Test Valley Employment Land Review and Andover Employment Floorspace Demand Study

Final Report to

TEST VALLEY
BOROUGH COUNCIL

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Appendices

1. Introduction

Background and Objectives

1.1 Under the new planning system, a robust and defensible evidence base is a key requirement to ensure a smooth transition from the currently adopted Local Plan to the Local Development Framework (LDF). This, coupled with the need to understand and plan for local economic and regeneration priorities, means that a detailed understanding of the balance between supply of and demand for employment land and floorspace is required.

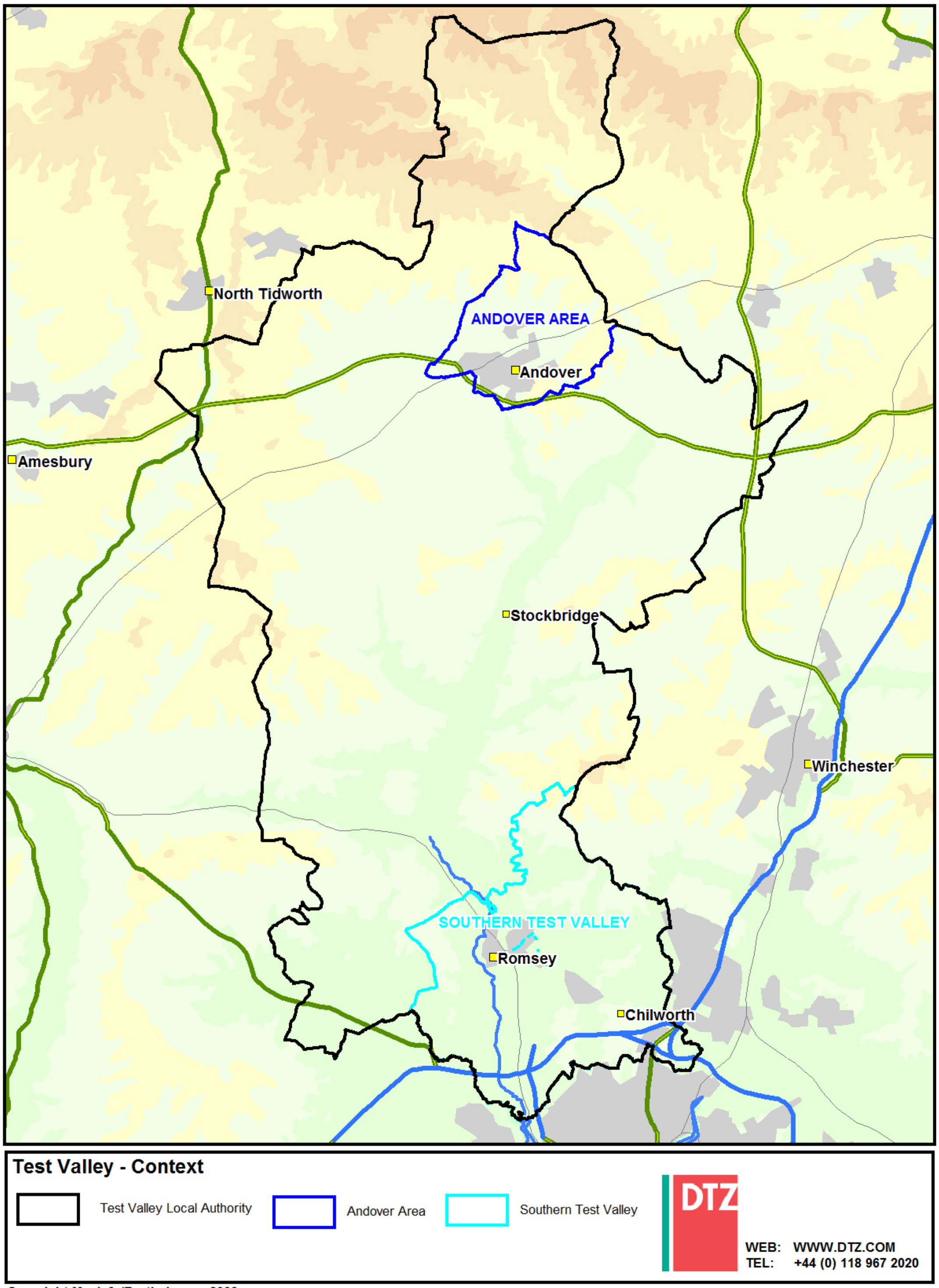
1.2 DTZ has been commissioned by Test Valley Borough Council to carry out an Employment Land Review of the Borough. The overall purpose of the study is to inform the Council's future planning policy in regard to employment land provision in Test Valley.

1.3 Specifically, the broad objectives of the study are as follows:

- To provide a robust assessment of the demand for future employment land and floorspace in Andover up to 2026 (future demand for Southern Test Valley has already been established by the Partnership for Urban South Hampshire (PUSH))
- To undertake a detailed analysis of the quantity, quality and suitability of all employment sites in Test Valley to meet future demand, taking account of commercial market suitability
- To provide a realistic assessment of the future priorities for employment land and floorspace based on a clear analysis of the balance between supply and demand and policy considerations, taking account of the distinctiveness between Andover, Southern Test Valley and rural areas.

1.4 The map below illustrates the Borough and its component urban and rural areas.

Figure 1.1: Test Valley Context Map



Approach

1.5 The approach taken draws on national guidance and good practice on undertaking employment land reviews (DCLG Employment Land Review Guidance note, 2004). There are three key stages to undertaking an employment land review, as follows:

- Stage 1: Supply Audit
- Stage 2: Demand Assessment
- Stage 3: Policy Implications

1.6 The diagram below illustrates the purpose of each of these stages and how they each link together.

Figure 1.2: Approach

Stage 1: Supply Audit	→	Quantity, characteristics, and quality of portfolio of employment sites and premises
Stage 2: Demand Assessment	→	Estimates of quantity and type of employment floorspace in demand over 2006-2026
Stage 3: Policy Implications	→	Comparison of demand and supply and identification of employment policy implications

1.7 Further explanation of the methodology for each of these stages is provided in the relevant sections of this report.

Structure of Report

1.8 The remaining structure of this report is as follows:

- Section 2: Policy Review
- Section 3: Supply Assessment
- Section 4: Commercial Property Market Review
- Section 5: Demand Assessment
- Section 6: Conclusions and Policy Recommendations.

1.9 Because of the nature and scale of technical research that we have undertaken as part of the study, we have considered it appropriate to append much of the background research and site specific analysis. The electronic supply database is provided separately as a technical annex.

2. Policy Review

2.1 The spatial planning policy context in which economic, labour and housing markets operate can be a significant driver of the demand and supply of employment land. We have reviewed national, regional, sub-regional and local policies in relation to employment land in order to ascertain the context in which employment land in Test Valley is operating.

National Policy

PPS1 – Sustainable Development

2.2 PPS1 sets out the overarching planning policies on the delivery of sustainable development through the planning system. In doing so, it promotes a positive planning framework for sustainable economic growth to support efficient, competitive and innovative business, commercial and industrial sectors.

2.3 In planning for sustainable economic development, the policy encourages the more efficient use of land through higher density, mixed use development and the use of suitably located previously developed land and buildings. In particular, planning authorities are encouraged to bring vacant and under-utilised land back into efficient use in order to meet development targets. Accordingly, Local Planning Authorities (LPAs) should, amongst other things, recognise that all local economies are subject to change, provide for improved productivity, choice and competition, ensure that suitable locations are available for industrial, commercial, retail, public sector, tourism and leisure developments and ensure the provision of sufficient, good quality and new homes in suitable locations.

2.4 In integrating sustainable development principles into development plans, planning authorities are encouraged to ensure that plans and policies are properly based on analysis and evidence.

Draft PPS4

2.5 The draft PPS4 was published for consultation in February 2008 as an update to PPG4. It sets out a proposed national planning policy framework for economic development at regional, sub-regional and local levels for both urban and rural areas. In particular, the statement recognises the need to be responsive to market signals whilst positively influencing productivity and employment growth, to develop flexible policies which are able to respond to economic change and the need for co-ordination with infrastructure and housing provision.

2.6 To this end, Regional Planning bodies and LPAs are encouraged to plan positively and proactively to encourage economic development, in line with the principles of sustainable development. The statement suggests a wide range of development activity falls within the term "economic development" and, of particular significance, alongside the more traditional sectors including retail, industry, offices and warehousing, is the inclusion of housing.

2.7 The desired objectives of the statement include the identification of a good range of sites for economic development and mixed-use development, a good supply of land and buildings which offers a range of opportunities for creating new jobs in large and small businesses as well as start-up firms, and greater responsiveness to changing needs and demands.

2.8 In planning for a good supply of land and buildings LPAs are encouraged to avoid designating sites for single or restricted use classes wherever possible and to avoid carrying forward existing allocations where this cannot be justified. In respect of office (B1a) development, LPAs are encouraged to give preference to the identification of sites in or on the edge of town centres for larger office development, consistent with the sequential approach in PPS6.

2.9 In line with PPS1, it is asserted that planning strategies at every spatial level must be underpinned by a robust evidence base to enable regional planning bodies and LPAs to plan effectively and to develop policies which allow a quick response to changing economic circumstances. Specific detail is given in terms of the scope of the expected evidence base which includes property market evidence, socio-economic indicators, qualitative site indicators and planning monitoring data. It also makes reference to the need to carry out employment land reviews in line with national guidance (see below for ODPM Guidance note).

2.10 Following the establishment of an evidence base, LPAs are encouraged to:

- Where necessary safeguard land from other uses and identify a range of sites to facilitate a broad range of employment uses limiting the designation of sites for single or restricted use classes and promoting mixed use developments in appropriate locations
- Cater for a broad range of business types, such as small start-up businesses, through to small and medium sized enterprises, as well as larger commercial or industrial premises
- Ensure that site allocations for economic development do not simply carry forward existing allocations, particularly if they are for single or restrictive or single uses. If there is no reasonable prospect of a site being used for economic development during the plan period, the employment allocation should not be proposed or retained, and wider employment uses or alternative uses, such as housing, should be actively considered
- Separate certain types of industry or infrastructure from sensitive land uses where they are detrimental to amenity, a potential source of pollution or an accident hazard.

2.11 Much of Test Valley is rural. PPS4 notes that in such areas, accessibility (via private and public transport) is a key consideration and local planning authorities are encouraged to recognise that a site may be an acceptable location for development, even though it may not be readily accessible by public transport, and to support small-scale economic development where it provides the most sustainable option in villages that are remote from local service centres.

2.12 The consultation period for draft PPS4 has now ended and the final version is expected to be published later this year.

PPS3 - Housing

2.13 PPS3 sets out the national planning framework for delivering the government's housing objectives. Under this policy framework a specific outcome the planning system should deliver is a flexible, responsive supply of land for housing managed in a way that makes efficient and effective use of land, including re-use of previously developed land, where appropriate.

2.14 In developing previously-developed land strategies, LPAs should consider, amongst other things, whether sites that are currently allocated for industrial or commercial use could be more appropriately re-allocated for housing development, on the basis of evidence from local and strategic employment land reviews.

ODPM Guidance Note

2.15 In 2004 the former ODPM published a national guidance note on undertaking employment land reviews. The primary purpose of the guide was to provide planning authorities with effective tools with which to assess the demand for and supply of land for employment. It is asserted that employment land reviews should be an integral part of the preparation of Regional Spatial Strategies (RSSs) and LDFs and should be deployed along side housing capacity studies, housing market assessments and other tools to deliver sustainable development of employment, housing and other uses.

2.16 The guidance was produced in response to the changes in 2004 to the Planning and Compulsory Purchase Act which requires an evidenced based approach to forward planning.

2.17 The guidance note recommends three stages to undertaking an employment land review, as follows:

- *Stage 1* Taking stock of the existing situation – involves a detailed review of the quantity and quality of employment land and premises including an initial assessment of fitness for purpose of employment sites
- *Stage 2* Creating a picture of future demand – involves a detailed review of the future requirements of employment land over the plan period including an assessment of market demand, forecast employment growth, labour supply and other local economic factors
- *Stage 3* Identifying a new portfolio of employment land – identification and designation of employment sites in order to create a balanced portfolio of employment land.

2.18 A key feature of undertaking an employment land review is to undertake detailed qualitative assessments of employment sites including assessing characteristics of quality, surrounding environment, market demand and contribution towards local policy objectives. This element of the employment land reviews is vital in ensuring that forward planning for employment provision is not simply a quantitative exercise but one that takes account of the actual fitness for purpose of sites. Such a review will help to avoid the situation of rolling forward unrealistic allocations and ensuring that land is used efficiently as specified in PPS4.

Regional Policy

Draft South East Regional Spatial Strategy and Examination in Public Panel Report

2.19 The Draft South East Plan was submitted to the Government in March 2006. The Plan provides a framework for the region for the next 20 years to 2026. The Plan sets out the core objectives which are to balance continuing economic and housing growth with rising standards of environmental management and reduced levels of social exclusion and natural resource consumption. In line with PPS1, the objective of the Regional Spatial Strategy (RSS) is to contribute to the achievement of sustainable development. The RSS also informs the preparation of Local Development Documents (LDDs), Local Transport Plans (LTPs) and regional and sub-regional strategies and programmes that have a bearing on land use activities.

2.20 The RSS states that overall employment in the region in 2001 was 4.1 million, which is an increase of almost 1.5 million since 1971. A review of key socio-economic indicators shows that between 1991 and 2001:

- Employment in traditional manufacturing has declined, but employment in advanced manufacturing and engineering and business and financial services has increased
- The number of businesses located in rural areas has risen to around 24% of all businesses in the South East
- The number of people living and working in the region has increased by 13% and 15% respectively
- Professional, associate professional and technical jobs, requiring higher level qualifications have increased as well as elementary occupations, which require no skills or qualifications
- Many more people are in self employment, in part-time jobs or work from home than 10 years ago
- Comparison of employment and population growth rates shows that employment has grown faster than the population, resulting in a tightening of the labour market.

2.21 Following the publication of the Draft RSS, a Panel was then appointed by the Secretary of State to carry out independent testing of the Draft RSS. This was completed in August 2007, and a report by the Panel is currently being considered by Central Government who will issue proposed changes for consultation to the draft Plan this year.

2.22 The EIP Panel report notes that it is essential for the RSS to include job estimates and, whilst they recognised that the Regional Assembly had attempted some consistency in providing job estimates for sub-regions for the period 2006-2016, it was noted that there remains a great deal of uncertainty in terms of future requirements for employment land and floorspace, particularly beyond the period 2016. In response, the Panel has recommended job targets which take account of housing targets set out in the RSS, which cover the period to 2026 and which rectify the gaps in terms of areas outside the sub-regions. These targets are set out in Table 2.1 below.

Table 2.1 Job Targets set out in the draft South East RSS EIP Panel Report

	Job Target 2006-26	Job Estimate 2006-16
South Hampshire	59,000	
Sussex Coast	30,000 (2006-16)	
East Kent & Ashford	50,000	
Kent Thames Gateway	58,000	
London Fringe		39,500
Western Corridor Blackwater Valley		79,300
Milton Keynes & Aylesbury Vale	49,950* for MK & 21,500* for AV	
Central Oxon		18,000
Gatwick		17,400
Rest of Kent		15,000
Rest of Hants		14,500
Isle of Wight		7,000
Rest of Region		20,500

(Source: Panel Report 2007: Table 6.2: recommended Job Targets and Monitoring Target)

Sub-regional Policy

RSS Sub-regional Strategy

2.23 The Southern half of Test Valley falls within the South Hampshire sub-region. A job target of 59,000 is proposed up to 2026 for this sub-region (see Table 2.1 above). The south western part of South Hampshire includes Southern Test Valley where provision has been made for additional employment floorspace. Work has also been undertaken to attribute this to individual local authorities within the sub-region. This is discussed in further detail below. The remainder of Test Valley falls within the rest of Hants where a job target of 14,500 is proposed up to 2016. Beyond this period it is noted that further work is required to inform employment growth targets. This is discussed in further detail in Section 5.

