed Article 4 Directions on five designated industrial areas (Greycaine Road, Imperial Way, Watford Business Park, Wiggshall Road Industrial Area and Holly Industrial Estate) having previously issued one on Clarendon Road office location in 2013. These Directions removed the Permitted Development Rights (PDR) within these areas preventing the change of use from B1a (Offices), B1c (Light Industrial), or B8 (Storage and Distribution) uses to residential without requiring planning permission<sup>1</sup>.
- 1.2 In 2021 the Use Classes Order was revised. These revisions removed B1, including both B1a (offices) and B1c (Light industrial), as a Use Class, combining them into a broader 'commercial' Use Class known as Class 'E'. The PDR that applied to offices (B1a) and light industrial (B1c) uses have consequently been transferred into a new PDR, applying to any E (commercial) Class uses, with a few notable amendments to the detailed wording of the legislation. Subsequent to the publication of this revised legislation, authorities were given a 12 month transition period within which to update their Directions to refer to the new Use Class Order. This period has now passed and so the existing Article 4 Directions covering both Clarendon Road and the industrial areas are no longer valid.
- 1.3 The Council has been through a robust research and analysis process to consider whether to issue revised Article 4 Directions or whether, given the changes to the PDR regulations, they are no longer required. In doing so, the Council has taken into account the revisions to national guidance, which make it clear that Article 4 Directions can only be put in place where they are necessary to avoid wholly unacceptable impacts and where they apply to the smallest geographical area possible.
- 1.4 The Council has determined it necessary and appropriate to re-issue immediate Article 4 Directions on the office and industrial employment areas designated for those uses in the recently adopted Watford Local Plan. This evidence base document provides a clear and robust justification for issuing the Directions.

## 2. Background

- 2.1 Permitted Development Rights (PDR's) allow some forms of development to take place without the need for applicants to apply for planning permission. This includes changing the use of office floorspace (E(g)(i)) and industrial processes floorspace (E(g)(iii)) to residential, and the change of use from storage and distribution (B8) uses to C3 residential.
- 2.2 Previously, the Council issued immediate Article 4 Directions to remove PDRs in the Clarendon Road area in 2013 withdrawing the PDR for changes of B1a office uses to C3 residential. Then in 2019, the Council issued Article 4 Directions on five designated industrial areas; Greycaine Road; Imperial Way; Watford Business Park; Holly Industrial Estate and Wiggshall Road Industrial Area, removing the PDR's for

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<sup>1</sup> The Article 4 Direction on Clarendon Road only related to B1a Office uses.

changing B1a office uses, B1c light industrial uses and B8 storage and distribution uses to C3 residential within each of these areas.

- 2.3 These previous Directions were made in response to concerns about the scale of employment land being lost in the borough through the conversion of floorspace using the Permitted Development route. There were also concerns regarding the quality of the residential development being delivered through Permitted Development, particularly relating to the lack of adherence to internal space standards, the lack of appropriate daylight or ventilation, and the amenity issues associated with providing residential units in such close proximity to neighbouring employment uses. It was considered necessary therefore, for the Council to step in and seek to manage losses of employment floorspace and the provision of residential units in these areas by requiring applications for changes of use to go through the full planning process.
- 2.4 In 2020 and 2021, the Government made revisions to the Use Classes Order and the General Permitted Development Order (GDPO) that have had implications for assessing the need for Article 4 Directions in the borough. A summary of the most relevant changes are below:
- Use classes B1a (offices); and B1c (light industrial) have been combined into a commercial Use Class called 'E' that also includes all retail shops, financial services, food and drink establishments, non-residential institutions, and assembly and leisure facilities.
  - The revised PDR's allow the change of use of any Class E building into a C3 (residential) use providing that the following criteria are met:
    - The building has been vacant for a continuous period of at least 3 months.
    - The building use has been Class E (or previous derivative) for at least two years.
    - The cumulative floorspace of the existing building is less than 1500sqm
    - It is not a Listed Building.
    - All new dwellings meet space standards
    - All new dwellings provide adequate natural light to all habitable rooms
- 2.5 There was previously no size limit restricting changes of use, nor any restriction on an employment unit's vacancy status, or any required quality standards for the dwellings provided.
- 2.6 The revised regulations also make clear that Article 4 Directions should only be made where there is robust evidence showing that they are necessary to avoid wholly unacceptable adverse impacts and where they apply to the smallest geographical area possible<sup>2</sup>.
- 2.7 In determining the need for replacement Article 4 Directions the Council has taken these changes to the regulations into account to ensure that the Directions are justified and compliant with the latest national policy.
- 2.8 Overall the proposed Article 4 Directions are justified by the following key points which are expanded on in subsequent sections of this report:
- The considerable loss of existing industrial floorspace in the borough and across South West Hertfordshire over the previous years.

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<sup>2</sup> [When is permission required? - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/when-is-permission-required)- Para 038

- The considerable loss of existing office floorspace in the borough and across South West Hertfordshire over the previous years.
- The lack of floorspace supply in Watford and South West Hertfordshire
- The potential delivery of poor quality housing in designated employment areas that would not contribute to a high standard of living or sustainable development despite the changes to the GDPO.
- The acute lack of alternative land and sites that are available and suitable for clusters of employment uses in the borough. Watford is a dense, residential, urban authority surrounded by areas of green belt located in neighbouring districts. Opportunities for employment land are therefore heavily reliant on the designated employment areas
- The sub-regional economic importance of Watford as a centre for office provision and therefore the need to retain the associated jobs and economic development potential that the area possesses.
- The potential for immediate job losses resulting from the change of use of employment units to residential, contributing to higher unemployment and exacerbating the impacts of the current recession and cost of living crisis on the residents of the borough.
- The important role of retaining employment floorspace in order to deliver the aims of the newly adopted Watford Local Plan's vision for the area and its future growth aspirations as endorsed by the Planning Inspectorate at Examination.

### 3. The Proposal

3.1 Based on the evidence included within this document, and taking into account the above legislative context, the Council consider it necessary and appropriate to apply immediate Article 4 Directions to the following designated industrial areas known as:

- Greycaine Road; Oldhams; and Sandown Road Industrial Estates
- Imperial Way; Colonial Way Industrial Areas
- Shakespeare Road Industrial Estate
- Watford Business Park
- Wigenhall Road; Fishers; and Trade City Industrial Estates.

3.2 The Council also consider it necessary and appropriate to apply an immediate Article 4 Direction to the designated Primary Office Location known as:

- Clarendon Road Primary Office Location

3.3 Maps of each area being subject to these Article 4 Directions can be viewed in sections 8 and 9 of this report and in Appendix A and an overall map of the borough showing the locations of all the proposed designations is included as Appendix B. This report includes a full justification for the issuing of an Article 4 Direction on each individual employment area.

