



Commercial Property Consultants
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1.00 Written Statement on behalf of Ewbanks

1.1 This hearing statement has been prepared by Kingstons on behalf of Ewbanks. It relates to the Draft Guildford Borough Local Plan and specifically in response to the questions 7.1 and 7.2 asked by the inspector of Guildford Borough Council on 20th April under document ID/3.

1.2 These questions are as follows:

- a) (7.1) Does the plan provide for an appropriate amount of land and floorspace for business purposes, and is the plan effective in its approach to new employment development?
- b) (7.2) Is the plan justified in the extent to which it protects employment land and floor space?

1.3 This report will deal with employment uses that fall within classes B1C; B2 and B8.

2.0 DOES THE PLAN PROVIDE FOR AN APPROPRIATE AMOUNT OF LAND AND FLOORSPACE FOR BUSINESS PURPOSES, AND IS THE PLAN EFFECTIVE IN ITS APPROACH TO NEW EMPLOYMENT DEVELOPMENT?

2.1 In my report dated 20th July 2017, which formed part of the Ewbanks representations on the Pre-Submission version of the Local Plan, I identified that the proposed allocation under the Draft Local Plan was insufficient and amounted to an annual new supply of buildings of circa 1,000 sq m. (Para 10.1)

2.2 I identified that by assessing demand by past take-up, there was a failure to recognise that actual demand was higher but could not translate into transactions as hardly any development had taken place and therefore there was no supply to translate into take-up. (para 9.12). That lack of development was nothing to do with lack of developers willing to build new product, but instead was due to the failure of the 2003 Local Plan to allocate enough land or indeed land which was freely available to occupiers. Instead the land allocated was that which was owned by the Borough Council and less than 25% of that allocation was released to the market. (para 4.27).

2.3 Also identified was the lack of calculation of need for alternative uses (para 4.6). Specifically demand from medical, education and leisure uses can realistically only be satisfied from employment land.

2.4 My report identified that the Draft Local Plan did not meet the aspiration of The Enterprise M3 Strategic Economic Plan (paras 4.8 and 4.90).

2.5 My report identified an error in calculations (para 4.6.8) which would result in incorrect conclusions.

2.6 There has been NO change in the amount of employment land allocated since the points set out above and the further points in my previous report were identified.

3.0 THE INDUSTRIAL ESTATES OF GUILDFORD TOWN AND SURROUNDING AREA

3.1 Slyfield Industrial Estate: Cobbett Park has 1,847 sq m under offer. No other significant space is available despite this being the largest industrial estate in the Borough. Anecdotally, we put a 930 sq m building on the market last month for sale and it sold within 10 days to an owner occupier. 5 other parties wanted to inspect the building.

3.2 Cathedral Hill Industrial Estate: one building of 510 sq m came to the market and was under offer in 4 weeks. No current available supply.

3.3 Guildford Industrial Estate/Deaconfield: One building is available that was under offer until structural issues were found. Size is 1,794 sq m

3.4 Riverside Business Centre, Walnut Tree Close: This contains 7 buildings totalling 4,442 sq m. This estate has been sold by Hermes to a residential/ student housing developer. All 7 occupiers will be displaced.

3.5 Jewsons: They WILL need to relocate to release the site for housing. Their requirement alone is likely to take up 2-3 years supply of land allocated under the Draft Plan.

3.6 Quadrum Park, Peasmarsh. Out of 20 buildings, only one is available totalling 485 sq m.

3.7 Riverway Estate Peasmarsh: 2,168 sq m is available (but still occupied) in a single building but the current tenant is considering staying.

3.8 The Pines, Broad Street: Nothing available.

3.9 Woodbridge Meadows: Nothing available.

3.10 Burnt Common: 3 buildings have recently come available from 1,081 sq m up to a total of 5,121 sq m. This was recently under offer but has now fallen through. The quality of space offered is relatively poor with relatively low eaves heights of 5.5m.

3.11 Henley Park, Normandy: This is the one place where new supply can and is being supplied. 9 New buildings are under construction with completion in the Autumn. 10,275 sq m will be provided but with current demand levels there is a reasonable expectation that they will all be let at the very start of the New Local Plan.

