

Meeting Cabinet
Portfolio Area Environment & Performance
Date 12 March 2025



CONFIRMATION OF AN AMENDMENT TO TWO ARTICLE 4 DIRECTIONS TO REQUIRE CHANGES OF USE FROM CLASS E(g)(i) (OFFICES) AND CLASS E(g)(iii) (LIGHT INDUSTRIAL) TO CLASS C3 (RESIDENTIAL) TO OBTAIN PLANNING PERMISSION

KEY DECISION

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1 PURPOSE

- 1.1 To seek Members' approval of the confirming of two revised Article 4 Directions to remove the permitted development rights in relation to changes of use from office and light industrial uses to residential use in Gunnels Wood and Pin Green.

2 RECOMMENDATIONS

That Cabinet:

- 2.1 Note the responses from consultation, 22 January to 18 February 2025, on the serving of the notice of the revised Article 4 Directions.
- 2.2 Approve the confirmation of the revised Article 4 Directions under Article 4 (l) of the Town and Country Planning (General Permitted Development) Order 2015 (as amended), to remove permitted development rights in relation to changes of use from Use Class E(g)(i) and E(g)(iii) to Use Class C3 (as defined in the Town and County Planning (Use Classes) Order 1987 (as amended)).

3 BACKGROUND

- 3.1 In 2020 and 2021, the Government made revisions to the Use Classes Order and to Permitted Development Rights [BD1].
- 3.2 The Use Class Order created a new Use Class (Use Class E) which combined different commercial, business and service uses that were previously contained in separate use classes.
- 3.3 The Government stated that:
‘Combining separate use classes into a single use class means that, as of September 2020, planning permission is no longer required to make changes between them’. Bringing these uses together and allowing movement between them will give businesses greater freedom to adapt to changing circumstances and to respond more quickly to the needs of their communities.’
- 3.4 Following approval by Cabinet (as Executive) in September 2022 [BD2], with effect from 16 December 2022, the Council confirmed a number of Article 4 Directions under Article 4(1) of the Town and Country Planning (General Permitted Development) Order 2015, as amended.
- 3.5 The Directions included protection to existing employment uses within the Gunnels Wood and Pin Green Employment Areas. They removed permitted development rights currently in place, or due to come into force, relating to the following changes of uses [BD3] and [BD4]:
 - E(g)(i) (offices) to C3 (dwellinghouses)
 - E(g)(iii) (light industrial) to C3 (dwellinghouses)

Figure 1. Summary of Use Classes Order Changes (September 2020)

Use	Use Class (until 31 August 2020)	Use Class (from 1 September 2020)
Shops	A1	E
Financial & Professional Services	A2	E
Food & Drink (mainly on the premises)	A3	E
Business (office, research & development and light industrial process)	B1	E
Non-residential institutions (medical or health services, crèches, day nurseries and centres)	D1	E
Assembly and Leisure (indoor sport, recreation or fitness, gyms)	D2	E
Non-residential institutions (education, art gallery, museum, public library, public exhibition hall, places of worship, law courts)	D1	F1
Shop no larger than 280 sq. m (Selling mostly essential goods and at least 1km from another similar shop); community hall, outdoor sport / recreation area, indoor or outdoor swimming pool, skating rink	A2	F2
Public House, wine bar, drinking establishment	A4	Sui Generis (or unique uses)
Hot Food Takeaway	A5	Sui Generis (or unique uses)
Cinema, Concert Hall, Bingo Hall, Dance Hall, Live music venue	D2	Sui Generis (or unique uses)

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

Recommendation 2.1: That Cabinet note the responses from consultation, 22 January to 18 February 2025, on the serving of the notice of the revised Article 4 Directions.