3.4 The following parts of the GDPO (2021) are relevant to the proposals to re-issue Article 4 Directions on the boroughs designated employment areas:

*Class MA – Development consisting of a change of use of a building and any land within its curtilage from a use falling within Class E(g)(i) (offices to carry out any*

*operational or administrative functions); and Class E(g)(iii) (industrial processes), of Schedule 2 to the Use Classes Order to a use falling within Class C3 (dwelling houses) of Schedule 1 to that Order.*

*Class P - Development consisting of a change of use of a building and any land within its curtilage from a use falling within Class B8 (storage or distribution centre) of the Schedule to the Town and Country Planning (Use Classes) Order 1987 to a use falling within Class C3 (dwelling houses) of that Schedule.*

- 3.5 The proposal is to remove part of Class MA (Class E(g)(i)) within the Clarendon Road Primary Office Location; and to remove all of Class MA and Class P within the five designated industrial areas.

## 4. Methodology

- 4.1 The previous Article 4 Directions expired after the conclusion of the 12 month transition period following changes to the Use Classes Order in August 2022. The Council has since undertaken a thorough process of desk and field based assessment to consider the need for and scope of any replacement Directions.
- 4.2 Initially the Council reviewed the latest available employment data and the revised national legislation to get an idea of what was happening with regard to employment land in the borough; with the current direction of national policy; and where the need for Directions should be focused. It is clearly not appropriate to issue Directions on large areas of the borough that are not characterised as employment land, even though it is likely that there are some employment uses within them. It was therefore very quickly determined that any replacement Article 4 Direction should align with the tightly drawn employment designations in the Local Plan that was formally adopted by Watford Borough Council in October 2022, having been supported by the Planning Inspector in his report, dated September 2022.
- 4.3 These employment designations have been formally recognised and designated as being the borough's most important commercial clusters, and therefore the areas that would be most inappropriate for employment floorspace to be lost without thorough planning assessment. The Local Plan designations vary slightly from the boundaries of the previous Article 4 Directions to reflect updated evidence. It was considered appropriate to align the Article 4 Directions with the adopted employment designations in an up to date Local Plan ensuring that they will apply to the smallest geographical area, and that they are fully justified as distinctive centres for employment uses that have been robustly assessed and supported by a Planning Inspector at Examination.
- 4.4 The desk based assessment of current employment data highlighted the scale of net gains and losses that have occurred in the borough since 2015, taking into account the situation prior to the Article 4 Directions being in place and what has happened after they were issued. The conclusions of this assessment are recorded and discussed in section 6 of this report. In 2019, the Hertfordshire Local Enterprise Partnership (LEP) produced a report highlighting the scale of employment loss and potential future supply in Hertfordshire and Watford specifically. The conclusions of this report remain relevant in considering the impacts of not having Article 4 Directions in place on key employment areas.

- 4.5 We have engaged in several internal and external discussions with a number of partners and stakeholders. These have included the Economic Development and Legal teams at Watford Borough Council and officers at several neighbouring districts, particularly Stevenage Borough Council, Luton Borough Council and the other local authorities in South West Hertfordshire (Dacorum Borough Council, Hertsmere Borough Council, Three Rivers District Council and St Albans Borough Council.) These discussions have helped to alter and refine the approach taken in Watford and ensure that the proposed Directions are in accordance with the regulations and that the approach being taken is sound, robust and legally compliant.
- 4.6 Throughout the process there has been a review and consideration of recent cases regarding Article 4 Directions, both in terms of the challenges that other areas have experienced; and the nature and scope of recent Secretary of State interventions on them. Lessons learned have been taken from each of these and have been used to refine the approach being taken in Watford.
- 4.7 Officers undertook in-person site visits to all the employment areas being issued Article 4 Directions, making an assessment of current use classes, vacancy rates, condition, and character of these areas. This has helped to determine the risk of changes of use occurring with regard to current uses and vacant units. This assessment included not just whole buildings but the current occupation of individual floors and units within them given the risk of these changing use under the size threshold of 1500sqm set out in the revised GDPO. The results of these site visits are reported in sections 8 and 9 of this report and have informed the overall conclusions made.
- 4.8 The proposal has been through several stages of political endorsement at the Council, taking into account the different options that are available and what approach is preferred. This included different geographical scopes, different types of Article 4 Direction. The approach taken reflects the preferred option of Council officers and Members.

## 5. Immediate or Non-immediate

- 5.1 There are two types of Article 4 Direction that authorities can produce:
- **Non-Immediate Directions-** Permitted Development Rights are only withdrawn upon confirmation of the Direction by the Local Planning Authority following a local consultation with landowners, occupiers and the Secretary of State; or
  - **Immediate Directions-** Where Permitted Development Rights are withdrawn with immediate effect, but must then be confirmed by the Local Planning Authority following local consultation with landowners, occupiers and the Secretary of State within six months or else the Direction will expire.
- 5.2 The regulations state that Immediate Directions can only be made where development presents an immediate threat to local amenity or where it would prejudice the proper planning of an area.
- 5.3 These issues remain relevant in the borough and therefore, based on the evidence provided within this report, the Council are proposing to issue Immediate Directions



again. A specific justification for making Immediate Directions is provided below in the rest of section 5, with reference to meeting the regulations.

### Threat to Local Amenity

- 5.4 The Council has significant concerns that allowing residential units to be delivered in designated employment locations would represent an immediate threat to local amenity, and that it would have a detrimental effect on quality of life. This is particularly exacerbated when the units are delivered through Permitted Development and not subject to full assessment and mitigation through the planning process.
- 5.5 There are a variety of amenity issues associated with residential units being located in close proximity to light industrial and B8 uses including issues related to noise, air quality, odour, dust, waste storage, smoke, fumes, other effluvia and light impacts. Most complaints to the Council's Environmental Health team regarding commercial activities are where there is a mix of uses including residential. Noise, for example from activities at nearby industrial commercial premises, result in complaints from residents, not only noise directly from the main activities, but also additional activities such as the movement of HGV's or plant/machinery on and around the site.
- 5.6 This is being seen in current ongoing environmental health cases such as Shakespeare Road which is subject to current noise complaints in relation to adjoining industrial uses. There is a pressing need therefore to avoid future cases like this, and applying an Article 4 Direction immediately would help the Council to alleviate this threat to local amenity.
- 5.7 Complaints against businesses operations from inappropriately located residential units in employment areas could lead to instances of businesses wanting to relocate and given the lack of alternative sites available in Watford this will invariably mean moving outside the borough. This will be instantly detrimental to the local economy and the jobs that these businesses provide.
- 5.8 Assessing proposals through the planning permission route helps ensure amenity issues in locations such as industrial sites are fully considered before they become issues, however if applications are approved via the PDR route, the potential for retrospective resolutions is severely limited. The planning process allows the Council to place conditions on development that will help to minimise these amenity issues; through PDR this would not be possible. The Agent of change principle would apply if the impacts of a change of use was reviewed during a full planning process and the new land use would be responsible for managing the impact.
- 5.9 The use of an Article 4 Direction would enable applications to be received and development to occur where suitable, but also protect residents and businesses from unsuitable neighbouring uses that could lead to amenity issues, a poor quality of life and resource implications for Environmental Health.