2.24 The South Hampshire sub-region is identified within the RSS as an area for growth. The plan proposes 3,910 dwellings in this part of Test Valley between 2006 and 2026. The remainder of the Borough is within the rest of Hampshire (Central Hants and New Forest) for which 5,000 dwellings are proposed over the same period. For Test Valley as a whole, 8,910 dwellings are proposed. The EIP Panel report endorses the figures for South Hampshire sub-region but recommends an uplift in figures for the rest of Hampshire of 9% which equates to a further 30 dwellings per annum for Test Valley Borough as a whole. The majority of future housing growth (600 dwellings) in the northern part of Test Valley is expected to take place at Andover.

Partnership for Urban South Hampshire (PUSH)

2.25 The Partnership for Urban South Hampshire (PUSH) is a voluntary partnership of local authorities in South Hampshire dedicated to sustainable, economic-led growth and improving prosperity and the quality of life for everyone who lives, works and spends their leisure time in South Hampshire. The partnership was started in 2003 when eleven local authorities decided to work more closely to tackle the economic challenges of South Hampshire. In 2004 it was officially placed under the banner PUSH.

2.26 PUSH is working towards the following targets over the period 2006 – 2026:

Economy:

- To raise economic performance (annual Gross Value Added, GVA) from around 2.7% in 2006 to 3.5% by 2026
- To raise the annual increase in productivity (GVA per employee) to 2.7% by 2026
- To create 59,000 new jobs, notably in business services, advanced manufacturing, logistics and distribution
- To create nearly two million square metres additional employment space by 2026.

Skills & Labour Market

- To increase the number of people achieving NVQ levels 2 to 4 or higher – forecasts are available
- To increase economic activity in the working age population – detailed targets being negotiated.

Housing

- To build an average of 4,000 new homes per year from 2006 to 2026, at least 30% of which should be affordable housing
- To secure decent standards of accommodation across all tenures, with all social housing in PUSH achieving the Decent Homes Standard by 2010.

2.27 Specific targets in relation to employment growth and employment land and floorspace are discussed in more detail in below.

Local Policy

Local Plan

2.28 The Test Valley Borough Local Plan was adopted by Test Valley Borough Council on 2nd June 2006. It contains proposals to guide development in the Borough to 2011 and beyond. It includes both general policies for the use and development of land and site specific proposals aimed at meeting the needs of the community whilst maintaining a high quality environment.

2.29 The main settlements in Test Valley are Andover in the north, and Chilworth, North Baddesley, Nursling & Rownhams, Romsey, and Valley Park in Southern Test Valley. The basic principle established within the plan is that development and redevelopment will be encouraged within settlements but will be strictly controlled in the countryside.

2.30 In relation to Andover and Romsey the Council aims to enhance the role of the centres through the retention of existing town centre uses, particularly shops, and by encouraging major retail developments and other key town centre uses (such as office or leisure developments) in them.

2.31 The Council's overall approach towards employment land is to retain existing employment land in general, and industrial estates in particular, and to encourage new employment development within settlements that can be implemented without harming residential amenity. The reuse of rural buildings (such as redundant farm buildings) for employment uses is also encouraged. This can help to strengthen the economy in rural areas and parts of the Borough which are heavily dependent on agriculture. Policy ESN 15 states the following:

ESN 15: Retention of Employment Land

"*On existing employment sites within settlements, development for an alternative use will not be permitted unless the activity is causing, or could cause, significant harm to the character of the area or the amenities of residents. On existing employment sites, allocated employment sites, or sites with planning permission for employment use, which have not yet been fully developed, development for an alternative use will not be permitted unless the land is no longer required to meet economic development needs.*"

2.32 In order to meet the employment needs of the increased population at Andover, additional employment land was identified at Andover Airfield Business Park and Walworth Business Park. In Southern Test Valley new employment opportunities were to be provided by policies to support research and development uses at University of Southampton Science Park, safeguard land at Adanac Park, Nursling for major corporate development, and by retaining storage and distribution uses at Nursling Estate. Specific policies are set out in the Local Plan to address these sites. In addition, the provision of local employment opportunities in rural areas is encouraged through polices on farm diversification, the reuse of existing rural buildings and the small-scale redevelopment of existing employment sites.

2.33 According to the Plan, employment uses within the Borough's towns, villages and countryside contribute towards the mix of uses within settlements, provides valuable opportunities for jobs close to where people live, and benefit the local economy. The loss of land currently in employment use to alternative uses can increase existing problems such as commuting and diminish the range and choice of employment opportunities, particularly manufacturing in rural areas, which may be difficult or impossible to replace.

2.34 To this end the Plan states "*the loss of existing employment uses will only be acceptable if its reuse would remove a source of environmental or amenity problems*".

2.35 The industrial estates within the Borough provide opportunities for a range of employment uses, including those that may not be acceptable within largely residential areas. They provide the main opportunities for uses such as manufacturing and in certain cases meet particular economic development needs. University of Southampton Science Park, for example, has a research and development focus and Nursling Estate meets a sub-regional need for storage and distribution uses. The replacement of these estates elsewhere within the Borough, if lost to other uses, would be extremely difficult without causing significant environmental damage. The Council's aim, therefore, is to maintain the role of these estates, by preventing their loss to other uses, including retail and, on sites where the type of employment use is more closely controlled, other employment uses.

2.36 Proposals for small-scale employment development within existing settlements can help to sustain the economy as well as provide more jobs that are easily accessible to local residents. The Plan adopts a flexible approach to the development of new employment sites or the expansion of existing employment uses in settlements, provided that any scheme can be implemented without harming the character or appearance of the surrounding area and will not adversely affect the amenities of nearby residents. In residential areas Class B1 uses will usually be more appropriate than other employment uses. Restrictions to working hours may also be appropriate if the development is likely to generate levels of noise, either from certain processes or from visiting vehicles, which could harm the amenities of nearby residents.

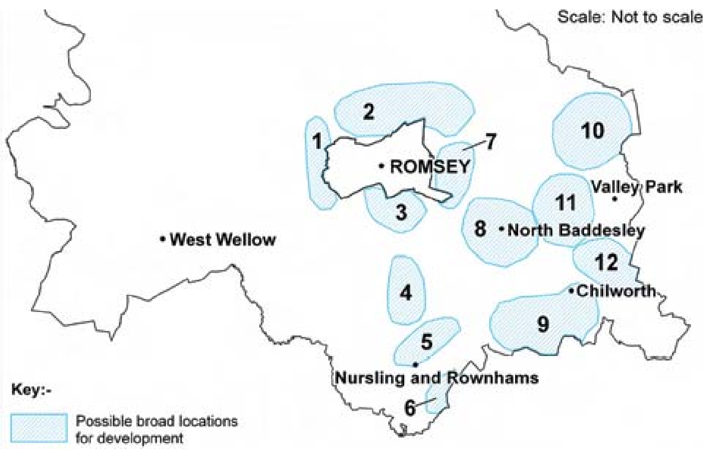
Emerging Local Development Framework (LDF)

2.37 The new planning system introduced by the Planning and Compulsory Purchase Act 2004 requires the Council to produce a Local Development Framework (LDF). It comprises a number of policy documents including the Development Plan Documents (DPD), the Supplementary Planning Documents (SPD), Local Development Scheme 2007 – 2010, Statement of Community Involvement and Key Supporting Documents.

2.38 Currently the Council has published for consultation the Preferred Options stage of the Core Strategy. The document sets out the Council's vision and strategy for the Borough to 2026 and includes its preferred locations for development to meet the requirements of the South East Plan. The Council invited comments on the document for a period which ended on 14th March 2008. These comments are currently being processed, and the second stage of public consultation is due in September 2008.

2.39 The two most sustainable settlements have again been identified as Andover and Romsey. Broad growth areas have been identified in the Preferred Option and are as below

2.40 Broad locations in Southern Test Valley:



(Source: Part B: The Core Strategy)

2.41 Locations in the Southern Test Valley (STV) include:

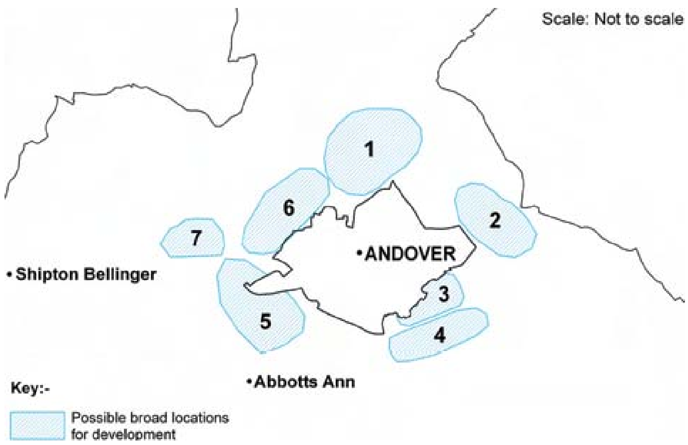
- Romsey – as the focus of facilities in STV it is considered that this offers the best location for additional retail and office facilities
- Valley Park – although smaller than Romsey – this area has been identified as a possible location for the development of retail and employment development as well as housing. The Broad locations were North West (10), West (11) and South West (12) of Valley Park
- Nursling and Rownhams (6) – lies south of the M27 motorway between Nursling and Southampton City; it is suggested that any additional development will occur to the north of the motorway
- North Baddesley – lying between Romsey and Valley Park means that there is only a narrow area for potential development. Therefore the broad area surrounding North Baddesley is identified (8).

2.42 The STV economy is currently successful and unemployment rates are very low. Southern Test Valley makes a significant qualitative contribution to the sub-regional economy. This includes a number of general employment sites around Romsey and specialist sites such as Nursling Estate for storage and distribution (Class B8), University of Southampton Science Park for research and development (Class B1b) and the safeguarded strategic site at Adanac, currently subject of a planning application.

2.43 Locations in the Northern Test Valley (NTV) include:

- Andover - around Andover, seven broad locations were considered – north of Andover, east of Andover, south of Andover, north of the A303(T), south of Andover, south of theA303(T), south west of Andover, north west of Andover and west of Andover.

Broad Locations in Northern Test Valley:



(Source: Part B: The Core Strategy)

2.44 According to the strategy, Andover has low unemployment (JSA claimants currently below 1%), a high level of self containment and a low level of net out commuting. Currently, Andover has 57 ha of employment land allocated in the Local Plan in the form of an extension at Walworth Business Park and Andover Airfield Business Park. The regeneration of

Walworth Business Park (and to a lesser degree Portway Estate) could bring back significant floorspace into use which is currently vacant.

2.45 Targets have been set in the South East Plan to improve GVA growth p.a. to 3.5% by 2026. The Partnership for Urban South Hampshire (PUSH) has agreed on the division of the regional floorspace requirement between the districts. For Southern Test Valley the proposed employment floorspace requirement is;

- Class B1 Offices 18,600 sq m
- Class B2 Manufacturing 7,500 sq m
- Class B8 Storage & Distribution 30,000 sq m.

2.46 New allocations for storage and distribution uses need to consider proximity to the M27. The Nursling Estate and the Nursling broad location are suitable for storage and distribution uses due to their locational characteristics. Development could be achieved by greater flexibility with regards to building heights at the Nursling estate and allocating the Nursling south broad location to accommodate a mix of employment uses.

"The Centre of Things" – A Long Term Economic Strategy for Test Valley, June 2007, (Experian)

2.47 The Long Term Economic Strategy for Test Valley recognises that whilst Test Valley's economy has performed well in recent years, broader measures of competitive economic performance are mixed. According to the strategy, this is largely due to the Borough's significant inequalities between Andover and its southern/rural parts.

2.48 In Andover, characteristics associated with a competitive economy were found to be lacking (these included highly-skilled people high-value jobs, quality employment sites, strong university links and a quality social and cultural infrastructure). However, a number of opportunities in Andover were also cited as follows:

- The Andover Vision project
- Steps to establish an innovative relationship with the private sector to regenerating Andover's major industrial estates
- Sparsholt College Hampshire and redevelopment of Andover College.

2.49 In southern Test Valley, the economy is reported to be adapting well to the challenges set out in the Regional Economic Strategy, building on its high-value business parks, strong road and rail links, its proximity to higher education institutes and its location at the gateway to Urban South Hampshire. In particular, opportunities include:

- The continued expansion of high-value, science based, R&D employment at the University of Southampton Science Park
- The attraction of high profile employers (Ordnance Survey) to Adanac Park

- High quality of Southern Test Valley's environment providing graduates, home-workers and highly skilled people in Urban South Hampshire with an attractive place to live, work and visit.

2.50 In terms of looking forward, according to the strategy Test Valley presents significant opportunities. Southern Test Valley is located at the gateway to western PUSH and will be a key part of the future of the South East Diamond for growth area. In addition, Andover is at the centre of things in Southern England, within 30 minutes easy drive of over 1 million people and 50,000 business sites accounting for over 600,000 jobs. However, getting the ingredients in place to improve Andover's economy will take time according to the strategy.

2.51 Actions set out in the strategy to address the issues above include the following:

- Marketing Test Valley
- Engaging with businesses
- Linking support with value
- Delivering the Andover Vision
- Improving industrial estates
- Attracting higher-education provision
- Improving schools
- Securing a skills/employability centre
- Branding skills/employability activity
- Working with PUSH
- Supporting the Science Park
- Capitalising on Southern Test Valley
- Marketing the countryside.

2.52 In relation to the action of improving industrial estates, this is focussed on Andover where a long term regeneration approach is proposed in relation to Walworth, the proposed Walworth extension, East and West Portway. This includes engagement with a private sector partner to help fund and implement the strategy, and gaining support from SEEDA. It is also suggested that the regeneration of Andover's industrial estates is equally important to the future of the town, as the revitalisation of the town itself is key to the future success of the industrial estates. Of particular importance, according to the strategy, is the following:

- A range and choice of sites made available, with as much flexibility in planning use allocation as possible
- Any additional capacity concentrated in B1 and B8 to reflect the decline of traditional manufacturing and the anticipated growth in sectors such as business services, R&D/light industry, transport, storage and communications
- Inward investment secured (on the Andover estates or other such as the Airfield) from a high profile business known in valuing accessibility in deciding where to locate, to send a signal to the market that Andover is "the centre of things!"

– The estates are landscaped more attractively, rebranded and linked by cycle paths and walkways to the town centre where retail should remain concentrated.

3. Supply Assessment

3.1 This section provides an assessment of the quantity and quality of the supply of employment land and premises in Test Valley. It consists of the following:

- An explanation of the approach used
- A review of the current stock of employment premises (drawn from Valuation Office Agency (VOA data)
- A summary of the qualitative assessment of employment sites within the Borough
- A review of employment sites near the boundary of Test Valley in neighbouring local authority areas
- An assessment of the quantity of supply of employment land and floorspace

3.2 The purpose of this stage of the work is to provide a clear understanding of the quantity, distribution and quality of the borough's employment sites and premises. In the light of our demand assessment in Section 4 and 5, we will be able to understand fully the extent to which the existing portfolio meets (or falls short of) future requirements and ascertain the implications for the current portfolio in policy terms.

Approach

3.3 The supply assessment has focused on the development of a database consisting of three main elements:

- Comprehensive data on all B class business premises in Test Valley sourced from the VOA
- Qualitative appraisals of employment sites using both primary (site visits) and secondary information (e.g. commercial property data and information held by the local authority)
- Available floorspace – details of all commercial property currently being marketed across the district (we have used a combination of Estates Gazette, Focus and Invest in Southampton data).

3.4 The database has been created in Excel spreadsheet format and the key findings from the analysis of the database are set out throughout this section. The full database, provided to the council in digital format and as a technical annex with this report, can be used as a tool for monitoring and updating employment land and premises information in the future.

3.5 Further detail on the approach to the supply assessment is provided at relevant parts throughout this section.

Current Premises in Use

3.6 The Valuation Office supplies data on the floorspace area of each commercial property within Test Valley. For the purposes of this study we have obtained this data down to postcode level to allow us to map and analyse it for the Borough as a whole, and for each ward and employment site. A description is given of each property type as part of the dataset and this description has been used to judge which particular use class category the property falls into e.g. offices are classed as B1a and workshops as B1c.

3.7 Table 3.1 below summarises this data and provides an initial indication of the numbers and sizes of business premises across the Borough as a whole in terms of use class. It is clear from this that there are a similar number of office (B1a and B1b) and warehouse (B8) premises in Test Valley (27-28% each), with light industrial uses (B1c) occupying the most premises of all use classes (38%)and general industrial uses (B2) the least (with 7%).