- 4.1 Following approval from Cabinet in January 2025 [BD5], public consultation commenced on 22 January 2025 and ran for 28 days, until 18 February 2025. <https://www.stevenage.gov.uk/have-your-say/planning-policy-consultations>
- 4.2 The Town and Country Planning (General Permitted Development) (England) Order 2015 sets out the statutory requirements for introducing an Article 4 Direction. In line with this, notice of the Directions were;
- Published in the local newspaper [BD6];
 - Displayed by two site notices in each employment area, two within Gunnels Wood and two within Pin Green [BD7];
 - Sent to the occupiers and owners of all affected businesses within Gunnels Wood and Pin Green [BD8];
 - Made available to view at the Customer Service Centre, the town's two libraries and the Council's website (along with a copy of the Directions);
 - Sent to both the Secretary of State and Hertfordshire County Council (along with a copy of the Directions) [BD9].
- 4.3 The notices of Directions are available in BD10 and BD11, with an original planned confirmation date of 19 March 2025. A copy of the Directions is contained within Appendix A and B.
- 4.4 A summary of all consultation comments and responses is provided in Appendix C to this report.
- 4.5 No significant objections were raised to the revised Directions during the consultation period. Where comments and objections were raised, officers have provided a detailed response.
- 4.6 The Council received a number of comments of support for the revised Directions, including that the Directions ensure that any change of use of property has to be subject to strict planning approval to prevent uncontrolled and inappropriate development. Gunnels Wood and Pin Green employment areas do not have the relevant infrastructure that would allow employment space including office and industrial units, from being converted to residential use.
- 4.7 No objections or comments were received from the Secretary of State during the consultation period. Council officers have been in contact with the Article 4 team at the Ministry of Housing, Communities and Local Government (MHCLG), who have confirmed that the Council does not need to re-submit the previous submission evidence that justifies the December 2022 Article 4 Directions.

Recommendation 2.2: That Cabinet approve the confirmation of the revised Article 4 Directions under Article 4 (l) of the Town and Country Planning (General Permitted Development) Order 2015 (as amended), to remove permitted development rights in relation to changes of use from Use Class E(g)(i) and E(g)(iii) to Use Class C3 (as defined in the Town and Country Planning (Use Classes) Order 1987 (as amended)).

Proposed Wording Changes to Class MA

- 4.8 It is proposed that the wording on both Article 4 Directions, to remove permitted development rights in relation to changes of use from Use Class E(g)(i) and E(g)(iii) to Use Class C3, is amended to state Class MA rather than Class PA, to be factually correct. This is proposed as per Appendix A and B (replacing the current Article 4 Directions as per BD3 and BD4).
- 4.9 The principle aim of these Directions is to ensure local planning policies can be applied to proposals for changes of use from office and light industrial to residential dwellings, to ensure employment uses are protected across the town.
- 4.10 Until the Use Classes Order 1987 was reformed in 2020, Class O of Part 3 of Schedule 2 of the General Permitted Development 2015 allowed for offices to be converted to residential use without planning permission, subject to certain restriction and prior approval regarding certain impacts.
- 4.11 Class PA of Part 3 of Schedule 2 of the General Permitted Development 2015 allowed for light industrial buildings to be converted to residential use without planning permission, subject to certain restriction and prior approval regarding certain impacts.
- 4.12 Use Class O and PA (prior to August 2021) of the General Permitted Development 2015 were replaced by a new Class MA which allows for the change of use from light industrial to residential.
- 4.13 As part of the 2021 revisions, the new Class MA was expanded to Permitted Development Rights to allow for the change of use of any Class E building into a C3 (residential).
- 4.14 Amendments to the General Permitted Development Order (2021) are as follows:
- 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.***
- 4.15 This means both offices and light industrial use fall within the new Use Class E and Class MA of the General Permitted Development Order (GDPO).
- 4.16 The Council is therefore required to amend the existing Article 4 Directions to reflect Class MA Part 3 of Schedule 2 of the General Permitted Development 2015 to disapply changes of use from Class E to residential (Class C3) use.
- 4.17 Further changes to Class MA were introduced in March 2024. For any application submitted on or after 5th March 2024, there is now no limit to the floor

space that can be converted under Class MA and there is no requirement for the building to be vacant for 3 months.