## Prejudices proper planning of an area

- 5.10 The retention and provision of employment floorspace is a key part of the vision for the future growth and development of the borough in the newly adopted Watford Local Plan.
- 5.11 The importance of existing employment floorspace is reflected in the Plan, and the designation of several employment areas within which any net loss of employment floorspace will be resisted unless it would not compromise the industrial activity in the area and where evidence is provided that the site is no longer needed and that it has been vacant for at least 12 months with marketing evidence demonstrating it cannot be reused for employment purposes.
- 5.12 There are similar restrictions within the Plan regarding office uses in the Clarendon Road Primary Office Location.
- 5.13 Watford is geographically unique in its sub-region in that it is a dense, urban, largely residential borough with significant pressures on land, meaning limited land is available for the provision of non-residential uses like employment. This is why the Local Plan puts a strong emphasis on retaining existing provision. There is considerable concern that non-immediate Directions could provide opportunities for, and even facilitate, the increased loss of employment floorspace which there would be very little possibility of replacing on alternative sites in the borough. It is therefore essential to the proper planning of the area that all proposals resulting in a loss of employment land are immediately considered through a full and thorough planning process.
- 5.14 The delivery of housing through PD has historically delivered poor quality housing that falls significantly below the standards required through Local Plan policies. The revisions to the GDPO that require dwellings delivered through PD to meet space standards and have provision of suitable daylight have gone some way to improving this but it remains a considerable concern given the Local Plan's vision to provide high quality, well designed, dwellings and places in sustainable locations.
- 5.15 The provision of more poor quality residential units in industrial areas will only exacerbate amenity problems which would be clearly contrary to the proper planning of the area and the desire to create high quality homes as well as supporting existing employment floorspace.
- 5.16 It is considered that allowing industrial or office units to change use without assessment against these newly adopted policies would prejudice proper planning within the borough by compromising the vision for the boroughs future growth and undermine the newly adopted Local Plan. It would be entirely contradictory with Watford's role as a sub-regional office hub and its importance to sub-regional employment.



## 6. Current Planning Policy

- 6.1 The Watford Local Plan (2021-2038)<sup>3</sup> was adopted in October 2022 and includes six new employment policies which include designating areas for office and industrial and a revised approach for dealing with proposals for development within these areas and outside them.
- 6.2 The strategic policy, EM4.1, refers to appropriate types and locations for employment uses in the borough. New office development will be prioritised within the Clarendon Road Primary Office Location and the Town Centre, whilst new industrial growth will be prioritised in the five designated Industrial Areas.
- 6.3 There are wider employment needs identified in the Functional Economic Market Area and new development should contribute positively to this. The Local Plan makes provision for:

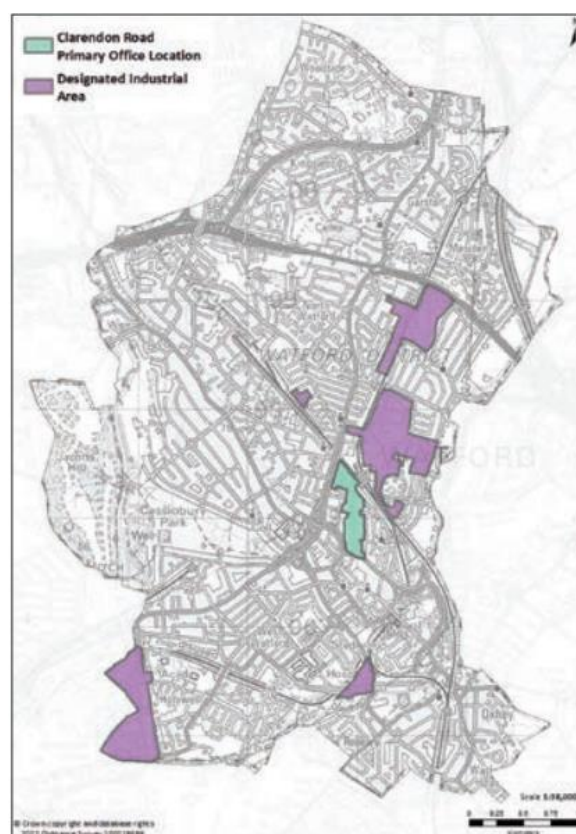
Table 1: Additional Floorspace requirements in the Watford Local Plan

<b>Additional industrial floorspace</b>	<b>25,206sqm</b>	<b>(Use Classes B2, B8, E(g)(ii) and E(g)(iii))</b>
<b>Net additional office floorspace</b>	<b>85,488sqm</b>	<b>Use Class E(g)(i)</b>

- 6.4 To meet these targets, the Local Plan seeks to prevent the net loss of office and industrial floorspace across the borough and supports sustainable economic growth where appropriate and possible. There are a variety of site allocations identified in the Plan for mixed-use and employment uses that are generally located within the designated employment areas.

Figure 1: Designated Employment areas in the Watford Local Plan 2021-2038

- 6.5 There is a shortage of industrial floorspace in the Functional Economic Market Area and this has been exacerbated by large scale losses of floorspace in recent years. Future industrial supply for Watford is 97,400sqm over the plan period. There is 12,799sqm to be provided through site allocations and 12,407sqm on sites already with planning permission. This means there is still a shortfall relative to identified needs. Policy EM4.2 states that proposals for new industrial employment will be supported where they contribute to this identified need and that any loss will be resisted unless there is evidence that the site is no longer required or that the property has been vacant for 12 months and has no prospect of being reused in the medium term.



<sup>3</sup> [watford-local-plan](https://www.watford.gov.uk/your-council/local-plan)

- 6.6 The areas marked in Figure 1 are the designated employment areas within the Watford Local Plan. They are the key economic clusters within the borough, providing space for a wide variety of businesses from large warehouses to small workshops and high quality modern office units. The boundaries of these areas have been tightly drawn to include only those areas that are characterised by employment floorspace. These designations were supported at the Examination of the Local Plan by the Inspector and in his report recommending the Plan for adoption subject to modifications.
- 6.7 Policy EM4.3 is a similar policy but specific to office development in the Clarendon Road Primary Office Location and the Town Centre. New office proposals (E(g)(i)) that result in no net loss of office floorspace will be supported. Any proposals that result in a net loss of floorspace will need to provide evidence that the site is no longer needed for office use or that the property has been vacant for a minimum of 12 months and has no prospect of being reused in the medium term. This is to help protect the character of the area as the main centre for office uses in the borough and the Functional Economic Market Area
- 6.8 The remaining policies cover economic development outside these protected areas, different ways of working and training, skills and development. These are not specifically relevant to the Article 4 Directions being proposed.
- 6.9 Whilst there is a significant need for additional housing in the borough, the Plan plans positively for housing delivery on a range of suitable sites and is meeting the Objectively Assessed Housing need in full over the plan period. It is therefore not necessary to deliver additional housing units on unsuitable sites in designated employment areas to meet the boroughs housing needs.
- 6.10 It is clear that allowing employment floorspace to change use to residential within these designated areas, without assessing against these policies, would be contrary to the economic vision of the Plan and would reduce the sustainability of these areas as key commercial clusters. This would be contrary to the proper planning of the area.