3.8 Warehousing uses occupy the most floorspace (49%), followed by general industrial (21%), light industrial (18%) and then office (12%). This dominance by warehousing and general industrial uses is expected given Nursling Estate's size (71 ha) and the predominance of B8 uses on Walworth and Portway estates, as well as the typical requirements of these uses for larger sized premises. Overall, average calculations of the VOA data indicate that general industrial uses have the largest average sized premises in the borough, followed by warehousing, notably on Walworth Business Park. Although this is in line with the above observations, these average figures should be used with a degree of caution given the limited number of general industrial premises in the borough.

Table 3.1: Number and Total Floorspace of Premises by Use Class (Borough wide)

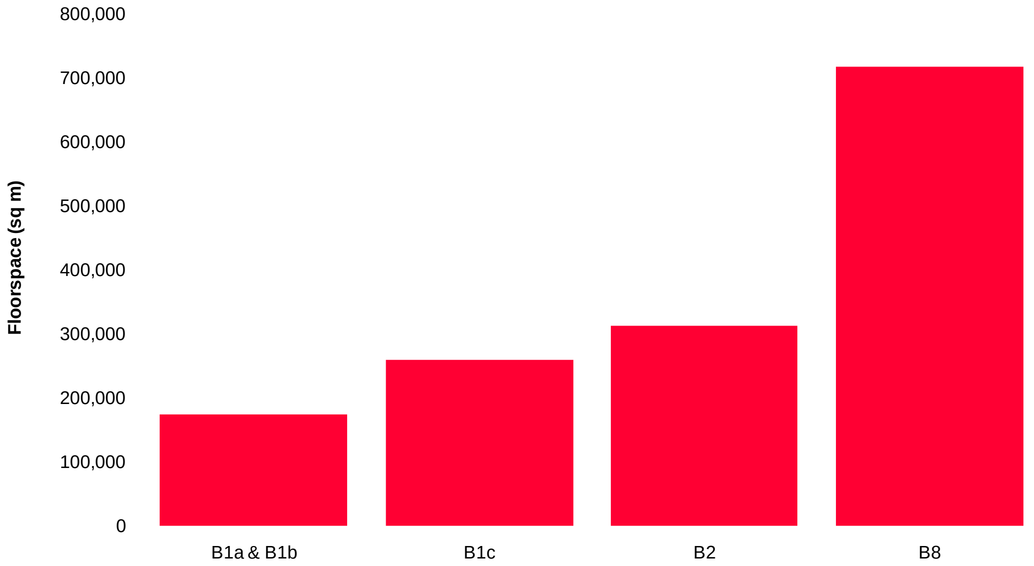
Use Class	No. of Premises	Total Floorspace (sq m)	Average Size of Premises (sq m)
B1a & B1b	691	173,257	251
B1c	914	258,425	283
B2	165	311,621	1,889
B8[1]	635	716,684	1,129
Total	2,405	1,459,986	607

Source: Valuation Office

3.9 The total floorspace in each use class is shown graphically in Figure 3.1 below, and highlights that Test Valley is dominated by warehousing and distribution uses, with relatively little office and light industrial space in comparison. The figure for B8 uses does include land that is being used as storage, but even without this included B8 uses still clearly dominate the total stock of floorspace. Again this reflects the importance of Nursling Estate and predominance of warehousing on Walworth and Portway.

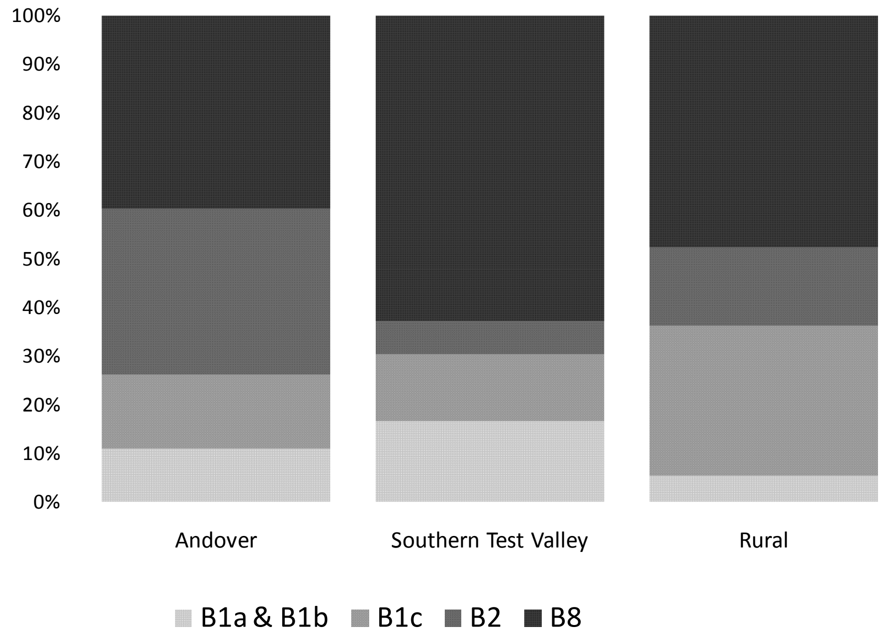
[1] This figure includes land used for storage

Figure 3.1: Total Floorspace by Use Class (Borough wide)



3.10 Figure 3.2 below illustrates the floorspace and use class in terms of location and reveals that Southern Test Valley is dominated by warehousing premises (e.g. Nursling Estate). This makes up 63% of the area's floorspace, with comparatively little general industrial floorspace (i.e. totalling 7%). In contrast, the Andover and Rural Test Valley areas have greater proportions of general industrial floorspace (34% and 16% respectively) and less warehousing space (40% and 48% respectively). Office and light industrial floorspace form a fairly low and consistent proportion of the total space in each of the areas, with Rural Test Valley (at 36%) having a slightly higher proportion of light industrial space than elsewhere, albeit rural Test Valley has a significantly smaller stock of commercial floorspace overall.

Figure 3.2: Total Floorspace by Use Class



Source: VOA, 2008

3.11 Table 3.2 below sets out the number of premises in different size bands by use class for the Borough as a whole. This indicates that 54% of office premises are less than 100 sq m, and 92% less than 500 sq m. Light industrial uses show a similar pattern with 87% of premises less than 500 sq m. General industrial shows a reverse trend to this (as expected), with 53% of premises being larger than 1,000 sq m, reflecting the presence of a few large industrial units at Andover. Warehousing uses show the greatest mix of premise sizes, with 79% of premises having less than 499 sq m of space, and 13% over 1,000 sq m.

Table 3.2: Number of Premises by on Use Class and Size Band (sq m)

	B1a & B1b	B1c	B2	B8	Total
0-49	187	192	1	63	443
50-99	192	204	8	91	495
100-499	264	399	56	263	982
500-999	34	68	14	80	196
1,000+	24	56	88	148	316
Total	701	919	167	645	2432

3.12 The following series of maps show the spatial distribution of employment floorspace by use class across the borough. The VOA data has been aggregated by ward and categorised by total floorspace. The number of premises in each ward has also been included on the maps.

3.13 Figure 3.3 shows a concentration of office floorspace in the Andover and Southern Test Valley areas – particularly within the town centres of Andover and Romsey, the area to the North East of Andover and 'Chilworth, Nursling and Rownhams' ward in the south east of the borough. Only small amounts of floorspace are seen across Rural Test Valley, with a slightly higher concentration in ‘Broughton & Stockbridge’ ward, most of which is concentrated in a small number of locations, for example Homestead Farm.

3.14 The highest concentrations of light industrial floorspace shown in Figure 3.4 are within the areas immediately surrounding Andover and Romsey town centres, and the area to the West Of Andover. The rest of the borough has a more diverse mix of light industrial floorspace levels, with wards in mid Test Valley showing strong levels of B1c activity, particularly ‘Kings Somborne and Michelmersh’ and ‘Broughton and Stockbridge’. The activity in ‘Kings Somborne and Michelmersh’ is concentrated in the industrial estate of Yokesford Hill and Wynford, while floorspace in ‘Broughton and Stockbridge’ is predominantly found in London Hill Farm and Bunas Park.

3.15 Figure 3.5 shows a polarisation of B2 floorspace, with high concentrations in the Andover area, along with ‘Broughton and Stockbridge’ ward in rural Test Valley. The south of the borough generally has lower levels of B2 activity, with most in or around Romsey. It should be noted that the floorspace figure for ‘Broughton and Stockbridge’ is dominated by three premises; a breaker’s yard and two general industrial premises.

3.16 Finally, Figure 3.6 indicates that warehousing floorspace is concentrated at Andover and ‘Chilworth, Nursling and Rownhams’ ward in the far south east of the borough. The ward of ‘Kings Somborne and Michelmersh’ in Rural Test Valley also has a relatively high concentration, although a large proportion of this is a farm site used for storage (of 28,000 sq m).

Figure 3.3: B1a & B1b Floorspace (sq m) and Number of Premises by Ward

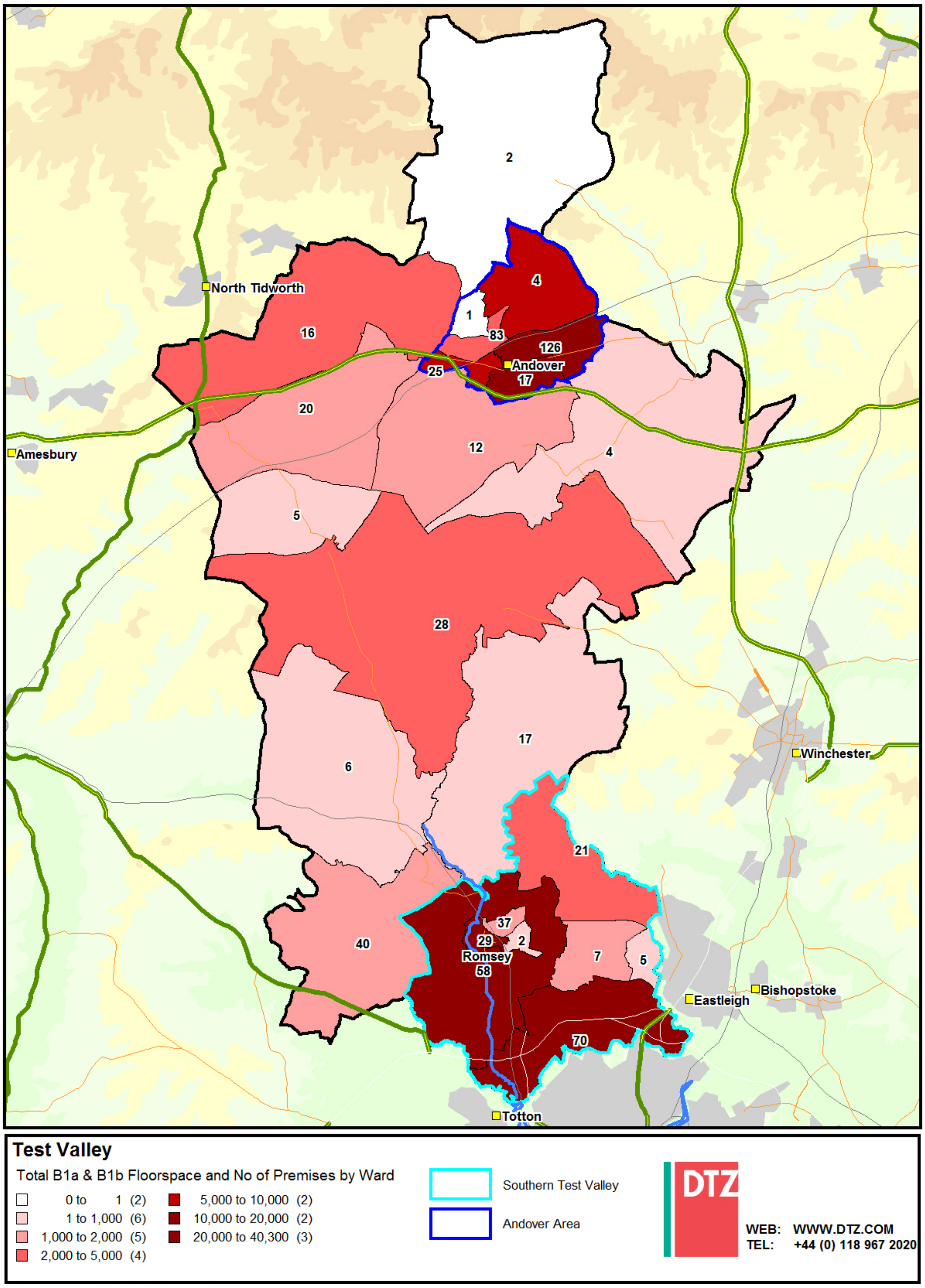
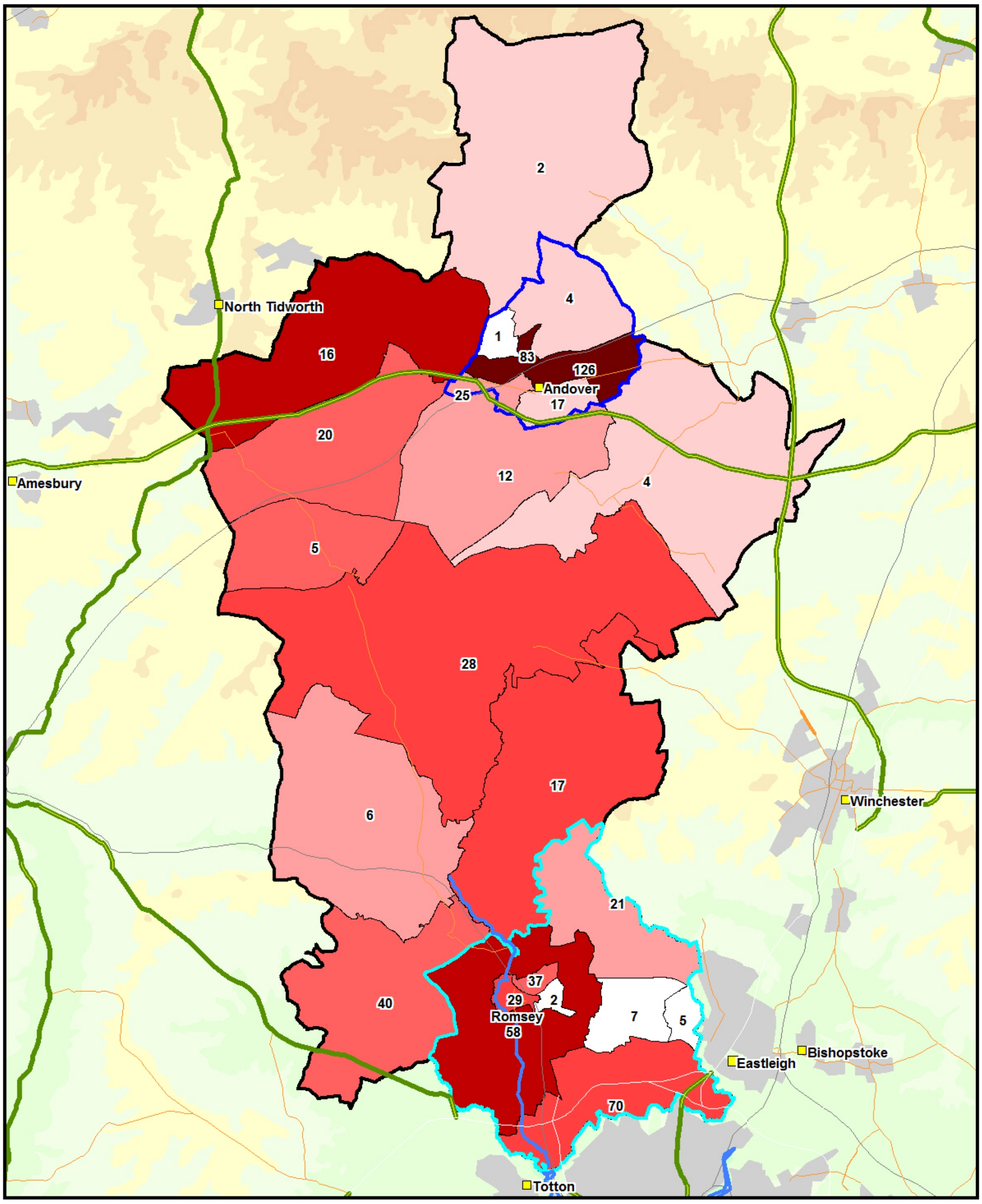