Confirming the revised Article 4 Directions

- 4.18 If confirmed, the revised Article 4 Directions would cover individual buildings in the Employment Areas of Gunnels Wood and Pin Green, as identified in Appendix A and B.
- 4.19 A minimum 28-day notice period is required when implementing Article 4 Directions.
- 4.20 A 12-month notification period was used on the previous Article 4 Directions in 2017 and was designed to ensure that the impact of any financial challenge is mitigated. Being as these Directions will apply to premises already covered by the previous Directions, it is unlikely that there will be any financial implications on owners or occupiers.
- 4.21 As such, the Article 4 Directions, if confirmed, would come into effect on 21 January 2026. The Directions were legally sealed prior to the consultation period and are required to be legally sealed again prior to confirmation.
- 4.22 There is a risk that proposals before 21 January 2026 will be subject to planning or prior approval applications for change of use on sites identified. Officers within the Planning Policy and Development Management teams in the Planning & Regulation unit have been fully briefed on the proposed revised sites to which the Directions will apply.
- 4.23 On the assumption that the Council confirms the Direction to have effect from 21 January 2026, the Direction as confirmed will apply to the same area in the Direction as made, despite the single prior approval application which has been made. The Direction will not have effect in relation to that land by reason of Article 4(2)(a) of the GPDO.
- 4.24 Officers have been in contact with and will update the Ministry of Housing, Communities and Local Government Article 4 team and the Secretary of State, once the new Direction has been confirmed.

Immediate and Non-Immediate Article 4 Directions

- 4.25 Article 4 Directions, under the General Permitted Development Order 2015 (as amended) can be made to have:
- Option 1: Immediate effect. This applies when the development to which the Direction relates would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area. The Direction withdraws permitted development rights with immediate effect once notice of the direction is published. However, a local planning authority may be liable to pay compensation to a landowner when permitted development rights are removed by an immediate Article 4 Direction. All claims for compensation must be made within 12 months of the date on which the planning application for development formerly permitted is refused or approved subject to conditions that go beyond those in the GPDO, or;

- Option 2: Non-immediate effect. This can require a 12-month interval after notice of the direction is published before the Direction comes into force. A non-immediate Article 4 Direction is therefore used to reduce the likelihood of any compensation claims against the Council.

4.26 Since we sought to update the Article 4 Directions with a planned confirmation date of 19 March 2025 (as per the notices of Directions in BD10 and BD11), we have received a prior approval application, as there are currently no restrictions in place under the existing Directions. Therefore, if we were to refuse this prior approval application because the Council is considering having the Article 4 Direction come into force with immediate effect, the Council is at risk in having to issue compensation to the applicant in question. As such, our recommendation will be to undertake a non-immediate Article 4 Direction under Option 2.

Confirming Non-Immediate Article 4 Directions

4.27 The process for making a non-immediate Article 4 Direction is as follows:

- Stage 1: The Council decides whether to go ahead and make a Direction setting a date in the Notice for when the Direction will come into force which must be at least 28 days and no more than 2 years after the first date of the period for making representations in response to statutory consultation undertaken.
- Stage 2: Publication / Consultation stage (22 January to 18 February 2025).
- Stage 3: On the same day that notice is first published or displayed in accordance with the provisions of Schedule 3 of the Order, the Council has to send a copy of the Direction and the notice including any map defining the area to which it relates or the site to which it relates to the Secretary of State who has wide powers to modify or cancel a Direction.
- Stage 4: Confirmation Stage. The Council considers any representations received after a period of at least 21 days from publication / service of the Notice and decides whether to confirm the Direction. A Direction cannot be confirmed until the expiration of a period of at least 28 days following the latest date on which any notice relating to the direction was served or published or such longer period as may be specified by the Secretary of State of the direction. In the case of Stevenage, the two amended Article 4 Directions would come into force 12 months after the notice of Directions was served on 22 January 2025, meaning they would come into force on 21 January 2026. The date 21 January 2026 will replace the date 19 March 2025, on the final versions of the two Directions (Appendix A and B).

4.28 Once a Direction has been confirmed, the Council must give notice of confirmation as soon as practicable after it has been confirmed in the same way as it gave notice of the initial Direction, and must specify the date the Direction comes into force. The Council must also send a copy of the direction to the Secretary of State.

5 IMPLICATIONS

Financial Implications

- 5.1 Assuming that there is 28 days notification of the Direction and the 12-month notice period is served, there should be little opportunity for challenge resulting in any financial compensation.
- 5.2 Other than staff costs in terms on both consulting upon and reporting the Direction, the principal cost will be staff time processing the any planning applications for these changes of use, which will be un-chargeable. The expected number can be met within existing resources within Planning.