## 7. Employment Data

- 7.1 Site visits and subsequent data analysis has been undertaken in early 2023 and the results have been used to update the current position within designated industrial and employment sites across Watford following the adoption of the Watford Local Plan (2021-2038). Included in this assessment was a review of employment land, particularly with regard to: total employment floorspace; the amount of floorspace that is in each planning use class and the amount of vacant floorspace.
- 7.2 In total there is 630,818sqm of floorspace across the six designated employment sites taking into account all use classes. This data is broken down by each designated area in Table 2.

Table 2: Total floorspace within each designated employment area

Designated Employment Area	Floorspace sqm	Percentage
Wiggenhall Road, Fishers and Trade City Industrial Estates	13943.87	2%
Shakespeare Road Industrial Estate	8,866.03	1%
Greycaine Road; Oldhams and Sandown Road Industrial Estates	141,003.66	22%
Watford Business Park	110,778.03	18%
Imperial Way; Colonial Way; and Holly Industrial Estates	157,995.59	25%
Clarendon Road Primary Office Location	198,231.02	31%
<b>Total</b>	<b>630,818.20</b>	<b>100%</b>

## Use Classes

- 7.3 Across the designated sites there are a variety of Use Classes present but the most prevalent are E(g)(i) (offices), E(g)(iii) (industrial processes) and B8 (storage or distribution). There is also a considerable amount of floorspace that is currently vacant. There are a range of other uses that are not listed below, this table only includes those uses of relevance to the Article 4 Directions.

Table 3: Use Classes within all designated employment areas

Use Class	Floorspace (sqm)	Percentage
Egi	162,749.14	26%
B8	76,559.40	12%
Egiii	11,049.16	2%
Vacant	73,498.99	12%

- 7.4 The most prevalent use is E(g)(i) offices which accounts for 26% of the floorspace across all designated areas, 60% of this office provision is located in the Clarendon Road Primary Office Location.
- 7.5 There is a current vacancy rate of 12% across all designated employment areas, and which could therefore, under the current PDR regulations would be at risk from changes of use. Applying an Article 4 Direction would prevent these vacant units being lost without proper consideration through the planning system.
- 7.6 Section 8 provides a detailed analysis of every area that is proposed to be placed under an Article 4 Direction.

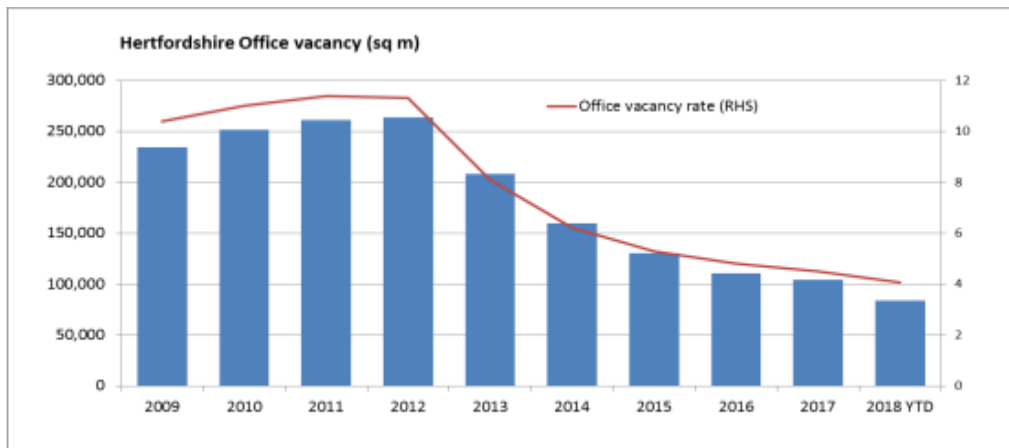
## Hertfordshire Local Enterprise Partnership (LEP) Report (2019)

- 7.7 In 2019 the Hertfordshire LEP produced a report into the loss of employment land across Hertfordshire including in Watford specifically. The data was a major part of the justification for issuing an Article 4 Direction on the designated employment areas in 2019 and the conclusions remain highly relevant to the consideration process for their renewal. The following paragraphs and tables highlight some of the key

conclusions from the report. The report in full is appended to this report and the below tables and graphs are all taken directly from this report. .

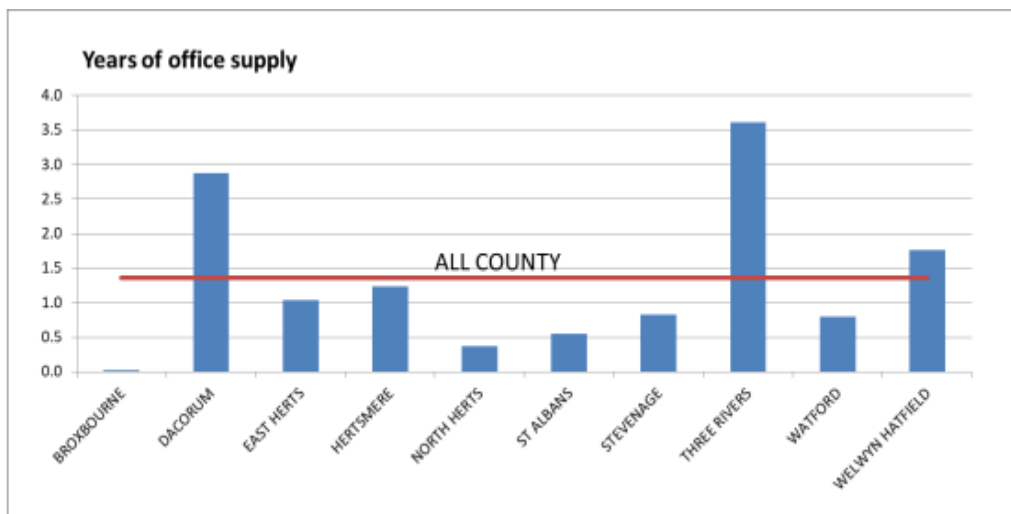
7.8 The report demonstrated that there was a strong demand for office space in Hertfordshire but that meeting this need was constrained by a severe lack of supply especially in Watford where there was limited land available for redevelopment or for the re-provision of employment land. Vacancy rates have reduced sharply and there was minimal current supply; Watford had approximately 0.7 years supply in 2018.

Figure 2: Office vacancy rates in Hertfordshire.