Figure 3.4: B1c Floorspace (sq m) and Number of Premises by Ward



Test Valley

Total B1c Floorspace (sq m) and No of Premises by Ward

- 100 to 2,200 (4)
- 2,200 to 3,600 (4)
- 3,600 to 7,400 (4)
- 7,400 to 12,600 (4)
- 12,600 to 17,500 (4)
- 17,500 to 30,000 (2)
- 30,000 to 51,000 (2)

Southern Test Valley

Andover Area

WEB: WWW.DTZ.COM
TEL: +44 (0) 118 967 2020

Figure 3.5: B2 Floorspace (sq m) and Number of Premises by Ward

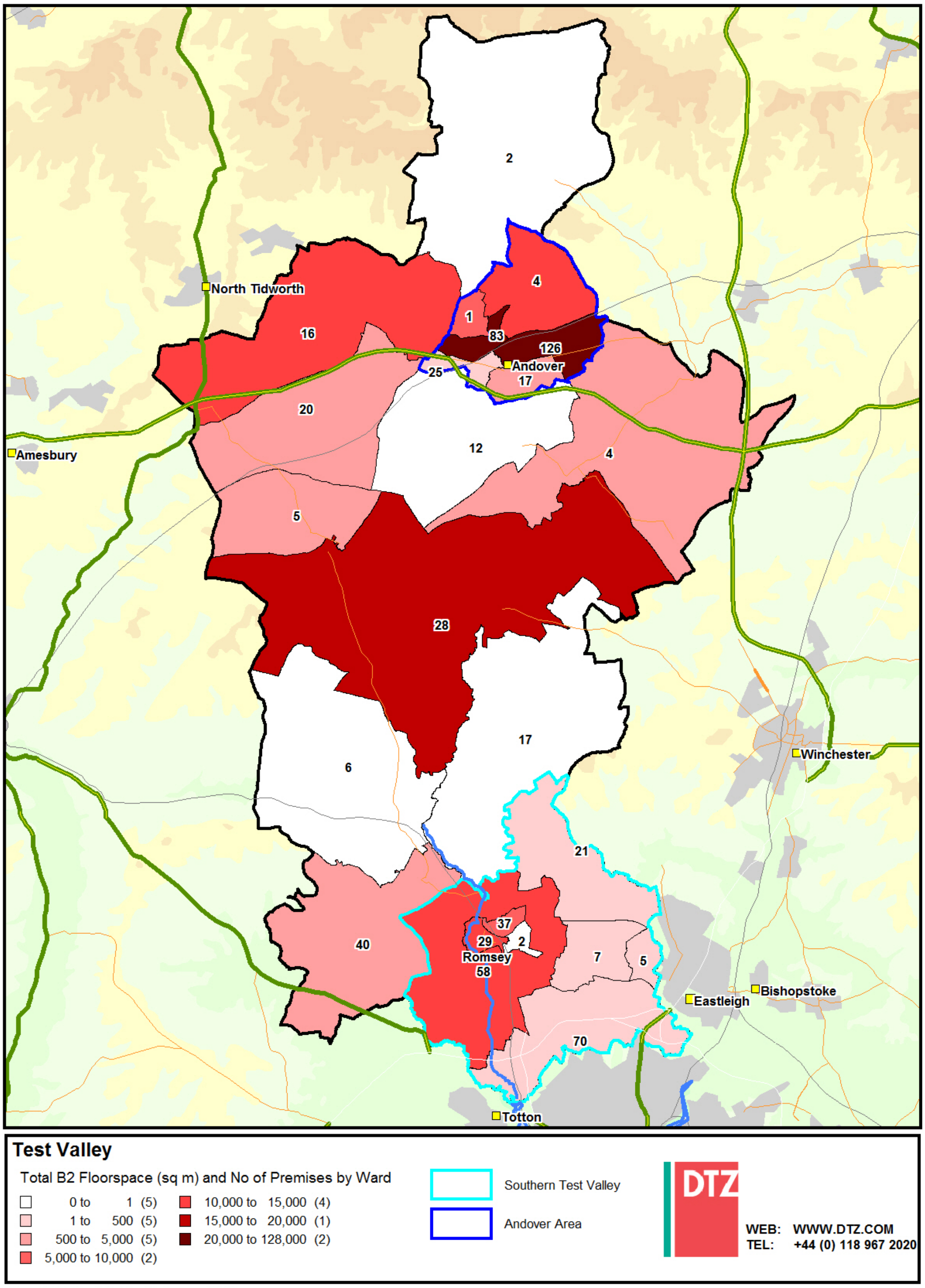
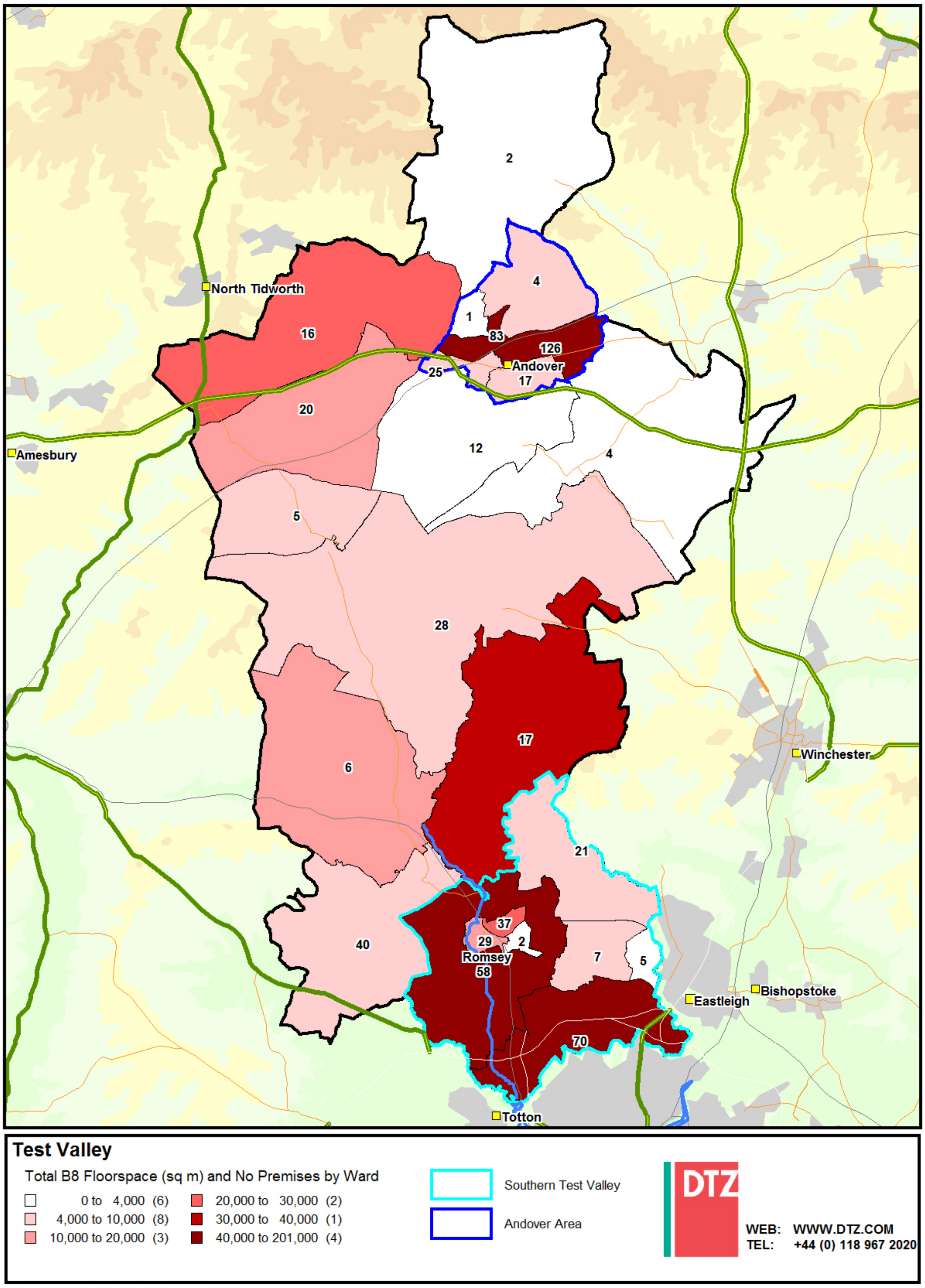


Figure 3.6: B8 Floorspace (sq m) and Number of Premises by Ward



Qualitative Site Appraisals

3.17 Having considered the scale and distribution of the existing floorspace in Test Valley it is also important to consider the quality of employment sites. The Council has provided us with a list of sites to be reviewed for the purposes of the qualitative site appraisals. This list comprises existing safeguarded employment sites including those that are currently unoccupied but allocated for employment uses. The purpose of the site appraisals is to enable an assessment of the fitness for purpose of sites in terms of meeting current and future requirements for employment land and floorspace.

3.18 An appraisal of each site has been carried out on the basis of criteria listed in Annex E of the ODPM Employment Land Reviews Guidance Note.

3.19 The appraisal includes an assessment of the following:

- Existing Portfolio and Internal Environment
- Wide Environment
- Accessibility
- Market Issues
- Contribution to Policy (economic and social)
- Development Constraints (for sites with development potential).

3.20 Within each of these broad categories a sub-set of more detailed criteria are considered. The appraisal culminates in an assessment of sites using a simple scoring system for each of the main criteria, as follows:

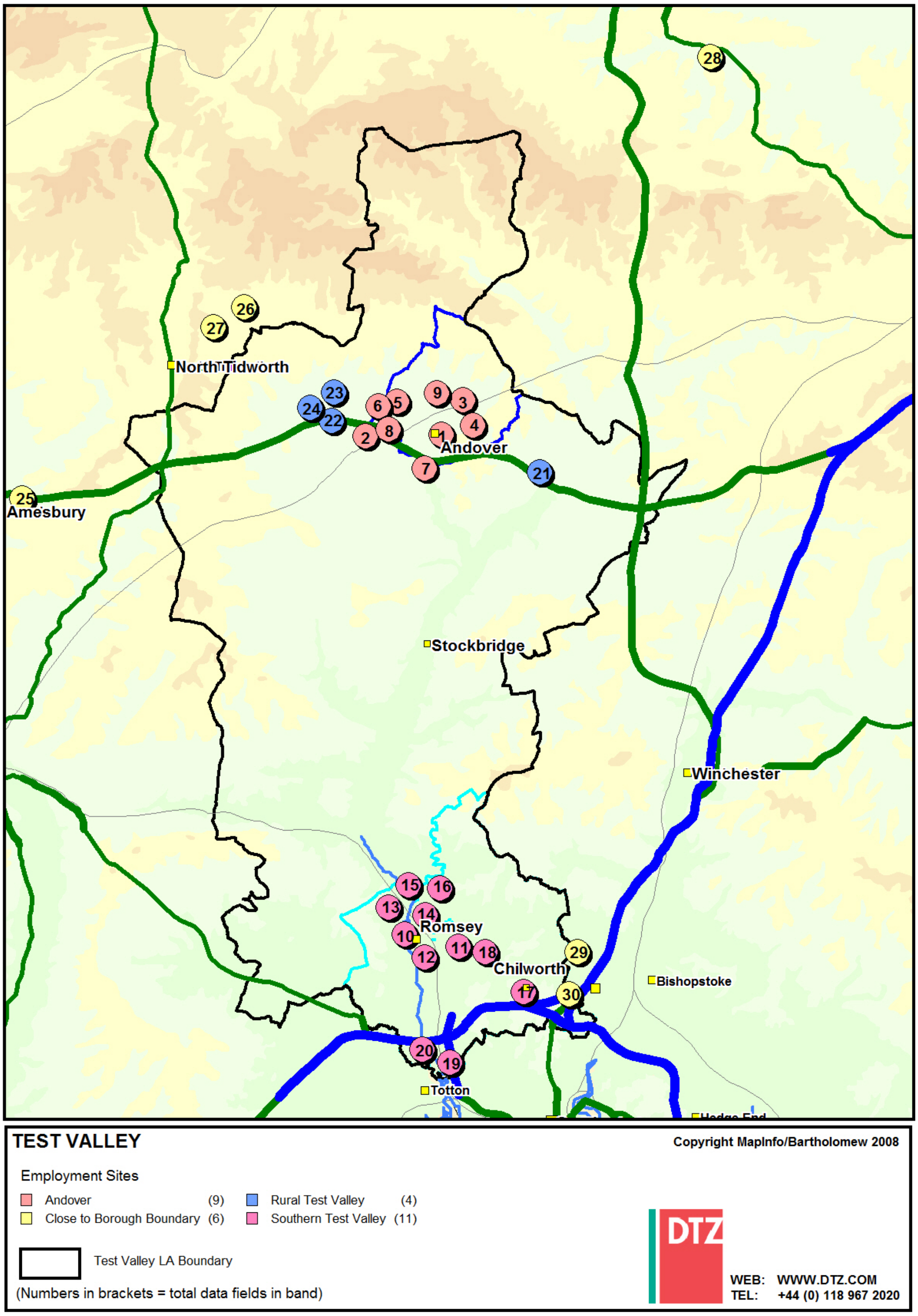
- 1 = Poor
- 2 = Average
- 3 = Good

3.21 None of the criteria have been given any weighting. Where sites are judged to fall between scoring categories e.g. poor to average, or average to good they have been given a score of 1.5 or 2.5 to reflect their relative quality compared to other sites. In all cases the minimum score is 1 and maximum 3. Each site has been assessed following a combination of site visits, desk based research and discussions with local commercial agents and information from economic development and planning officers. Appendix 1 illustrates the criteria and the sources of information used to inform the appraisals. We have provided a summary of the site appraisals below for each of the sites followed by a table which summarises the average scores for each of the main criteria. Detailed site specific information is provided in an Excel database together with Appendix 3.

3.22 It should be noted that the overall score of each of the sites does not represent any intention or presumption in terms of policy making as to the sites continued use for employment purposes. These issues are discussed in section 6 of this report following a comparison of demand and supply requirements.

3.23 Figure 3.7 illustrates the location of each of the sites that has been appraised. We have also provided an overview of a number of sites in neighbouring boroughs. The location of these is shown on the map and commentary is provided following the qualitative site appraisals.

Figure 3.7 Employment sites that have been appraised



Andover Area

3.24 The following sites have been appraised within the Andover area:

1 Town Centre, Andover
2 Andover Business Park, Andover
3 Walworth Business Park, Andover
4 Walworth Business Park Extension, Andover
5 East Portway Estate, Andover
6 West Portway Estate, Andover
7 Anton Mill Trading Estate, Andover
8 Glenmore Business Park, Colebrook Way, Andover
9 Meridian Park, Greenwich Way, Andover

3.25 We have provided a summary description of each of these sites below.

1 Town Centre, Andover (overall score = 2.3)

3.26 Andover town centre is predominantly a retail centre with limited office provision. Aside from two major occupiers of Lloyds TSB and Simplyhealth, provision of office space is limited and there are few examples of purpose built office premises. In terms of vacant space, there is considerable vacant office space in the upper floors of the Chantry Centre. The ring road serves the centre and although traffic congestion can be problematic at times it is not considered a significant issue. Andover train station is located outside of the core town centre area, but the centre is served by a strategic bus network which provides access to other centres in the sub-region. In general, Andover has excellent access to A303(TR) and M3 (London-West Country) as well as to A34 (M40) linking Southampton – Midlands.