3.12 The above shows a paucity of space available and certainly not one that is healthy for existing occupiers. If a company is looking to expand in Guildford, they have firstly very little choice, but it is almost certain that if such expansion is time sensitive, they will be forced to split operations onto 2 separate estates. We are aware of one such company that will be displaced from their existing location in 2021 who started looking 12 months ago due to the shortages in Guildford.

3.13 I have referred above to Jewson needing to move to release land for housing and that their demand for land will represent 2-3 years allocated supply. In addition I have referred to 7 occupiers being displaced at Riverside Business Centre. They represent a further 5 years allocated supply. To release land at Kernel Court in Walnut Tree Close, one occupier shut down their business. The site occupied by Nissan in Walnut Tree Close was the subject of a planning application and will be again following its withdrawal. To relocate that business would take a further 1-2 years supply. The above alone represents 8-10 years supply under the new local plan.

3.14 DOES THE PLAN PROVIDE FOR AN APPROPRIATE AMOUNT OF LAND AND FLOORSPACE FOR BUSINESS PURPOSES? It is my opinion that the above supply; coupled with demand simply from Walnut Tree Close shows that there is not an appropriate future supply of buildings or land for businesses. Whilst redevelopment of the above sites makes total sense in land use terms, it should be coupled with new land supply to keep industrial business in the area. Not only that, existing businesses have very little choice and they in turn have to compete with new businesses that are looking to set up in the area. Ewbanks themselves have a requirement for 1,000 sq m, another one year's supply under the Draft Local Plan. During 2017, Kingstons recorded just over 93,000 sq m of requirements covering the Guildford area. None of these were over 5,500 sq m so the figures were not skewed by one or two requirements. Many were local companies to Guildford.

3.15 IS THE PLAN EFFECTIVE IN ITS APPROACH TO NEW EMPLOYMENT DEVELOPMENT?

3.16 In one respect the plan is very efficient. It is limiting supply so increasing rents which in turn will encourage new employment development. Landlords will have more incentive to undertake speculative development which is good for occupiers. However, as there is no real land supply all it will serve to do is make the area more expensive in which to do business.

3.17 The matters raised by the inspector in Question 28 of his Initial Questions are helpful in facilitating new employment development however such changes are in reality more relevant to B1a and B1b uses. Policy E2 (5) states that "proposals for new industrial, warehousing and storage B1C, B2 and B8 floorspace will be directed to the Industrial Strategic Employment sites and any sites where this use class of floorspace is included in the site allocation in the New Local Plan". Given that all industrial sites (apart from the extant consent at Henley Park Normandy) are fully developed, no net new supply can ever be produced. All that can be done is an updating of old buildings, but unlike old offices; old industrial still has a relatively high value compared to new.

3.18 This draws the conclusion that the only way in which new supply can be added to the total existing stock, is if there is a new allocation of land beyond the very limited supply currently allowed for.

3.19 Reference was made earlier to Guildford Borough Council holding the land supply in the previous local Plan. Under the proposals for the new Local Plan, only one significant site is available for delivery in the foreseeable future, namely the Burnt Common Distribution Centre. This repeats the problems in the previous local Plan. If one landowner holds all the supply, what incentive is there to speculatively build it, as opposed to waiting for pre-lets? I see very little reason. Such a landowner is also able to dictate the terms as there is no competition. This cannot be in the interests of

businesses looking to move in or existing business looking to stay and expand but whose requirements are more immediate than the 18-24 month design, planning consent and build programme.

3.20 I therefore submit that the Local Plan is currently unsound in that it does not provide sufficient new employment land, and more land needs to be allocated to make this Plan sound. The inclusion of 'Land at Ewbanks' as an employment site would make a significant contribution to making this Plan sound, as set out in detail in Ewbanks 'Main Submissions' to this Plan. This site has previously been identified by the Borough Council for these purposes, and there has been no change in circumstance or the evidence base since that time. I therefore propose that the 'Land at Ewbanks' should be re-instated as 'Strategic Employment Land'.



KINGSTONS

Dated..... 9th May 2018