Source: LSH and CoStar

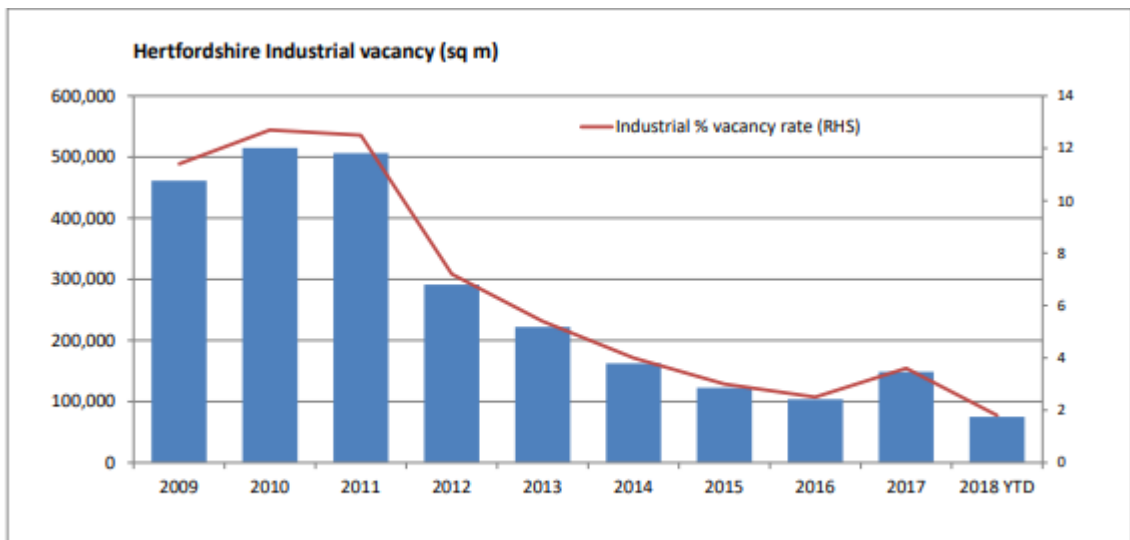
Figure 3: Years Supply of Office Floorspace in Hertfordshire by District



Source: LSH and CoStar

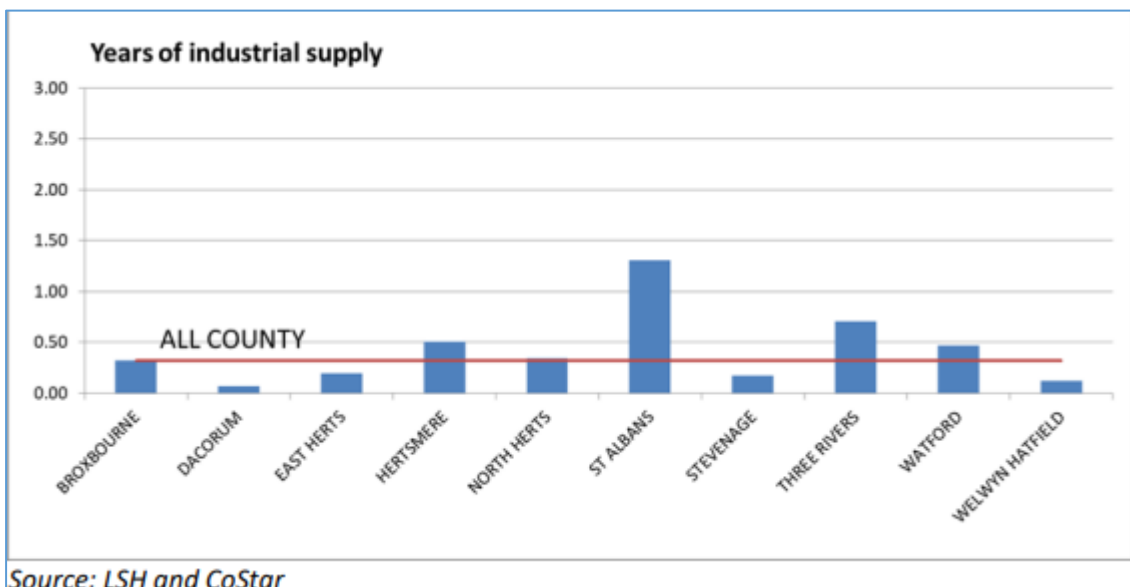
7.9 Similarly, the report demonstrated that there was strong demand for industrial floorspace across Hertfordshire but that a severe lack of supply was constraining the market and preventing this need from being met. Industrial vacancy rates were reducing significantly and there was only notional years supply; Watford had just 0.5 years supply.

Figure 4: Office vacancy rates in Hertfordshire



Source: LSH and CoStar

Figure 5: Year's Supply of Industrial Floorspace in Hertfordshire by District



Source: LSH and CoStar

7.10 Alongside a clear lack of supply, the LEP report also highlights the considerable net loss of office and Industrial floorspace that took place in Hertfordshire and Watford between 2008 and 2018. Figures 6 and 7 show the scale of this loss.

Figure 6: The changes in office floorspace by Hertfordshire district 2008-2018

Office	VOA Stock 2008-09 (sq m)	Floorspace Gains (sq m)	Floorspace Losses (sq m)	Net Change (sq m)	Adjusted Stock 2017-18 (sq m)
Broxbourne	77,000	5,206	26,253	- 21,047	55,953
Dacorum	310,000	26,167	88,011	- 61,844	248,156
East Hertfordshire	176,000	20,507	55,969	- 35,462	140,538
Hertsmere	198,000	18,179	81,901	- 63,722	134,278
North Hertfordshire	137,000	9,753	41,527	- 31,774	105,226
St Albans	213,000	15,770	74,317	- 58,547	154,453
Stevenage	149,000	34,061	48,706	- 14,645	134,355
Three Rivers	153,000	31,854	34,786	- 2,932	150,068
Watford	231,000	13,902	48,943	- 35,041	195,959
Welwyn Hatfield	301,000	54,641	137,443	- 82,802	218,198
<b>Total</b>	<b>1,945,000</b>	<b>230,040</b>	<b>637,856</b>	<b>- 407,816</b>	<b>1,537,184</b>

Source: LSH and VOA

- 7.11 The above table shows that there was a net loss of office floorspace between 2008 and 2018 across Hertfordshire of -407,816sqm. In Watford specifically there was a net loss of -35,041sqm and just under 49,000sqm gross floorspace lost in total. This represents a 15% loss of all office floorspace in Watford over this 10 year period. 45% of this loss was to residential in Watford compared to 53% across the whole of Hertfordshire.

Figure 7: The changes in industrial floorspace by Hertfordshire district 2008-2018

Industrial	VOA Stock 2008-09 (sq m)	Floorspace Gains (sq m)	Floorspace Losses (sq m)	Net Change (sq m)	Adjusted Stock 2017-18 (sq m)
Broxbourne	567,000	61,520	50,110	11,410	578,410
Dacorum	679,000	83,311	126,616	- 43,305	635,695
East Hertfordshire	658,000	48,999	139,120	- 90,121	567,879
Hertsmere	381,000	23,660	65,351	- 41,691	339,309
North Hertfordshire	654,000	71,009	97,425	- 26,416	627,584
St Albans	408,000	29,263	71,308	- 42,045	365,955
Stevenage	595,000	61,072	113,239	- 52,167	542,833
Three Rivers	150,000	67,896	111,487	- 43,591	106,409
Watford	431,000	40,176	64,833	- 24,657	406,343
Welwyn Hatfield	688,000	63,077	80,990	- 17,913	670,087
<b>Total</b>	<b>5,211,000</b>	<b>549,983</b>	<b>920,479</b>	<b>- 370,496</b>	<b>4,840,504</b>

Source: Hertfordshire County Council and LSH

- 7.12 There was a similar story with industrial floorspace where there was a Hertfordshire wide net loss of -370,496sqm, and in Watford a loss of -24,657sqm and a gross loss of -64,833sqm. This represents a loss of 6% of all industrial floorspace in Watford over this 10 year period. 11% of this loss in Watford was to residential compared to 25% of the loss across the whole of Hertfordshire.