3.27 There has been a distinct lack of recent office market activity in Andover and no speculative development for at least ten years. A number of units are currently on the market and these are largely second hand premises. Andover is highlighted as a key area for future housing growth in the Central Hampshire sub-region and provision of further employment opportunities is seen as key to maintaining a sustainable environment in which to live and work.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
N/A	31,404	4,889 (16%)	Town centre	Town centre	N/A

2 Andover Airfield Business Park (overall score = 2.6)

3.28 Andover Airfield Business Park is a former airfield situated west of Andover Town Centre adjacent to Monxton Road/Hundred Acre Corner Interchange of the A303(T). It therefore has excellent access to the Strategic Road Network. It is 45 ha in size and allocated in the Local Plan for B1, B2 and B8 uses but currently undeveloped. The site is intended as a priority project for the first four years of the Andover Vision and is identified as one of the Borough's main employment areas within the emerging LDF. The site is subject to an outline planning permission for 21.8 ha B1 – B8 uses. A detailed planning application submitted by Goodman is currently under consideration with a view to securing a major distribution operator on the site. Whilst being well located in terms of the strategic road network, some concerns have been raised as regards to the scale of the proposal and the impact on traffic and surrounding environment.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
45 ha	N/A	N/A	Distribution/ General Business Area	Allocation for B1, B2, B8	45 ha

3 Walworth Business Park (overall score = 2.2)

3.29 Walworth Business Park is an extensive site of 83.8 ha, located to the eastern side of Andover off the A3057 and has excellent access to the SRN. It is home to some of Test Valley's major occupiers including Twinnings, DHL, Office Depot (although soon to be relocating their storage operation) and Le Creuset. The majority of premises on the site were originally occupied in the 1960s/70s and although some have undergone recent refurbishments to upgrade the space there remain a large number that are vacant and of poorer quality and unattractive to new occupiers. The site is reasonably high density, though there are a number of small development plots (including some with outstanding planning permissions). Although the land is owned freehold by the Council, it does not own any of the buildings except the Walworth Enterprise Centre, but maintains an income from the site through ground rents. Premises on the estate are of variable quality with many of the poorer quality units suffering from vacancies. The amount of vacant floorspace on the site is in the region of 37,460 sq m although we understand the Office Depot premises have recently been put on the market which significantly increases this total.

3.30 The site is well connected to the road network and internal circulation, parking and servicing are adequate. Although there is some general market interest in the Andover area from the type of activities on the site, including from companies wishing to expand, investment on the estate has been limited and vacancies tend to be long term. The refurbishment of existing premises and building out development plots is constrained by ground rents according to local agents; this is discussed in further detail in Section 4. A lack of freehold opportunities and restrictive leasing arrangements has also been cited as a deterred to investors and occupiers.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
83.79	260,439	59,729 (23%)	General Business/Industrial	Safeguarded for retention in employment uses	Limited number of small development plots

4 Walworth Business Park Extension (overall score = 2.3)

3.31 The Walworth Business Park extension is an allocated site in the Local Plan of c11 ha for B1b, B2 and B8 uses. It is situated between the Walworth Business Park and Picket Piece residential area. Part of the site is currently used as a sports ground (south of Walworth Road) and development would be dependent on the successful relocation of this facility. The site is a regular shape with flat topography and of a size suitable to accommodate a range of commercial development opportunities. Part of the site is subject to some flood risk and any development would have to be sensitive to the nearby residential area.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
11.14 ha	N/A	N/A	General Industrial/business area	Allocated for employment uses	11.14 ha

5 East Portway Estate (overall score = 2.4)

3.32 East Portway is situated off the Churchill Way roundabout on the eastern side of Andover. It is 26 ha in size and accommodates a wide range of small and large occupiers. This variety of occupiers is illustrated by the presence of Stannah Stairlifts in a major manufacturing unit, together with the relatively recently developed Basepoint Centre for small and start-up firms which provides office and small workshop units. The site is safeguarded in the Local Plan for employment uses. The quality of premises on the site varies with some having undergone little change or update since they were built in the 1970s. The contrast between these and newer units such as the Basepoint Centre is clear. Aside from variable quality of units, the site has a reasonably good quality internal environment with good circulation. Its location means it has excellent access to the strategic road network and is generally well used, with only a small number of vacant units on the site. As with Walworth, Portway is owned by the Council.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
26.2 ha	89,362	2,743 (3%)	General Industrial/business area	Safeguarded for retention in employment uses	Vacant expansion land of 0.33 ha

6 West Portway Estate (overall score = 2.6)

3.33 West Portway is an extensive estate of 49.7 ha on the western side of Andover making up the western part of the Portway Estate. The site is safeguarded in the Local Plan for employment uses and currently accommodates a range of light industrial, general industrial and distribution uses with the latter being the most prominent use. It has excellent access to the SRN Occupiers include Britax, Howard Tenens (distribution), car repair centres, plumbing showroom and joiners indicating a number of trade counter uses on the site. The site is generally low density, single storey premises although some of the more modern premises have both larger footprints and heights reflecting the trend for increased eve heights. Again, the quality of premises is variable with those that have undergone refurbishments (eg Howard Tenens) being noticeably of better quality. The site is home to some of the more noisy/heavier activities in Andover, but is functional and has reasonable parking, servicing and circulation access. Despite some vacancies, market activity on the site is fairly steady with premises undergoing refurbishments from time to time.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
49.7 ha	140,166	17,786 (13%)	General Industrial/Business area	Safeguarded for retention in employment uses	1.1 ha available for development/ expansion

7 Anton Mill Trading Estate (overall score = 2.2)

3.34 Anton Mill Trading Estate is a small site situated immediately to the south of Andover town centre. It is 2.9 ha in size and accommodates predominantly distribution uses. Half of the units are occupied by Stannah Stairlifts, who are understood to own the estate and redeveloped it several years ago. Premises vary in quality from reasonably modern two storey sheds to poor quality units which have lacked any investment. The site is reasonably well maintained with adequate servicing and parking and good access from the local road network. It benefits from proximity to the town centre (c10min walk) in terms of amenity together with Asda in close proximity, but this does mean that traffic can be congested. The site received planning permission for residential development but Stannah bought it.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
2.9 ha	19,591	1,180 (6%)	General Industrial/Business area	Safeguarded for retention in employment uses	N/A

8 Glenmore Business Park (overall score = 2.4)

3.35 Glenmore Business Park is an industrial estate to the west of Andover town centre on Weyhill Road. It was extended about four years ago. It consists predominantly of two storey (or equivalent) terrace industrial units which are brick built and metal clad with front loading bays. It is a reasonably high density site that is well used, with limited vacancies. It is currently safeguarded in the local plan for employment uses. The site has good parking and internal circulation, though access is narrow and via a residential area, which restricts HGVs and neighbouring residential areas make it unsuitable for 24 hour use. There is a good level of demand for premises of this nature, particularly given they are freehold.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
3.38 ha	10,761	697 (6%)	General Industrial/Business area	Safeguarded for retention in employment uses	N/A

9 Meridian Park (overall score = 2.6)

3.36 Meridian Park is located to the North of Andover town centre off Newbury Road. Occupiers include Office Depot, Optaglio and Testway Housing. The site accommodates a wide range of activities from reasonably modern office buildings to low quality light industrial and distribution uses with some of these premises being in a poor state of repair. These poorer quality units are located towards the railway which abuts the site and, despite their quality, appear to be well used. Although vacancy levels appear high for the site, this is a result of one or two larger units being on the market rather than large numbers of units in general. The site has good access to the local road network and amenities within close proximity, but traffic is at times congested.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
6.46 ha	29,573	4,966 (17%)	General Industrial/Business area	Safeguarded for retention in employment uses	N/A

Table 3.3: Summary Scores for Sites Appraised in Andover

Site No	Existing Portfolio and Internal Environ-ment	Wider Environ-ment	Accessi-bility	Market Issues	Policy Contri-bution	Develop-ment Potential	Average Score
1	2	3	3	1	2.5		2.3
2	N/A	2	2.5	3	2.5	3	2.6
3	2	2	3	1.5	2.5		2.2
4	N/A	2	3	2	2.5	2	2.3
5	2.5	2	3	2	2.5	2.5	2.4
6	2	2	2.5	2	2.5	2.5	2.3
7	2.0	2.5	2	2	2.5		2.2
8	2.5	2	2	3	2.5		2.4
9	2	2.5	3	3	2.5		2.6

Southern Test Valley

3.37 The following sites have been appraised in the Southern Test Valley area:

10 Town Centre, Romsey
11 Abbey Park Industrial Estate, Romsey
12 Romsey Industrial Estate, Romsey
13 Budds Lane Industrial Estate, Romsey
14 Belbins Business Park, Romsey
15 Wynford Industrial Park, Romsey
16 Yokesford Hill Estate, Romsey
17 University of Southampton Science Park, Chilworth
18 Test Valley Business Park, North Baddesley
19 Adanac Park, Nursling
20 Nursling Estate, Nursling

10 Romsey Town Centre (overall score = 2.8)

3.38 Located in Southern Test Valley, Romsey is a busy, historic market town with predominantly retail uses and small office units concentrated above these. Circulation around the town centre is reasonable, but some narrow streets deem it unsuitable for large volumes of commercial traffic. The office market in this part of the Borough is more buoyant than in Andover and is reflective of its service centre role. However, Romsey town centre is limited in its ability to meet demand as a result of predominantly small units, which are unsuitable for accommodating expanding businesses. The town has good access to the M27 and M3 and is served by a train station with connections to London and a bus network with connections to major nearby centres.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
N/A	10,416	1,661 (16%)	Town centre	Town Centre	N/A

11 Abbey Park Industrial Estate (overall score = 2.4)

3.39 Abbey Park Industrial Estate is a reasonably large estate at 11.6 ha located south east of Romsey, midway between the town and North Baddesley on the A27. It accommodates a range of activities including distribution, light industrial and office uses. It is safeguarded in the Local Plan for employment uses. The site is fairly self-contained and, aside from the residential area situated to the north-west, it is surrounded by countryside and suitable for 24 hour use. The internal portfolio and environment are well maintained but parking and circulation are fairly congested. The site is accessible from the A27 and buses to Eastleigh and Southampton pass in close proximity to the site. Despite some vacancies, units on the site are reported to be in good demand.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
11.59	47,040	12,493 (27%)	General Industrial/Business area	Safeguarded for retention in employment uses	N/A

12 Romsey Industrial Estate (overall score = 2.0)

3.40 Romsey Industrial Estate is 8.4 ha in size and located on the north east side of the town centre. The railway line which serves Romsey abuts the site to the south and to the north the site is adjacent to residential neighbourhoods. Occupiers of the site are on the whole local businesses, predominantly production and distribution activities. In general, units are fairly dated, but nonetheless functional. The site is poorly maintained, with limited investment in recent years, and there is limited amenity for the occupiers nearby. The site has reasonable access from the local road network, though the entrance to the site from the south is restricted by the railway bridge which is a deterrent for many occupiers. There are a number of vacancies on the site and it suffers from competition from better quality sites in nearby areas.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
8.39	42,072	2,941 (7%)	General Industrial/business area	Safeguarded for retention in employment uses	N/A

13 Budds Lane Industrial Estate (overall score = 2.1)

3.41 Budds Lane is located off the A3057 on the north-west side of the town centre, opposite Romsey Industrial Estate. In addition to the railway bridge on the A3057, there is a second railway bridge which further inhibits development. It comprises 8.3 ha of general industrial/distribution activities. Although the site is functional and stock varied, it is generally of poor quality, dated and poorly maintained. The site is surrounded to the west by countryside and is adjacent to a residential neighbourhood to the south. It is served by the A3057 but, as with the Romsey Estate, a railway bridge restricts entrance to the site which is a major issue for potential occupiers. There are some vacant units, but on the whole users are well established. Part of the site has recently been approved for a waste transfer station.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
8.26 ha	32,120	3,462 (11%)	General Industrial/business area	Safeguarded for retention in employment uses	N/A

14 Belbins Business Park (overall score = 2.3)

3.42 Belbins Business Park is 4.9 ha in size and located to the north of Romsey, off the A3057. It is a fairly high density site with a mix of light industrial and small scale distribution units and a large area of hardstanding/open storage. It was developed in the last ten years and offers freehold opportunities which are very attractive to small independent businesses. The majority of units are of good quality with a number having been recently developed and sold off plan. Internal circulation and parking is reasonable and the site has potential for 24 hour use. Although the site has good connections to the local road network, it is not close to any motorway (strategic) links and is not served by public transport. There is a reasonable level of demand for units of this nature and premises are well occupied.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
4.94	8,667	N/A	General Industrial/business area	Safeguarded for retention in employment uses	Potential small plot to North East of site

15 Wynford Industrial Park (overall score = 1.9)

3.43 The Wynford Industrial Park adjoins Belbins on the northern side of Romsey. It is a general business park of 2 ha. It is surrounded by countryside apart from the Yokesford Hill Estate situated to the north. The site has been extensively developed and accommodates a mix of uses including garage, timber yard and scrap yard together with more modern small scale distribution/light industrial units. The site is heavily congested with poor circulation and noisy activities. Nonetheless, it is functional and well occupied. There is an on-site café, but no other local amenity and access is limited to the local road network.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
2.06	3469	304 (9%)	General Industrial/business area	Safeguarded for retention in employment uses	N/A

16 Yokesford Hill Estate (overall score = 1.9)

3.44 The Yokesford Hill Estate is the third of the three estates which adjoin each other on the northern side of Romsey, situated immediately adjacent to the Wynford Industrial Park and is undergoing development for an extension to the existing recycling facility. As with the Wynford Estate, access is limited to the local road network and local amenity is lacking. Existing premises on the site are aged but still in a reasonable state of repair.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
2.46 ha	7,916	N/A	General Industrial/business area	Safeguarded for retention in employment uses	N/A

17 University of Southampton Science Park (overall score = 3)

3.45 The University of Southampton Science Park is a relatively modern (from 1980s) science park located south of Chilworth Old Village. It accommodates research and development facilities and is safeguarded in the Local Plan for R&D uses with ancillary proto type industrial production. The site is very high quality with modern units ranging from brick built to glass and metal structures. The site has excellent car parking facilities and good internal circulation. There is also a gym and health centre on the site providing immediate amenity for workers. The site is easily accessible from the strategic road network and has a bus service. The last remaining vacant plot on the site (Kennells Farm, 6.5 ha) is now under construction and there is good demand within this market segment from sub-regional/regional occupiers. The Science Park is also home to the Southampton Enterprise Hub designated by SEEDA to offer business support to grant businesses across adjacent districts.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
18.64 ha	29,562	428 (1%)	R&D/Science Park	STV01.1 B1 uses permitted comprising scientific research and development including ancillary industrial production	N/A

18 Test Valley Business Park (overall score = 2.5)

3.46 Test Valley Business Park is located at North Baddersley and is 8.2 ha in size. The site is safeguarded in the local plan for employment uses and the majority of it has been cleared for redevelopment for B1-B8 uses, which will eventually be occupied by the owner of the site, Draper Tools based in nearby Chandlers Ford. It is directly accessible from the A27 and extends northwards from the village of North Baddesley into surrounding countryside. Detailed permission has recently been granted for the remainder of the site for c30,000 sq m of B8 space.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
8.2 ha	N/A	N/A	General Industrial/business area	Safeguarded for retention in employment uses	Development plot cleared for construction to begin

19 Adanac Park (overall score = 2.5)

3.47 Adanac Park is a vacant site of some 33 ha, which is safeguarded in the Local Plan for high quality office/research/manufacturing development for a single large user or a small number of large users. According to the Local Plan development permission would be subject to demonstrating there are no other allocations or permissions in South Hampshire which could meet the requirements of that operation and should not exceed 2,500 sq m of gross floorspace per ha. The allocation remains outstanding at present but the Ordnance Survey is due to relocate its headquarters to part of the site. It is situated opposite the Nursling Industrial Estate off the M271. Planning Permission is soon to be granted in full for the Ordnance Survey and in outline for the rest of the site.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
33.51	N/A	N/A	Distribution	Safeguarded for high quality office/research /manufacturing development for a single large user or a small number of large users	33.51 ha

20 Nursling Estate (overall score = 2.5)

3.48 The Nursling Estate is an extensive estate of 71.3 ha located opposite Adanac Park, adjacent to the M271/M27. Originally designated for part related uses, it now fulfils a general storage/distribution function in south west Hants. It accommodates a number of large distribution companies including TNT, Parcelnet, Tesco distribution centre and BT engineering. The site is restricted to storage and distribution uses in the Local Plan and is of varied quality in terms of premises with examples of more modern units occupied by GreatStar. Traffic is heavy accessing the site and in the surrounding area, but internal circulation is reasonable and parking adequate. The site has excellent access to the motorway network, but lacks public transport accessibility. There are a number of units currently on the market, but demand is reasonable in the area and agents have expressed interest in neighbouring sites. A concern has been raised with regards to the eaves heights restrictions in relation to outside storage space on the site and it has been suggested that a more flexible approach would see increased activity.

