

Extract From Request for Pre-Application Advice – May 2013

7 Employment Land

- 7.1 In considering a mixed use development of the site we have had regard to the existing employment allocation and considered the potential of the existing site for employment use, by considering site specific factors such as the current market in terms of supply, demand and values; we have also considered the qualitative aspects of the existing buildings, the current access arrangements, together with the proximity to residential accommodation and the site's prominence.

Potential for General Industrial and Storage Uses (B2/B8)

- 7.2 Jones Lang LaSalle considers that there is unlikely to be any market interest for wholesale reuse or redevelopment of the complex for general industrial/ storage uses (B2/B8). We believe that B2/B8 developers/occupiers would be deterred from developing /occupying the subject site, the reasons for this include:

- Difficulties arising from inappropriate vehicle movements ie the introduction of HGV's into an established residential community.
- The site is unlikely to be attractive to B8 logistics operators due to the site's distance to other major conurbations and its ability to service major towns in the North West. There are in our opinion far better available sites closer to the M6 corridor, within Chorley & Preston.
- Potential restrictions on operational activity due to impact on amenity of adjacent housing and holiday caravan park.
- Availability of more strategically located sites on the M6 Corridor.
- Confidence of funders to invest in a location that is poorly located and has conflicting neighbourhood land uses.
- Significant demolition and site remediation costs would require higher values to be achieved from alternative land uses to enable employment uses to be developed.
- A prudent purchaser would offset the demolition costs against any offer for the site and as such this would have a marked effect upon the viability of employment uses.
- It would not achieve a financially acceptable level of return for NS&I.
- Poor prominence and access.

Potential For B1 Office Uses

- 7.3 B1 office space supply is primarily focused on Blackpool Technology Park and Blackpool Business Park where both land and buildings are available for development. In addition, further space is available on Whitehills Industrial Estate, albeit this sits within the Borough of Fylde. Based on the volume of existing built office space currently available in the market, combined with the amount of development land available on the aforementioned business parks, we do not believe that there is a realistic chance of the

NS&I site being brought forward for B1 employment development in the next, 15 years, particularly when you have regard to the historic take up rates over the last 15 years..

- 7.4 In our experience the viability of an office development site is determined by a number of factors including the type and form of development; site density; rental level; construction costs; finance and timescale. We have considered the subject property and its attractiveness to the wider office market and would comment as follows:
- 7.5 The existing property is too large in the context of historic, current and anticipated floorspace requirements; in Blackpool. Moreover, in terms of divisibility, the property does not lend itself readily to split floors for different occupiers. Based on our recent inspection of the building the specification is poor and is not attractive to the occupational office market. In addition the property's attraction to occupiers is diminished by an absence of amenities close by, which you would expect from a business park locality to satisfy staff, as such the area is not a recognised office location.
- 7.6 We have recently undertaken a search of the area and confirm the existence of six available properties which individually comprise in excess of 20,000 sq ft each. We would suggest that this represents a healthy supply of accommodation in the context of historic take-up trends. Moreover, the existing "offer" within the market comprises a range of accommodation from 'Grade A', at Talbot Gateway, through to hybrid accommodation, on one of these business parks/industrial locations.
- 7.7 We believe that an indication of the attractiveness of the property to the wider market place is demonstrated by its historic marketing. We understand that DTZ marketed the subject property for approximately 9 months; however this process yielded only one inspection from an interested party. The site has also been marketed via the Government's E-Pins's over the last 5 years. On the basis of the marketing undertaken the site is in need of redevelopment in order to attract occupiers. In order to ensure that the provision of modern employment facilities and to address on site constraints, higher value end uses will be required on part of the site to assist delivery of employment premises in order to remediate the site and provide a new access off Preston New Road.
- 7.8 In our opinion the securing employment uses on the site is dependent upon the securing improved access directly off Preston New Road, which can only be delivered through the development of high value end uses such as residential. Simply put developers will not invest in sites which are not able of providing accessible, modern, flexible and efficient workspace