- 7.13 Whilst there may have been greater losses in other authorities in Hertfordshire, the geography of these other districts means that there is greater scope to reprovide floorspace elsewhere whereas in a densely built up and urban district like Watford land is limited.



- 7.14 The LEP report also considered the impact of conversions through committed Permitted Development to the total stock of office and industrial floorspace. Figure 8 highlights that 20% all office floorspace in Watford could be lost through Permitted Development. Across Hertfordshire the impact would be 26%.

Figure 8: The potential impact of committed Permitted Development Right approvals on the total office stock in Hertfordshire.

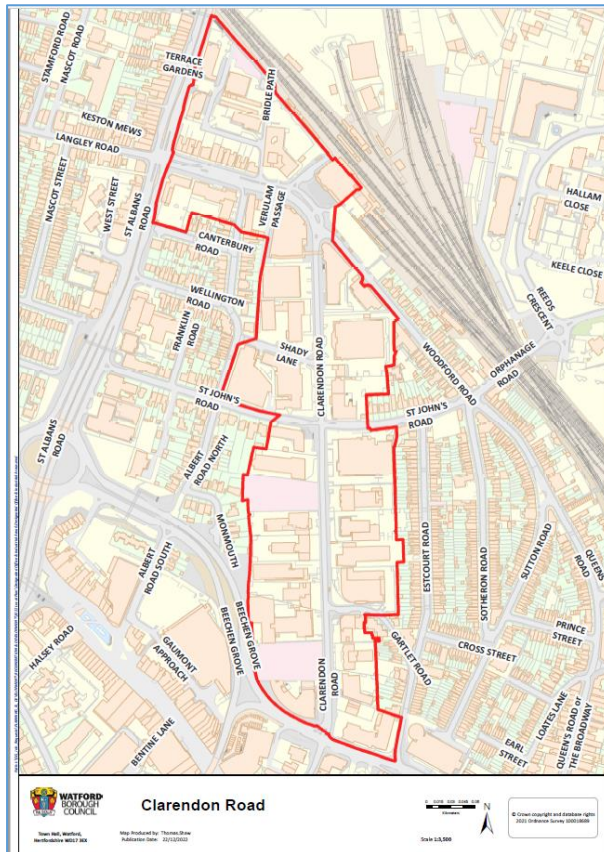
Local Authority	VOA Stock 2008-09	Adjusted Stock 2017-18	2018 Stock with PDR Commitments	Stock Change 2008-09 to 2018+
Broxbourne	77,000	55,953	53,359	-31%
Dacorum	310,000	248,156	226,676	-27%
East Hertfordshire	176,000	140,538	129,696	-26%
Hertsmere	198,000	134,278	116,631	-41%
North Hertfordshire	137,000	105,226	103,076	-25%
St Albans	213,000	154,453	133,370	-37%
Stevenage	149,000	134,355	133,298	-11%
Three Rivers	153,000	150,068	138,605	-9%
Watford	231,000	195,959	185,923	-20%
Welwyn Hatfield	301,000	218,198	209,708	-30%
<b>Total</b>	<b>1,945,000</b>	<b>1,537,184</b>	<b>1,430,342</b>	<b>-26%</b>

Source: Hertfordshire County Council, VOA and LSH

- 7.15 It is acknowledged that this report has not been updated since 2019 when the Article 4 Directions were put into place but it helps to highlight the very real risk that exists regarding the level of employment floorspace in Hertfordshire and Watford in particular if there is no consideration of planning balance through the appropriate planning application system. The full report is appended to this report.

## 8 Clarendon Road Primary Office Location

- 8.1 The Council is proposing to issue the following Article 4 Direction within the area designated as the Clarendon Road Primary Office Location in the Watford Local Plan.
- 8.2 The Direction will apply to all buildings currently in Class E(g)(i) office use within the red line boundary in Figure xx. Under this Direction, Class MA of the General Permitted Development Order will be removed so that no development consisting of



a change of use of a building or within the curtilage of a building falling within Class E(g)(i) Offices to C3 residential uses.

Figure 9: Clarendon Road- boundary of proposed Article 4 Direction

8.3 This area, with a couple of minor boundary changes, was subject to an Article 4 Direction from 2013 until the changes to the Use Classes Order in 2022. The area has a long history of being the centre for office uses in Watford and is the main office centre for the whole of the South West Hertfordshire sub-region.

8.4 The area encompasses the whole length of Clarendon Road and Station Road adjacent to Watford Junction Railway Station. It is a significant and popular through route for pedestrians, cyclists and cars between the Town Centre and the railway station.

- 8.5 Clarendon Road is characterised by a wide range of large and medium sized office buildings of varying age and condition. Occupants range from large multi-national corporations headquarters like TK Maxx to local businesses occupying a floor of a larger building. The buildings range from new state of the art office units to older accommodation that may be in need of upgrading to suit a 21<sup>st</sup> century office environment.
- 8.6 The area is a highly sustainable location, being between the Town Centre and Watford Junction railway station on the West Coast Mainline between London and Birmingham and beyond to the North West.
- 8.7 Reflecting on Clarendon Roads significance in his Report, the Watford Local Plan Inspector stated, *“Most of the additional office floorspace is proposed at Clarendon Road which is close to the town centre and Watford Junction railway station, and defined in policy EM4.3 as the Primary Office Location in the Borough reflecting its existing role. This is justified by the availability of suitable sites in a highly accessible location that is attractive to the local and sub-regional market.”* The Inspector also supported the intention to protect the existing role and function of Clarendon Road, *“In order to be effective, the detailed wording of policy EM4.3 needs to be modified to prevent the net loss of office floorspace at Clarendon Road unless the proposal would safeguard the commercial role and character of the Primary Office Location and meet a number of other defined criteria [MM94 and MM95].”*
- 8.8 This endorsement from the Inspector demonstrates the significance of Clarendon Road to Watford’s, and the South West Hertfordshire sub regions, economy and therefore why an Article 4 Direction is necessary to protect it, ensuring that proposals

for the loss of floorspace within it are considered fully against the newly adopted Local Plan policies.

- 8.9 Employment data from the Clarendon Road area shows no B8 or E(g)(iii) uses, hence why, unlike the other areas, the proposal does not remove the PDR's in relation to these uses. It however has a large percentage of office uses, 49% of all floorspace emphasising its importance to this sector.
- 8.10 There is currently a high vacancy rate in this area. Some of these sites are subject to live planning applications for replacement office uses but leaves buildings at risk from changes of use through Permitted Development.