Legal Implications

- 5.3 Once confirmed, the Article 4 Direction will remove the permitted development rights in relation to changes of use from Class MA Use Class E(g)(I) and E(g)(iii) to Use Class C3 (as defined in the Town and Country Planning [Use Classes] Order 1987, as amended).
- 5.4 Legal advice has been sought and will continue to be sought, as necessary, regarding Article 4 Directions in Stevenage.
- 5.5 The Directions were legally sealed prior to the consultation period in January 2025 and are required to be legally sealed again prior to confirmation.

Risk Implications

- 5.6 The principle aim of these Directions is to ensure local planning policies can be applied to proposals for changes of use from office and light industrial to residential dwellings, to ensure employment uses are protected across the town.
- 5.7 There is a risk that proposals before 21 January 2026 will be subject to planning applications for change of use on identified sites; officers within the Planning Policy and Development Management teams in the Planning & Regulation unit have been fully briefed on the proposed revised sites to which the Directions will apply.
- 5.8 There are potential risks of not having Article 4 Directions in place, that have been highlighted within this report and in the previous reports to Executive on this subject. These include:
- Constraining growth.
 - Forcing businesses to relocate.
 - Limiting overall performance and productivity of businesses.
 - Limiting the attractiveness of Stevenage as a place to invest.
 - A risk of creating towns that lack in local shops, facilities and services.
 - Local Plan targets for affordable housing not being met as well as loss of important revenue to reinvest in Stevenage.

Environmental Implications

- 5.9 The consequences of not maintaining the existing Article 4 Directions in Stevenage include an increased need for longer journeys, contrary to the objectives of sustainable development, climate change and the wider aspirations of the Stevenage Borough Local Plan.

Planning Implications

- 5.10 Once confirmed, the amended Article 4 Direction will remove the permitted development rights in relation to changes of use from Use Class E(g)(i) and E(g)(iii) to Use Class C3 (as defined in the Town and Country Planning [Use Classes] Order 1987, as amended). Instead, planning permission will be required for these changes of use. Local planning policies will be used to assess any resulting planning applications.

BACKGROUND DOCUMENTS

- BD1 Use Classes Order (September 2020)
https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use
- BD2 Meeting of the Stevenage Borough Council Cabinet, Item 6: Confirmation of Two Article 4 Directions to require Changes of Use from Class E(g)(i) (Offices) and Class E(g)(iii) (Light Industrial) to Class C3 (Residential) to obtain Planning Permission (September 2022)
<https://democracy.stevenage.gov.uk/documents/s32501/Article%204%20Directions%20Exec%20Report.pdf>
- BD3 Current Article 4 Direction for change of use from Office to Residential (Gunnels Wood and Pin Green Employment Areas)
- BD4 Current Article 4 Direction for change of use from Light Industrial to Residential (Gunnels Wood and Pin Green Employment Areas)
- BD5 Meeting of the Stevenage Borough Council Cabinet, Item 7: Consultation on an amendment to two Article 4 Directions to require Changes of Use from Class E(g)(i) (Offices) and Class E(g)(iii) (Light Industrial) to Class C3 (Residential) to obtain Planning Permission (January 2025)
https://democracy.stevenage.gov.uk/documents/s38145/7%20Final%20Cabinet%20Report%20-%20Art4%20January%202025%20LC_SM%20231224.pdf
- BD6 Article 4 Directions: Comet Newspaper Notice (January 2025)
- BD7 Copy of Site Notices (January 2025)
- BD8 Copy of Letter to Landowners / Occupiers regarding consultation on Article 4 Directions (January 2025)
- BD9 Copy of Letter to Secretary of State for Housing, Communities and Local Government and Hertfordshire County Council regarding consultation on Article 4 Directions (January 2025)
- BD10 Notice of Revised Article 4 Direction for change of use from Office to Residential (Gunnels Wood and Pin Green Employment Areas) (January 2025)
- BD11 Notice of Revised Article 4 Direction for change of use from Light Industrial to Residential (Gunnels Wood and Pin Green Employment Areas) (January 2025)

APPENDICES

- A Revised Article 4 Direction for change of use from Office to Residential (Gunnels Wood and Pin Green Employment Areas)
- B Revised Article 4 Direction for change of use from Light Industrial to Residential (Gunnels Wood and Pin Green Employment Areas)
- C Summary of Consultation Comments and Council Responses to Article 4 Directions Consultation, 22 January – 18 February 2025