Overall size (ha)	**Total employment floorspace (sq m)**	**Total Vacant floorspace (sq m) (including rate)**	**Market Segment**	**Policy Designation**	**Potential Development Plots**
71.25 ha	175,340	24,509 (14%)	General industrial/distribution	STV05.1 Use of land and buildings restricted to storage and distribution uses	N/A

Table 3.4: Summary Scores for Sites Appraised in Southern Test Valley area

Site No	Existing Portfolio and Internal Environ-ment	Wider Environ-ment	Accessi-bility	Market Issues	Policy Contri-bution	Develop-ment Potential	Average Score
10	2.5	3.0	3.0	2.0	2.5	N/A	2.8
11	2.5	2.0	2.0	3.0	2.5	N/A	2.4
12	1.5	2.0	2.0	2.0	2.5	N/A	2.0
13	2.0	2.0	2.0	2.0	2.5	N/A	2.1
14	2.0	2.0	2.0	3.0	2.5	N/A	2.3
15	1.5	2.0	1.5	2.0	2.5	N/A	1.9
16	1.5	2.0	1.5	2.0	2.5	N/A	1.9
17	3.0	3.0	3	3.0	3	N/A	3
18	2.0	1.5	1.5	2.0	2.5	3	2.5
19	N/A	2.0	2.5	2.0	3	3	2.5
20	2.5	2.0	2.5	3.0	2.5	N/A	2.5

Rural Test Valley

3.49 The following sites have been appraised in Rural Test valley:

21 Harewood Forest Industrial Estate, Longparish
22 Fairground, Weyhill
23 Weyhill Business Park, Weyhill
24 Mayfield Avenue, Industrial Park, Weyhill

Harewood Forest Industrial Estate (overall score = 1.8)

3.50 Harewood Forest Industrial Estate is located between Andover and Harewood Forest. It is 2.9 ha in size and fairly low density, with a derelict office building and other users being production based. The site contains a single storey modern industrial shed, a disused concrete industrial/production warehouse, and a disused two-storey brick built office building. The site is accessed from the A303(T), and the driveway also leads to an area of open space and three residential dwellings (one under construction) opposite. Despite its rural location, the site has reasonable access from the local road network. There is no evidence of recent market activity on the site. The Valuation Office does not appear to have registered any floorspace for this site, though we are aware from a site visit that there are business premises located there.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
2.93 ha	2,021	N/A	General Industrial/business area	Located within countryside (SET03) and adjacent to a SINC. Policies SET07 and SET10 apply	N/A

Weyhill Fairground (overall score = 2.1)

3.51 Weyhill Fairground is a recently developed industrial park, on a small scale to the outskirts of Weyhill, west of Andover. It comprises a series of small scale newly developed Own Your Own industrial/distribution units which are not yet fully occupied together with two small newly developed office buildings as well an already established warehouse unit occupied by Input Joinery. The site has been well developed with good circulation and parking facilities. It has direct access from the A342 and, although classed as rural, is a short driving distance of Andover town centre. It is largely surrounded by countryside, with the exception of the new housing scheme immediately to the north east of the site. There is reasonable demand in the area for small scale freehold units of this nature, but take-up of units is not expected to be an issue.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
2.8 ha	5,695	3,782 (66%)	General Industrial/business area	Located within countryside (SET03) and adjacent to a SINC. Policies SET07 and SET10 apply	N/A

Weyhill Business Park (overall score = 1.8)

3.52 Weyhill Business Park neighbours Mayfield Avenue Industrial Park and comprises a series of dated brick built industrial units, together with slightly more modern industrial and distribution units. The site is fairly low density with large areas of hard standing and there is little evidence of maintenance to existing premises or internal areas. Aside from Mayfields, the site neighbours a residential area and access is limited to narrow local roads with no public transport access.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
5 ha	3,414	N/A	General Industrial/business area	Located within countryside (SET03) and adjacent to a SINC. Policies SET07 and SET10 apply	Remaining development potential with outline permission for 1,225 sq m

Mayfield Industrial Park (overall score = 1.9)

3.53 Mayfield Industrial Park is located in Weyhill and is a well used industrial estate immediate adjacent to Weyhill Business Park. It comprises a number of different types and styles of unit, including a major bottling plant, although the majority are sheds with ancillary office space and quality is variable. The majority of units are single storey, with car parking and loading areas at the front. The site is reasonably well maintained and units are of variable quality with a number being dated. Local amenity is limited and access to the site is via the local road network.

Overall size (ha)	Total employment floorspace (sq m)	Total Vacant floorspace (sq m) (including rate)	Market Segment	Policy Designation	Potential Development Plots
4.57 ha	14,276	N/A	General Industrial/business area	Located within countryside (SET03) and adjacent to a SINC. Policies SET07 and SET10 apply	N/A

Table 3.5: Summary Scores for Sites Appraised in Rural Test Valley Area

Site No	Existing Portfolio and Internal Environment	Wider Environment	Accessibility	Market Issues	Policy Contribution	Average Score
21	1.5	1.5	2	2	2	1.8
22	2.5	2.0	2	2	2	2.1
23	1.5	2.0	1.5	2	2	1.8
24	2.0	1.5	2	2	2	1.9

Review of key Sites in Neighbouring Districts

3.54 Test Valley is bordered by several local authorities situated in the south east and south west whereby the supply and demand for employment land in these areas will impact and influence the supply and demand within Test Valley. This position is considered in more detail within the property market section in Section 4. There are, however, a number of specific employment sites that the Council has asked us to consider in neighbouring authorities in order to understand how they might compete or impact on the nature of supply and demand in Test Valley:

- Solstice Park, Amesbury
- Castledown Business Park, Ludgershall
- Former Medical Services Agency Depot, Ludgershall
- New Greenham Park, Newbury
- Chandler’s Ford Industrial Estate, Chandler’s Ford
- Hampshire Corporate Park, Chandler’s Ford.

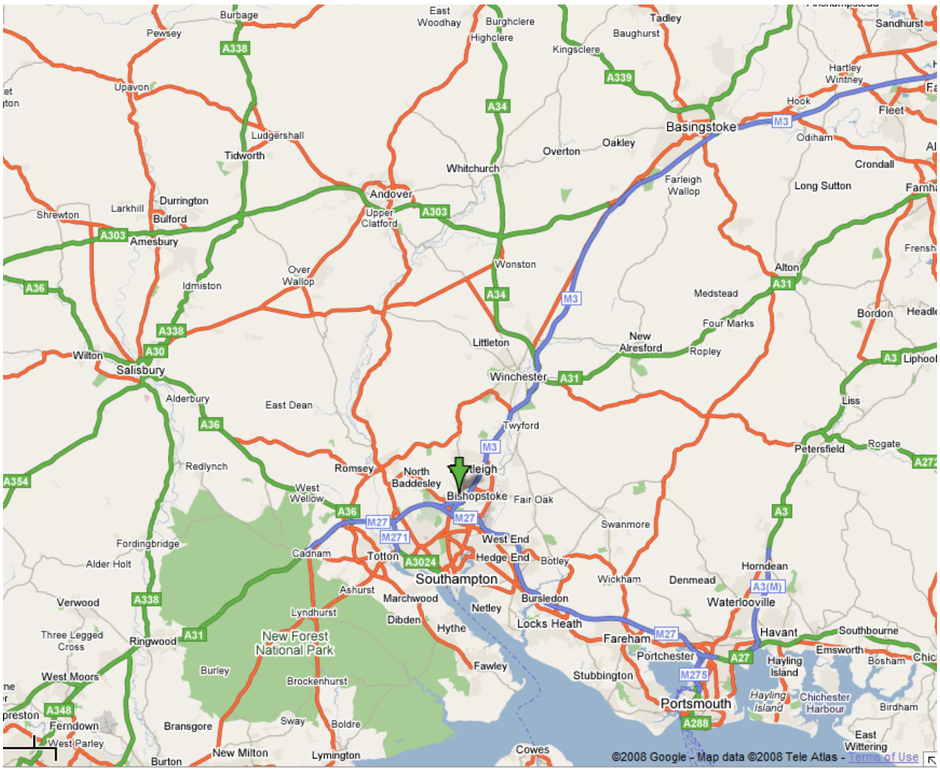
Southern Test Valley

3.55 Southern Test Valley is part of the South Hampshire sub-region where good road and rail connections, the presence of the University of Southampton and port related activities have been key drivers of both the office/R&D and industrial/distribution markets. There are a number of large sub-regionally strategic sites which cater for both these markets and the level of interest/market activities is reflected by new space coming forward at key locations, such as the Solent Business Park in Southampton and the University of Southampton Science Park in Test Valley. In particularly close proximity to the boundary with Test Valley are Hampshire Corporate Park and Chandler's Ford Industrial Estate.

(30) Hampshire Corporate Park, Chandlers Ford

3.56 Hampshire Corporate Park is located within Eastleigh local authority area some six miles east of Romsey town centre and 22 miles south of Andover. It's proximity to the M3 provides excellent strategic road access to Southampton and Portsmouth, as well as Basingstoke. It is situated on the edge of the Eastleigh urban area.

Figure 3.7: Location of Hampshire Corporate Park



3.57 The business park consists of six office units suitable for headquarter occupiers and amounting to c21,000 sq m (226,000 sq ft), with over 1,000 car parking spaces. A number of the buildings have recently been refurbished and all are currently occupied, with tenants including Norwich Union Healthcare and B&Q Corporate HQ.

3.58 Capital and Counties, the owners of the site, have invested c£200,000 towards access, highway and highway improvements in proximity to the site which had been raised as a key concern given the significant employment base on the site.

3.59 The site is allocated and therefore safeguarded in Eastleigh's Local Plan for employment uses and is recognised as an area where continued use for office employment is sustainable.

(29) Chandlers Ford Industrial Estate

3.60 The Chandlers Ford Industrial Estate is located primarily in Eastleigh Borough, but with a small area in Test Valley in close proximity to Hampshire Corporate Park (see above), with good links to the M3 and situated on the edge of the Eastleigh urban area.

Figure 3.8: Location of Chandlers Ford Industrial Estate

3.61 It is part of a larger 41.8 ha employment site which also includes Monk's Brook and Bricksfield Trading Estate and is allocated in Eastleigh's Local Plan as an Urban employment area.

3.62 The site is both well established (built in the 1970s) and prominent, with good distributor roads and good servicing/circulation. It has a range of small and large companies with activities including industry, distribution, trade counter, motor trade, furniture sales, open storage and health and fitness.

3.63 Despite a number of vacant units in the park, including units at Trafalgar Place and Monk's Brook, demand is reported as being steady, with potential interest from both local and larger firms. Commercial agents have reported that refurbished units are achieving rents of £7.25 per sq ft.

3.64 On the whole it is a well occupied and popular site and is likely to remain in its current use for the long term. Some of the more prominent units are expected to have stronger demand from trade related occupiers. The site has also been identified for possible office uses in the future, with its critical mass and image supporting this assertion, although it is unlikely to accommodate 100% office use.

Andover

3.65 The northern part of Test Valley, including Andover, falls within the rest of Central Hampshire sub-region, but is also bordered by local authorities within the south west region. Unlike Southern Test Valley, the market for office, industrial and warehousing uses is more dispersed across the sub-region and reflective of the largely rural nature of the area interspersed with key centres along strategic road networks including Andover, Salisbury, Amesbury, Newbury and Basingstoke.

(28) New Greenham Park, West Berkshire

3.66 New Greenham Park is a former MOD site allocated for employment uses in the West Berkshire Local Plan. It is situated c2.5 miles south east of Newbury town centre and in close proximity to the M4. It is a 150 acre site and provides wide range of business accommodation including start-up units (three enterprise centres), office space, R&D space, warehousing and distribution property (open and closed storage) and light industrial accommodation. The site is currently well occupied and vacant space is limited to a small number of office and industrial units (c5), together with some 20 vacant office and workshop units within the Enterprise Hub. These are available on a short term license basis and are suitable for start-up firms. The Enterprise Hub was established in 2002 as a joint venture with SEEDA.

3.67 The site has a considerable quantity of land available for development, some of which is the subject of reserved matters and some of which does not currently have planning permission (sites owned by Marshalls and Pro Logis). This is illustrated in Table 3.6 below:

Table 3.6: Employment Land Supply at New Greenham Park

Type	Total Floorspace (sq m)	B1 (sq m)	B2 (sq m)	B8 (sq m)
Reserved Matters (02/02048)	54,615	34,636	19,979	-
Addition to the above (06/00799)	707	448	259	-
Marshall's site/Stryker (06/01839)	37,030	5,750	31,280	-
Pro Logis (06/00275 and (06/00277)	62,384	3,450	-	58,934
Total	**154,736**	**44,284**	**51,518**	**58,934**

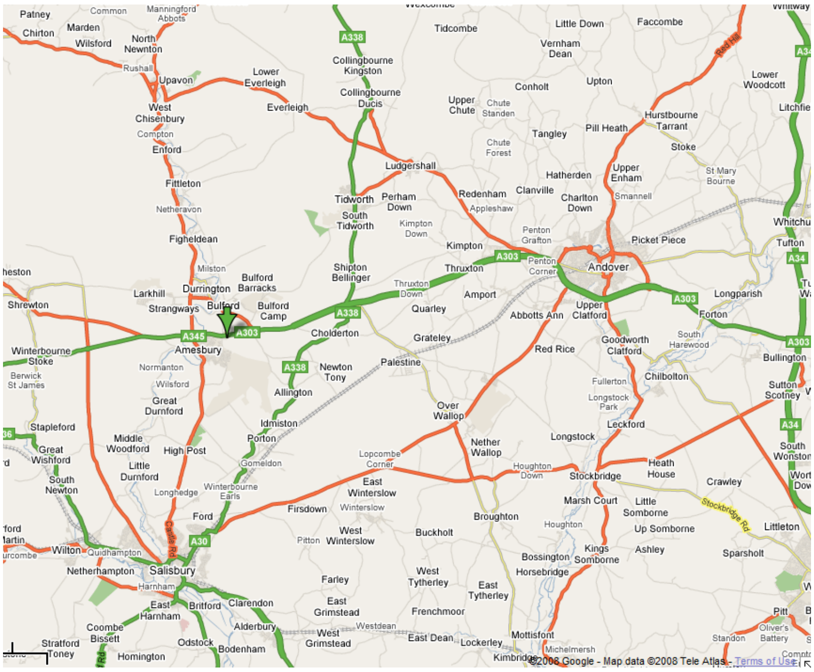
Source: West Berkshire Council

3.68 The majority of the site is owned by Greenham Common Trust which, as a charity, the Trust does not plan to carry out speculative development of the site. The remaining sites are owned by Prologis and Marshalls.

(25) Solstice Park, Amesbury

3.69 Solstice Park is located within Salisbury District Council on the A303 trunk road some 16 miles west of Andover and on the edge of Amesbury.

Figure 3.9: Location of Solstice Park



3.70 It is a £250 million development on a 65 ha site and is one of the largest mixed parks in Southern England. It comprises an Industrial and Warehouse Park, an Office Park, a Distribution area, and a Leisure Zone. The Leisure Zone provides on-site amenities including a petrol station, convenience store, hotel, conference facilities, fitness complex and restaurants for employers and employees on the park. It is expected that the site will provide business accommodation for local, regional, national and international occupiers.

3.71 The site has overall outline planning consent for B1/B2/B8 uses although plots on the site are still awaiting detailed planning consent. The roadside facilities and hotel, together with a limited number of industrial/commercial buildings, have been completed. The site has been zoned as follows:

Table 3.7: Solstice Park Zones

Zone	**Details**
Zone A – Industrial and Distribution	8 ha industrial and distribution park with fully serviced sites for design and build facilities on a free/leasehold basis. 1,400 sq m to 16,250 sq m. Beacon Centre offers units for industrial, office and hi-tech uses from 167 sq m to 1,150 sq m on a freehold or leasehold business. Tintometer Ltd has occupied a 12,000 sq ft R&D facility and two further R&D buildings are proposed. The scheme was built speculatively two years ago and 50% of the Beacon Centre has now let.
Zone B – Leisure Zone	4.5 ha leisure zone, occupied by Pizza Hut, KFC, Somerfield and Holiday Inn.
Zone C – Office Park	Detailed planning consent for Auroa – 6,162 sq m facility comprising two linked buildings available on a freehold/leasehold basis Detailed planning consent for a small-medium sized complex "The Crescent" – will comprise 66,000 sq ft. Two spec built-office buildings completed to date.
Zone D – Distribution Centre	24 ha site providing for major occupiers with outline planning consent for B1, B2 and B8 uses, with design and build opportunities. A detailed planning application is currently under consideration which includes proposals for two buildings of 56,928 sq m and 72,216 sq m respectively as well as 4,707 sq m for ancillary offices. The site is being promoted as an opportunity to boost the local economy and compensate for job losses that have occurred in the area recently. There are current no names occupiers.