Table 4 Clarendon Road Use Classes

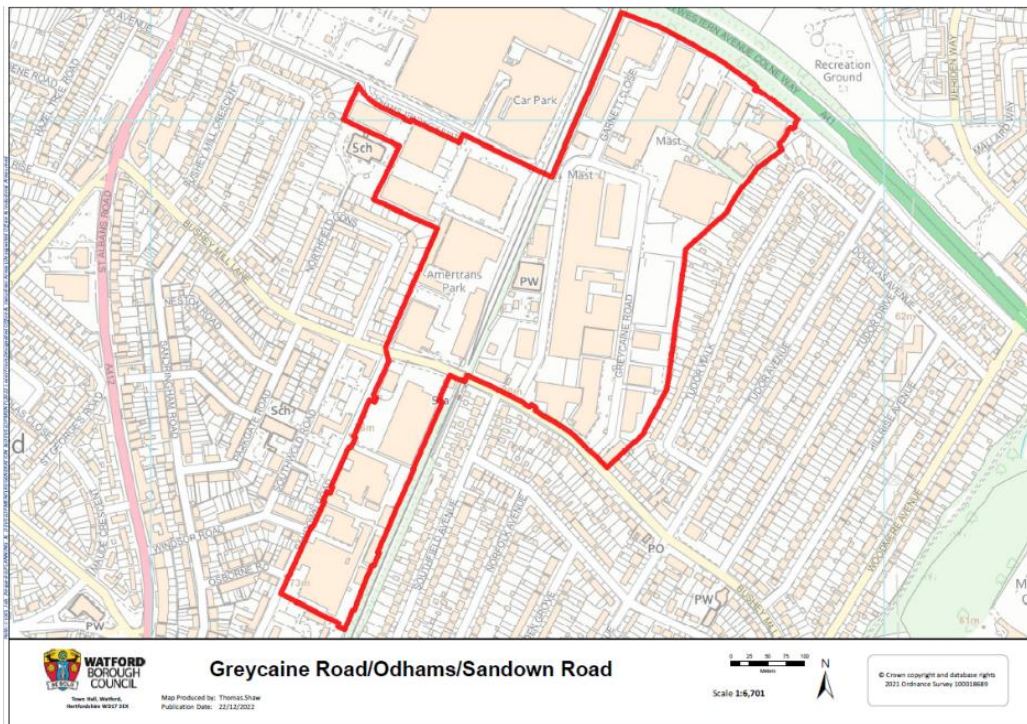
<b>TOTAL FLOORSPACE</b>	<b>198,231.02</b>	
<b>USE CLASS</b>	<b>Floorspace</b>	<b>FS %</b>
<b>EGI</b>	96780.82	49%
<b>VACANT</b>	51139.95	26%

## Designated Industrial Areas

### Greycaine Road; Oldhams and Sandown Road Industrial Estates

- 8.11 The Council is proposing to issue the following Article 4 Direction within the area defined as the Greycaine Road; Oldhams and Sandown Road Industrial Estates. These areas are all designated employment areas in the Watford Local Plan 2021-2038.
- 8.12 The Direction will apply to all buildings currently in office or light industrial use within the red line boundary in the Figure 10 below. Under this Direction, Class MA of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class E(g)(i) Offices or Class E(g)(iii) Industrial Processes to C3 residential uses.
- 8.13 The Direction will also apply to all buildings currently in B8 storage and distribution Use within the red line boundary in the Figure 10 below. Under this Direction, Class P of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class B8 Storage and Distribution to C3 residential uses.
- 8.14 This area is characterised by a mix of large industrial and commercial buildings split across three areas separated by a railway line and Bushey Mill Lane. The buildings are mostly split into smaller individual units within which a large range of businesses operate across a range of employment sectors including B8, B2 and E class uses.

Figure 10: Greycaine Road/Oldhams/Sandown Road- boundary of proposed Article 4 Direction



8.15 Data from this industrial area shows a significant amount of B8 floorspace, some E(g)(i) uses and one small area of E(g)(iii) use. There is currently a low vacancy rate in this location.

Table 5: Greycaine Area Use Classes

TOTAL FLOORSPACE	141,003.66	
USE CLASS	Floorspace	FS %
B8	30,483.04	22%
EGI	13,940.63	10%
EGIII	458.08	0%
VACANT	4,015.87	3%

### Imperial Way; Colonial Way; and Holly Industrial Estates

8.16 The Council is proposing to issue the following Article 4 Direction within the area defined as the Imperial Way; Colonial Way and Holly Industrial Estates. These areas are all designated employment areas in the Watford Local Plan 2021-2038.

8.17 The Direction will apply to all buildings currently in office or light industrial use within the red line boundary in the Figure 11 below. Under this Direction, Class MA of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class E(g)(i) Offices or Class E(g)(iii) Industrial Processes to C3 residential uses.



- 8.18 The Direction will also apply to all buildings currently in B8 storage and distribution Use within the red line boundary in the Figure 11 below. Under this Direction, Class P of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class B8 Storage and Distribution to C3 residential uses.
- 8.19 The area is characterised by a range of large commercial buildings with industrial and retail uses in the north and office uses in the south around Reeds Crescent. The area is very central in Watford, being located in close proximity to Watford Junction station making it very accessible and attractive to range of businesses.

Figure 11: Imperial Way; Colonial Way and Holly Industrial Estates- boundary of proposed Article 4 Direction

- 8.20 Imperial Way is the second largest designated employment area in terms of floorspace. It has a significant amount of E(g)(i) office based uses and B8 storage or distribution based uses. There is less than 1% of residential compatible industrial. In this area, 7% of the floorspace is currently vacant and could be vulnerable to Permitted Development.

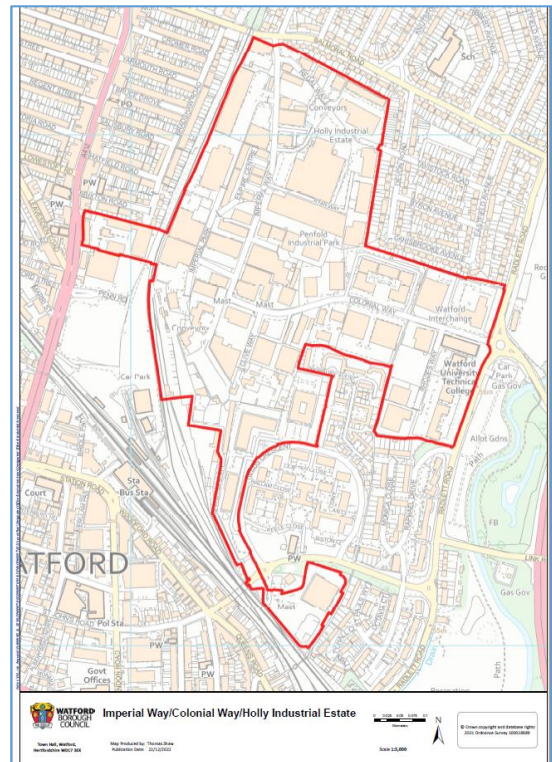


Table 6: Imperial Way Area Use Classes

<b>TOTAL FLOORSPACE</b>	<b>157,995.59</b>	
USE CLASS	Floorspace	FS %
<b>B8</b>	25232.58	16%
<b>EGI</b>	37436.405	24%
<b>EGIII</b>	592.2	0%
<b>VACANT</b>	10398.41	7%

### Shakespeare Road Industrial Estate

- 8.21 The Council is proposing to issue the following Article 4 Direction within the area defined as the Shakespeare Road Industrial Estate. These areas are all designated employment areas in the Watford Local Plan 2021-2038.