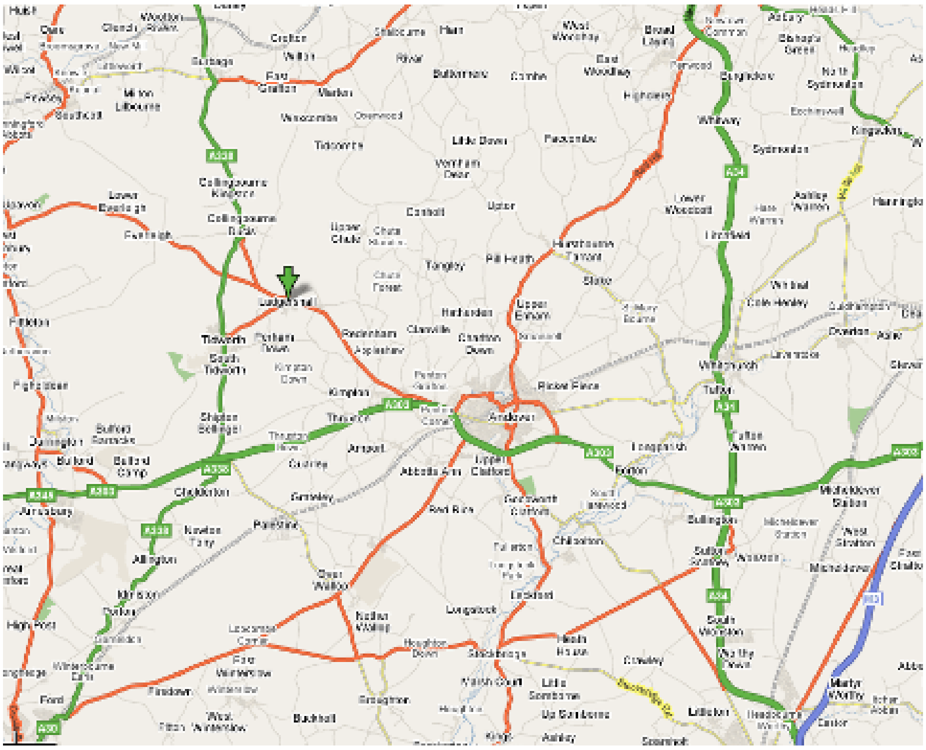
3.72 In late 2007 a planning application was submitted for an ASDA, which would occupy most of the site, and which is currently undergoing public consultation.

3.73 There have been reasonable levels of interest in the site, although according to commercial agents this has slowed down significantly in recent months. Despite offering major freehold/leasehold design and built opportunities the site is not located in an urban "hub" which may detract from its offer.

(26) Castledown Business Park, Ludgershall

3.74 Castledown Business Park is located within Kennet District Council, south west of Ludgershall and eight miles north-west of Andover. It has close proximity to the A342 to Andover and A3026 to Tidworth.

Figure 3.10: Location of Castledown Business Park



3.75 The Business Park was originally purchased by SWRDA, who then enabled its development by St Modwen on 13.4 hectares (33 acres) of land to be used for office, industrial and warehouse uses. The site has potential for up to 45,000 sq m (455,000 sq ft) of employment space.

3.76 Phase 1 of the development was completed in August/September 2007. This phase comprises Fitz Gilbert Court, which is 21 units with office, industrial and warehouse uses ranging in size from 51 sq m to 299 sq m. The units are good quality with high BREEAM ratings and have been bought as a package by Wiltshire Council. They proposed to create an “employment zone” with units to be occupied by “starter businesses”. Prior to this, agents reported that interest in the site was very poor.

3.77 A planning application has been submitted for phase 2 which included larger units of 372 sq m to 743 sq m for industrial/warehouse activities.

3.78 Kennet DC considers the site presents the most sustainable location for employment development in the Tidworth Community Area given that it is located on the main road network adjacent to a potential connection to the rail network. However, the size of the site if developed during the plan period could conflict with the strategic objectives of the Structure Plan when considered against employment commitments elsewhere in the Plan area. Agents also believe the site is fairly well located in terms of communication. However, Ludgershall is a relatively small town and therefore has a limited market. The proximity to neighbouring residential areas is also felt to be a constraint on the site. Agents have estimated achieved rent is c£7 per sq ft.

(27) Former Medical Services Agency, Drummond Park, Ludgershall

3.79 The site is located in Ludgershall, just north of the Castledown Business Park (see above). It is 13.4 ha in size and was formerly known as Drummond Barracks and the old home of the Medical Supplies Agency (MSA).

3.80 The MSA was sold by the MoD and bought by Scarborough Development Group in 2006. The site has since been sold on again, although we have been unable to confirm the current owners. Alder King is currently marketing the site on behalf of the owners.

3.81 The site is split into two areas (south and north) separated by a railway line. The southern section currently has planning permission for residential use, which is likely to come to fruition in circa five years time. On this basis Dreweatt Neate is letting existing warehouse and office units on a five year lease for £2.50 to £3.50. Take-up has been slow and there are currently no tenants in the premises. The accommodation extends to a total of around 230,000 sq ft (21,275 sq m) in buildings constructed in the 1930s and 1970s.

3.82 The north side of the site is circa 6 ha and comprises has 236,805 sq ft (22,000 sq m) of warehousing uses. The site competes for custom with a number of others in the local area where there is considerable spare space available, including at the two industrial estates in Andover, the nearby Castledown Business Park and the massive 280 acre Solstice Park at Amesbury.

3.83 The owners of the site are currently in discussions with the Council regarding residential development for the entire site (not just the southern part) and the possibility of an eco-village.

Quantity of Available Supply

3.84 The analysis of employment sites and premises above provides useful context and will allow site specific considerations to be made in the light of the subsequent comparison between supply and demand for employment land. However, in order to gauge the actual "supply" it is necessary to review the quantity of land and floorspace that is allowed/permitted for employment use, but not yet taken up by occupiers and the currently available floorspace that it is unoccupied. Ensuring there is enough supply of the right quality and in the right location to meet future requirements is a critical forward planning consideration.

Available Commercial Floorspace

3.85 A comprehensive list of Test Valley's available premises has been compiled using the commercial property market databases from Focus and Estates Gazette, together with Invest in Southampton database. The first two sources are national sources of property market information and are up-dated regularly and comprehensively. The Invest in Southampton Region Vacant Commercial property Register is an on-line property database that covers several local authority areas, including Test Valley. We have compiled the data, removed duplicates, and analysed it to provide as comprehensive picture of supply as possible.

3.86 This data has also been linked to the site-specific database and, by comparing it to the VOA data it has allowed us to calculate the vacancy rate on each site. Further detail on this is provided as part of the qualitative site appraisals.

3.87 Table 3.8 below shows the availability of floorspace in Test Valley broken down by office, industrial and warehousing and by area. The total amount of vacant space on the market is 161,350 sq m. Industrial and warehousing uses make up the vast majority of this floorspace in the Borough with 96.7% of the total. The 5,252 sq m of vacant office premises total 3.3% of Test Valley vacant floorspace. Of industrial vacant space, 62.1% is within the Andover area – this compares to 34.8% in Southern Test Valley. The corresponding figures for office vacant space are 61% for Andover and 27% for Southern Test Valley.

Table 3.8: Available Floorspace (sq m)

	Office	Industrial/ Warehousing	Total
Andover	3,161	97,017	100,178
Southern Test Valley	1,426	54,455	55,881
Rural Areas	665	4,626	5,291
Total	5,252	156,098	161,350

Source: EGI, Focus, Invest in Southampton Property Market Database

3.88 The total amount of vacant floorspace equates to a vacancy rate of 11.1% when compared to the total amount of floorspace set out in Table 3.1 above. This rate clearly varies between differing estates, with some having relatively high vacancy rates. Overall this rate is marginally above what is typically required in order to facilitate choice and movement within the market (typically 8-10%).

Unimplemented Planning Commitments

3.89 Unimplemented planning consents or the 'planning pipeline' is another key element of employment land supply. We have analysed data from Hampshire County Council in terms of their commercial floorspace monitoring data. This sets out the available gains and losses for B use classes in terms of outstanding planning permissions. The latest monitoring year covers the period to 1 April 2007. At this time, a number of the sites listed were under construction. We have consequently removed them from our calculation of outstanding planning consents on the basis that they are now likely to have been completed and will be picked up through the data above in terms of available premises.

3.90 Tables 3.9 and 3.10 below show the outstanding commitments by location within Test Valley. The figures included in the table are net figures (e.g. taking account of proposed losses) and represent developments where construction has not yet started.

Table 3.9: Outstanding Planning Permissions by Use Class (Floorspace sq m)

Use Class	Andover	Southern Test Valley	Rural Test Valley	Floorspace sq m
B1-B8	68,653	25,263	8,489	102,405
B1	2,802	11,551	1,478	15,831
B1A	90	1,562	1,336	2,988
B1B	-	2,268	-	2,268
B1C	-	-	525	525
B2	378	15	-	393
B8	8,273	14,322	3,276	25,871
Total	**80,196**	**54,981**	**15,104**	**150,281**

Source: Hampshire County Council

3.91 In terms of outstanding planning permissions, there is a total of 150,281 sq m of floorspace, the large majority of which is not defined for a particular B use class (102,405 sq m for B1-B8). 69,000 sq m of the floorspace outlined above for B1-B8 uses is attributable to the Andover Airfield Business Park. A further 22,800 sq m of this is accounted for by redevelopment proposals at Test Valley Business Park which will be occupied by the owner of the site.

3.92 In addition to the figures set out above, a number of sites also have outstanding outline planning consent where the development space is expressed in hectares rather than floorspace. These sites are listed in Table 3.10 below and amount to a total of 59.02 ha.

3.93 Andover Business Park constitutes the majority of the land with outstanding outline planning permission, and is currently the subject of a planning application from Goodman to develop the site for large scale distribution uses. This application is pending consideration.

3.94 Adanac Park in Southern Test Valley comprises some 32 ha allocated for high quality office/research/manufacturing development for a single large user or a small number of large users. Although at the time of this study the allocation remains outstanding, the site is subject to a planning application by the Trustees of the Barker Mill Estate and the Ordnance Survey (OS) for the entirety of the site, which the Council have indicated they are mindful to approve. The application comprises the following:

- Full application for Plot 4 comprising 16,409 sq m of office space and 308 sq m of Creche space. This will be occupied by the OS to form their new Head Quarters. As there is an end-user for this space we have not included these figures in the supply of floorspace set out above.
- Outline application for Plots 1, 2, 3 and 5 for 59,118 sq m of office floorspace. As far as we are aware, there are no identified end-users for this space at this stage, to this end the figures have been included in Table 3.10 below.

Table 3.10: Sites with Outstanding Outline Planning Permission

Location	Use Class	Size (ha)
Plot 2c, Watt close, East Portway, Andover	B1	0.33
Plot 72A, Walworth Business Park, Andover	B1	0.33
Land at East Anton Road, Andover	B1	3.86
Plot 82, Livingstone Rd, Walworth Business Park, Andover	B1-B8	0.81
Andover Airfield Business Park, Monxton Rd, Andover	B1-B8	21.79
L/A Walworth Business Park, Walworth Road, Picket Piece, Andover	B1-B8	11
Adanac Park, Nursling*, Southern Test Valley	B1A	20.9 (59,118 sq m)
Total		**59.02**

Source: Hampshire County Council

Outstanding Allocations

3.95 In addition to the sites with outstanding planning permissions, a number of sites in Test Valley are allocated in the Local Plan for B class uses, but do not yet have planning permissions. These sites also form a component of the land supply and amount to 3.34 ha. All are located in Andover. There are very few vacant sites still remaining for employment uses without planning permission.

Table 3.11: Outstanding Allocations

Site Name	Allocation/Status	Location	Size (ha)
Land at WestPortway Industrial Estate, Andover	B1-B8 vacant expansion land	Andover	1.10
Plots 79,80 & 81 Walworth Business Park, Andover	B1-B8	Andover	0.34
Plot 89, Walworth Business Park, Andover	B1-B8 Vacant Site	Andover	1.90
Total			**3.34**

Summary

The table below sets out a summary of the employment land and floorspace supply for Andover, Southern Test Valley and Rural Test Valley.

Table 3.12 Summary of Supply of Employment Land and Floorspace

Components of Supply	Andover	Southern Test Valley	Rural Test Valley	Total (sq m/ha)
Available office space	3,161	1,426	665	5,252
Available industrial/warehousing space	74,748	54,455	4,626	133,829
Outstanding planning permissions	80,196	54,981	15,104	150,281
Outstanding outline planning permissions	38.12 ha	20.9 ha (59,118 sq m)	-	59.02 ha
Outstanding allocations	3.34 ha	-	-	3.34 ha
Total	**158,105 sq m + 41.46 ha**	**110,862 sq m + 20.8 ha**	**20,395 sq m**	**289,362 sq m + 62.36 ha**

4. Commercial Market Property Review

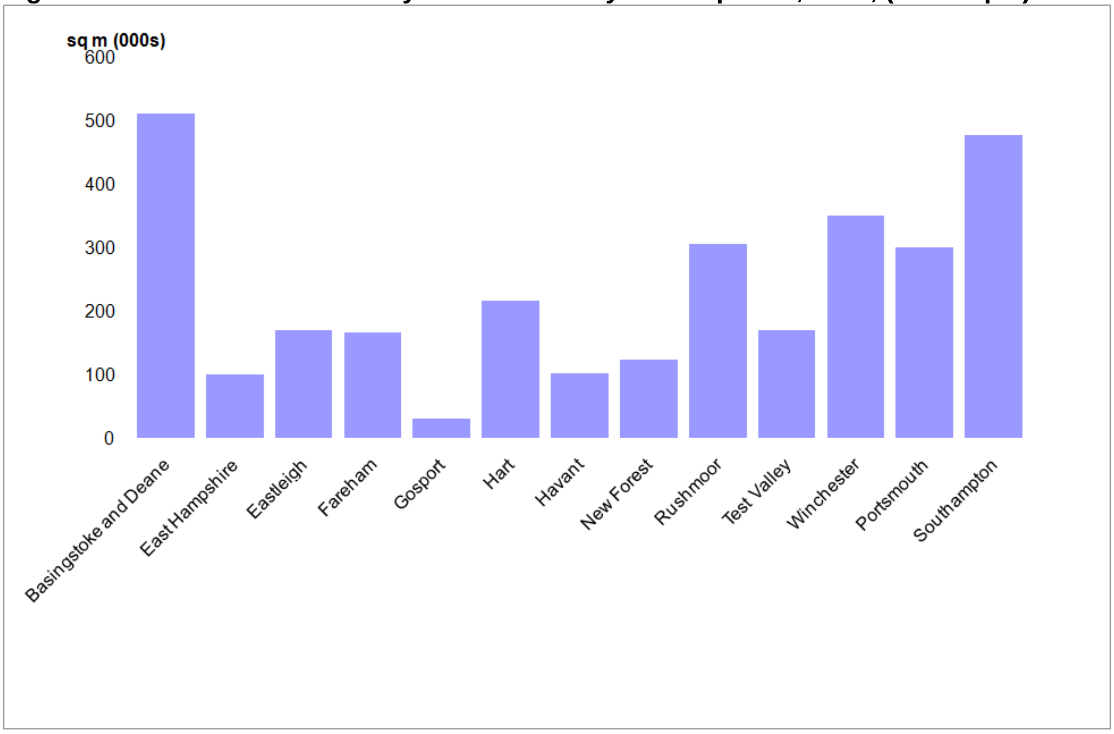
Commercial Market Overview

4.1 This section provides an overview of the commercial property market for Test Valley. We have drawn on standard property data sources such as Estate Gazette, Focus and the Valuation Office, together with existing local property market research studies and the views of commercial agents who are active in the market. A list of those consulted is set out in Appendix 2. Andover and Southern Test Valley are part of two distinct market areas and where possible we have highlighted these distinctions.