- 8.22 The Direction will apply to all buildings currently in office or light industrial use within the red line boundary in the Figure 12 below. Under this Direction, Class MA of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class E(g)(i) Offices or Class E(g)(iii) Industrial Processes to C3 residential uses.
- 8.23 The Direction will also apply to all buildings currently in B8 storage and distribution Use within the red line boundary in the Figure 12 below. Under this Direction, Class P of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class B8 Storage and Distribution to C3 residential uses.

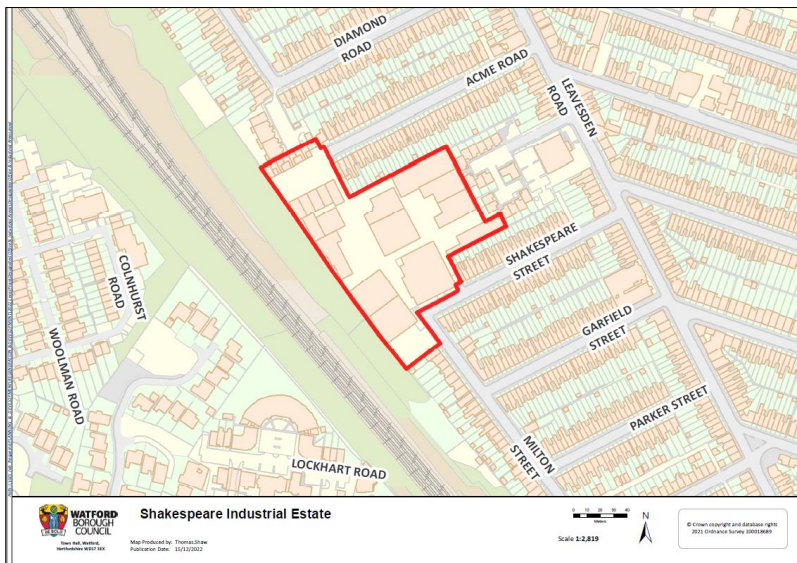


Figure 12: Shakespeare Road Industrial Estate- boundary of proposed Article 4 Direction

- 8.24 Shakespeare Industrial Estate is the smallest of the designated areas by area and by quantity of floorspace. This area has some B8 uses, a little E(g)(i) uses and currently a 16% vacancy rate. This equates to only two units being vacant while the rest are fully occupied.

Table 7 Shakespeare Road Use Classes

TOTAL FLOORSPACE	8866.03	
USE CLASS	Floorspace	FS %
B8	1455.72	16%
EGI	234.1	3%
VACANT	1403.59	16%

## Watford Business Park

- 8.25 The Council is proposing to issue the following Article 4 Direction within the area defined as the Watford Business Park. These areas are all designated employment areas in the Watford Local Plan 2021-2038.





- 8.30 The Direction will apply to all buildings currently in office or light industrial use within the red line boundary in the Figure 14 below. Under this Direction, Class MA of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class E(g)(i) Offices or Class E(g)(iii) Industrial Processes to C3 residential uses.
- 8.31 The Direction will also apply to all buildings currently in B8 storage and distribution Use within the red line boundary in the Figure 14 below. Under this Direction, Class P of the General Permitted Development Order will be removed so that no development consisting of a change of use of a building or within the curtilage of a building falling within Class B8 Storage and Distribution to C3 residential uses.

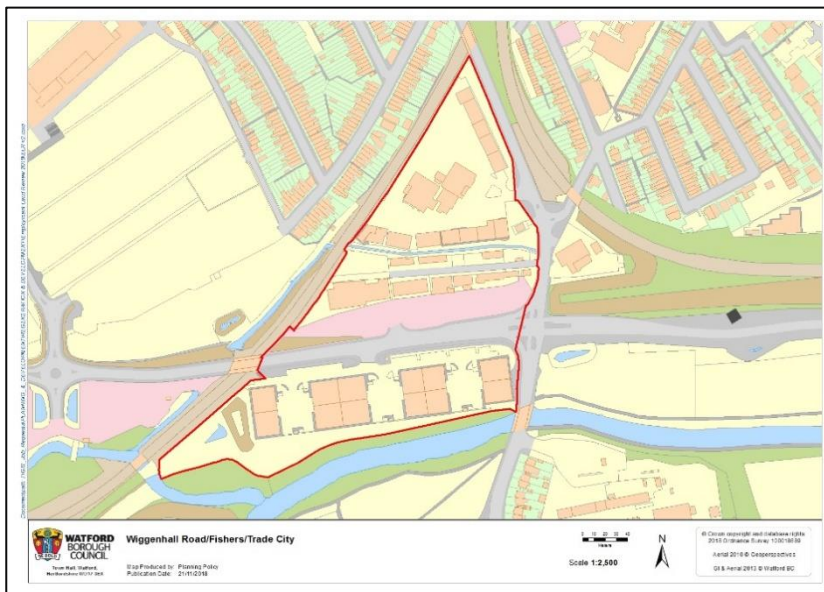


Figure 14: Wigenhall Road; Fishers and Trade City Industrial Estates- boundary of proposed Article 4 Direction

- 8.32 This location has no E(g)(i) nor E(g)(iii) uses, but a significant amount of B8 uses. The area has a vacancy rate of 13% which could make it vulnerable to significant changes of use through Permitted Development. It is also the second smallest area in floorspace and total area.

Table 9 Wigenhall Area Use Class

TOTAL FLOORSPACE	13943.87	
USE CLASS	Floorspace	FS %
B8	2740.23	20%
VACANT	1861.15	13%

## 9 Conclusion

- 9.1 This report has sought to justify the provision of Immediate Article 4 Directions on our designated employment sites in the newly adopted Local Plan.

- 9.2 The Council has undertaken a robust process to consider the legitimacy of the proposals and have come to the conclusion that it is entirely necessary to issue immediate Article 4 Directions and that they are applied to the smallest geographical area possible in accordance with the regulations.
- 9.3 In summary Immediate Directions would be issued to remove Class MA for E(g)(i) uses within the Clarendon Road Primary Office Location and all of Class MA for E(g)(i) and E(g)(iii) uses within the five designated industrial areas. Class P would also be removed for B8 uses within the five industrial areas.
- 9.4 Immediate Directions were deemed necessary based on the immediate threat to local amenity that delivering residential uses within industrial areas would present and to ensure that the vision set out in the Local Plan for retaining existing employment floorspace and delivering high quality homes for people is realised and allowing changes of use without consideration through the planning system would be contrary to the proper planning of the area set out within the newly adopted Local Plan.

## Appendices

Appendix A- Whole borough map

Appendix B- Individual area maps

Appendix C- 2019 LEP Report