Office Market

4.2 The office market in Test Valley is typically small scale as illustrated in Figure 4.1 below, which shows the stock of office floorspace across each local authority in Hampshire. In the Southampton sub-region, which includes Southern Test Valley, the office market is concentrated south of the M27 where Southampton and Portsmouth are the most significant office markets and there is limited activity outside of these areas in comparison. In the rest of Hampshire, in close proximity to Test Valley, centres such as Winchester and Basingstoke clearly dominate the stock of floorspace.

Figure 4.1: Total Office Stock by Local Authority in Hampshire, 2007, (000s sq m)



4.3 For the South East Region as a whole the stock of office floorspace has been increasing over time in line with trends towards serviced based industries. Between 1998 and 2007 floorspace increased by 19%. In comparison, Test Valley's office stock has seen a relatively small increase of c7% over the same period, following a peak in 2004.

Figure 4.2: Total Office Stock Over Time, 1998-2007 (indexed) sq m

Table 4.1: Office Stock, 1998-2007 (000s sq m)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Test Valley	160	161	178	187	192	195	210	161	165	170
South East	13,185	13,482	14,745	15,172	18,637	16,009	16,132	15,479	15,600	15,682

Source: Valuation Office, commercial and industrial rateable value floorspace statistics

4.4 As noted above, the market is split between Southern Test Valley, which is part of the South Hampshire sub-region, and Andover, which is part of the Central Hampshire sub-region. In addition, rural areas within Test Valley cater for the small end of the market largely through the provision of converted farm buildings and small estates. Section 3 of this report illustrated the distribution of office stock across the Borough and highlighted the distinctive patterns between these areas.

4.5 In Andover the two largest office occupiers are Lloyds TSB and Simplyhealth (HSA) who dominate the employment base in commercial office based activities. Aside from these, occupiers tend to be smaller scale and local, as well as national companies. There have been no speculative office schemes for many years and the last pre-let development was in the 1990s, which agents have commented is indicative of a lack of demand in Andover town centre and its immediate surrounds. According to local commercial agents, the office market is likely to continue to "trickle" on, but a significant step-change is unlikely to occur. Its image as a predominantly industrial location is felt to be a possible deterrent to office investment, together with its lack of prominence and visibility from the strategic road network. There is an office/managerial work force living in the villages outside Andover, but most of these commute to Basingstoke/London etc to work. Interestingly, although Andover's train station is located outside the core area of the town centre, it was not thought by agents to be a key issue in terms of either deterring or generating demand.

4.6 The proximity of nearby office centres has been cited as a possible reason for a lack of demand in Andover. In both Basingstoke and Winchester the stock of office floorspace is far greater than in Test Valley (see Figure 4.2 above) for example, and proximity to the strategic road network as well as larger urban areas means that these centres can cater for sub-regional/regional occupiers that Andover currently cannot. Furthermore, in Basingstoke there is a perceived significant over supply of office space and commercial agents felt that, whilst this over supply exists, investment in the office market in Andover is unlikely. Winchester's office market is, for the most part, based on movements within the city (churn), but it has recently managed to attract a new occupier – Bacardi Martini recently moved their HQ from Southampton Docks to fill c20,000 sq ft of office space at the Standard Life Royal Court Office Complex at Kings Worthy. This complex was speculatively built and demonstrates the confidence in the market in this area in comparison to Andover, where no speculative development has occurred for some years.

4.7 To the North of Andover, Newbury town centre in West Berkshire also has a comparatively strong office market compared to Andover, as well as a strong out of town office market along the M4/A4. The relocation of Vodafone from numerous town centre offices to a consolidated office premises on the edge of the centre has significantly increased the profile of office stock in the town, and whilst a number of Vodafone's ex units are still on the market, take-up has been reasonably steady. The example of Vodafone is clear in its demonstration of the lengths West Berkshire went to in order to retain a major employer in the area.

4.8 Andover is also in close proximity to Salisbury City and Amesbury in the District of Salisbury. In comparison to Andover, Salisbury City accommodates a larger number and higher profile of businesses, whilst Solstice Park is providing development opportunities that are not available elsewhere in Andover. Salisbury City is home to some large companies (2,000 employees and over) including a number of prominent multinational and national financial institutions. According to the Salisbury District Employment Land Review (2007), growth of these businesses over the last 10 years has been fairly rapid but there is a need for Salisbury to actively help sustain these businesses in the area. Amesbury is identified as an area for major new employment growth in the district and is home to the Salisbury Research Triangle and Solstice Park which provide the largest employment and business investment opportunities in the district. Future demand for space in the District as a whole is expected to be focussed in Salisbury City and Amesbury given the limited supply of space elsewhere in the District.

4.9 In Southern Test Valley the market is split by the M27 with activity concentrated towards Southampton and Portsmouth. The development of the University of Southampton Science Park has significantly increased the profile of office provision in this part of Test Valley. South of the M27 is predominantly seen as part of the Southampton market rather than Test Valley. As such, centres such as Southampton and Eastleigh do not necessarily compete with Test Valley, but are seen as part of the same market. In contrast, office space within Romsey town centre is predominantly small scale and caters for a local market. However, spillover demand from nearby centres (albeit on a small scale) has been noted by agents and the Romsey Town Centre Office Study[1].

Available Space

4.10 Vacant office space within Test Valley is concentrated in the Andover Area, which (as Table 4.2 demonstrates) comprises 61% of total office vacancies by floorspace. This compares to 27% for Southern Test Valley and 12% for Rural Areas. In Andover, we understand from commercial agents that the warehouse element Office Depot on Walworth Road has recently come onto the market. This will increase the overall stock of available floorspace by a considerable amount, although at present there is no data available on the amount of floorspace.

Table 4.2: Total Vacant Office Floorspace by Area

	Floorspace (sq m)
Andover	3,161
Southern Test Valley	1,426
Rural Areas	665
Total	5,252

Source: EGi, Focus, Invest in Southampton Vacancy database

4.11 Focus provides an indication of the quality of stock of vacant office space on the market. This does not account for all space on the market (which has been calculated by a combination of three property databases) but nonetheless provides a good indication.

4.12 As Table 4.3 below demonstrates, all of the vacant office premises recorded on the Focus database in Test Valley are second hand and 70% within the Andover area. Rural Test Valley makes up the remaining 30% of supply in the Borough.

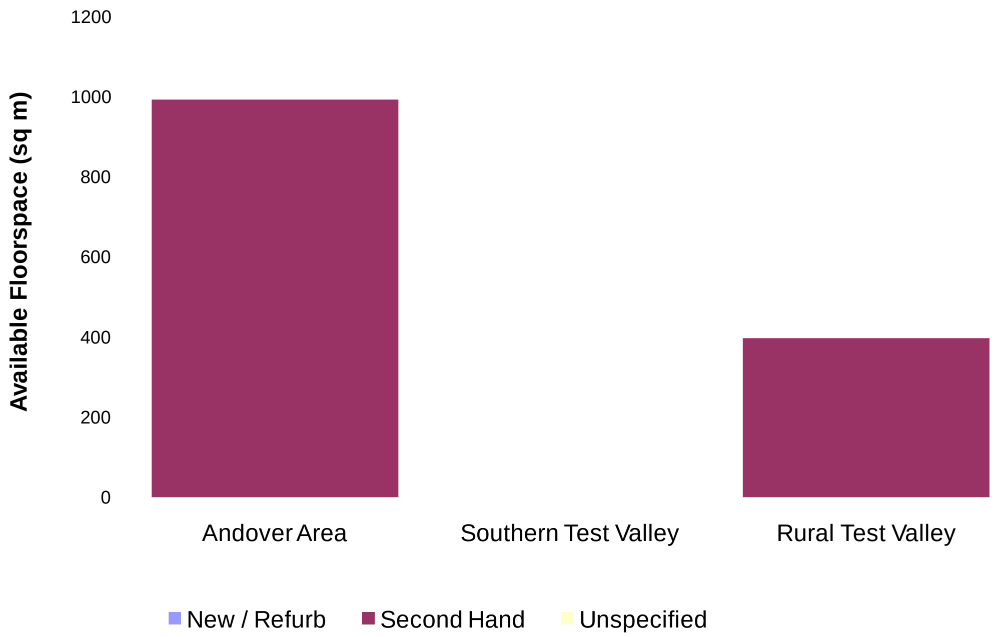
Table 4.3: Number of Vacant Office Premises by Area

	New/ Refurbished	Second Hand	Unspecified	Total
Andover	0	992	0	992
Southern Test Valley[2]	0	0	0	0
Rural Areas	0	396	0	396
Total	0	1,388	0	1,388

[1] Romsey Town Centre Office Market Study, 2007, Goadsby

[2] No offices premises are recorded as being on the market in Southern Test Valley according to the Focus database, though we know from Table 4.2 above that this is not the case.

Figure 4.3: Number of Vacant Office Premises by Area



Source: Focus, 2008

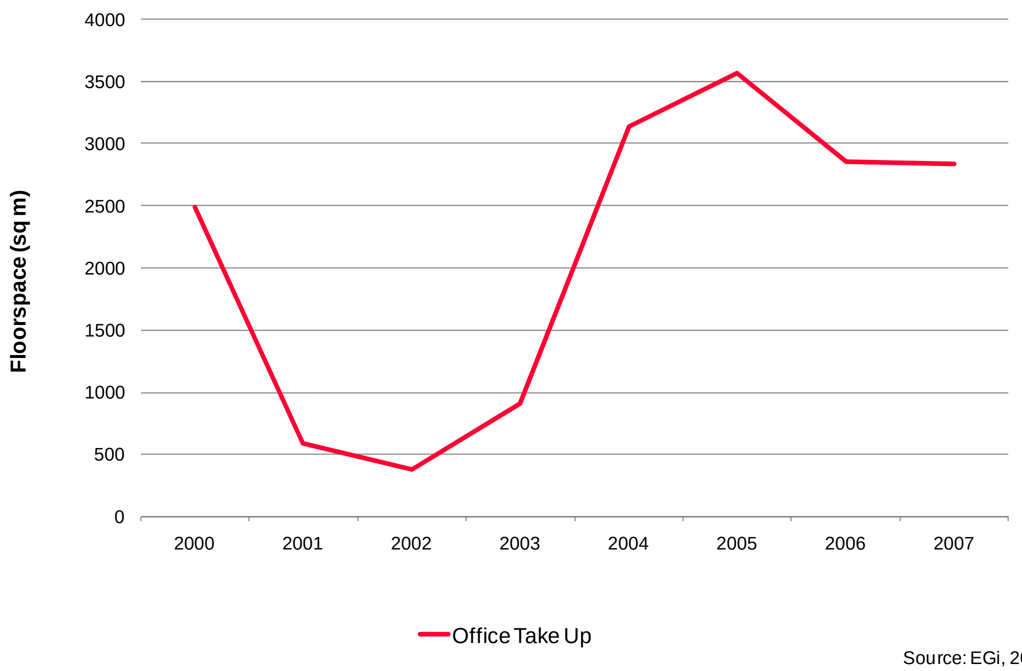
4.13 In Andover, commercial agents felt there to be no particular issues in terms of the quality or size of office units that are available and on the market, and that the reason for vacancies is more likely to be linked to a general lack of market demand for office premises in this location, especially leasehold.

4.14 In Southern Test Valley agents suggested that, aside from buildings that are new, there are no premises available without being so for a particular reason (i.e. Science Park, B8 etc.); for example short remaining lease periods, planning restrictions or poor quality units. Very little good quality space is on the market according to agents.

Take-up and Market Demand

4.15 Office deals completed over the last few years provide a useful indication of the level of take-up in the borough. Floorspace (sq m) figures from EGi covering 2000-2007 indicate a fluctuating year-on-year pattern, with a rapid increase between 2002-2005 and a slight decline after 2005. The take-up levels have remained at a static level since 2006.

Figure 4.4: Office Take Up 2000-2007



Source: EGi, 2008

4.16 According to commercial agents, levels of enquiries in the Andover area are limited and, in particular, there is a lack of demand from larger companies to drive demand forward. Freehold opportunities are required/in demand and such provision would be likely to attract greater levels of demand than is currently the case, although it is still likely to come from smaller occupiers. Indeed, agents felt that if freehold opportunities were available then there would be a market from small professional firms in proximity to the town centre.

4.17 Agents have commented that beyond the small end of the market (1,000 sq m to 2,000 sq m) developers are not willing to build because there is no confidence in demand at this end of the market, especially given the complex lease structures. In general, prerequisites for new office development would include higher rental levels than is currently the case (c£20 per sq ft), freehold opportunities, visible/prominent location and suitably sized development opportunities. None of these are currently occurring in Andover, hence the lack of developer/investor demand.

4.18 In Southern Test Valley demand is centred on local growth according to commercial agents. Agents have suggested there is minimal competition between centres and that occupiers tend to stick to their local area. The exception to this is where occupiers outgrow their existing premises and move out of the location because of a lack of suitable supply. This is cited as a particular issue in Romsey town centre, which typically caters for the small end of the market, but is unable to fulfil the requirements of growing/expanding companies due to the nature and size of premises.

4.19 The Southern Test Valley employment needs study[3] highlighted this issue and reported that 57% of firms envisaged their business growing in the next five years. In terms of business premises, 27% firms felt their space requirements would increase in this time. This translates

[3] Southern Test Valley Employment Needs Study, 2007, Hill Taylor Partnership

into 23% of respondents believing they would be looking to relocate in this time. Of these, 53% would be looking for offices, 28% for warehouses and 26% for factory space. In terms of potential sites, of those looking to relocate 27% would look in Romsey Town Centre, 12% on the outskirts of Romsey and a further 15% elsewhere in the Borough.

4.20 According to commercial agents, there have only been two recent significant office buildings on the market according to agents: Portersbridge House, Church Street has been sold and likely to be converted to residential, Broadwater House, Bell Street is likely to remain in office use but this is mainly because of good parking and open plan design.

4.21 The University of Southampton Science Park at Chilworth exemplifies demand for hi-tech and R&D facilities in this part of Test Valley. Units comprise a 50:50 to 0:100 lab:office split, and agents have reported good levels of take-up and demand. The last remaining phase of this scheme is currently under construction.

4.22 Despite current wider economic conditions there is demand for development and investment opportunities according to agents. The Belbins scheme has been cited as an example where this has worked well and there is reported to be good interest among private developers who are currently looking for freehold sites. Indeed, agents have suggested there is potential demand for a new office park near Romsey of c10 acres which could accommodate two storey units.

4.23 Agents have also reported reasonable levels of demand for office space in rural locations in Southern Test Valley for small owner occupied premises (1,000-2,500 sq ft) often resulting from converted farm premises. This demand typically comes from non customer facing firms or those looking to improve quality of life. According to the Rural Test Valley Employment Needs Study[4], 46% of local firms believed that their business would grow within the next five years and in terms of this affecting employment space, 23% of these firms believed they would require more space. The majority of these firms are larger manufacturing or service firms. Of all the respondents, 15% believed they would actually be looking to relocate over the next five years. Of these, 49% would be looking for offices, 29% for warehouse space and 25% factory space. In terms of location, 38% would look for space within Rural Test Valley and a further 35% in the rest of Test Valley.

Rents

4.24 Figures on vacant property in 2007 from EGi indicate an average office rent across the borough of £10.60 per sq ft. However, these rents vary considerably given the variety and type of stock across the Borough and the constraints on quality of supply within Andover and Romsey.

4.25 Indeed, local agents and the recent Andover Town Centre Office Market Study suggest that Andover town centre is characterised by low rental values (with rents of around c.£9-10 per sq ft). Out of town office rental levels in northern Test Valley are currently slightly higher at between £10 and £12 per sq ft, and have remained fairly static for the last seven to eight years. Local agents have commented that rents would need to be in the region of £20 per sq ft in order to generate investor demand. Current rents are clearly well below this level across Northern Test Valley and a significant step-change would be required to alter this position.

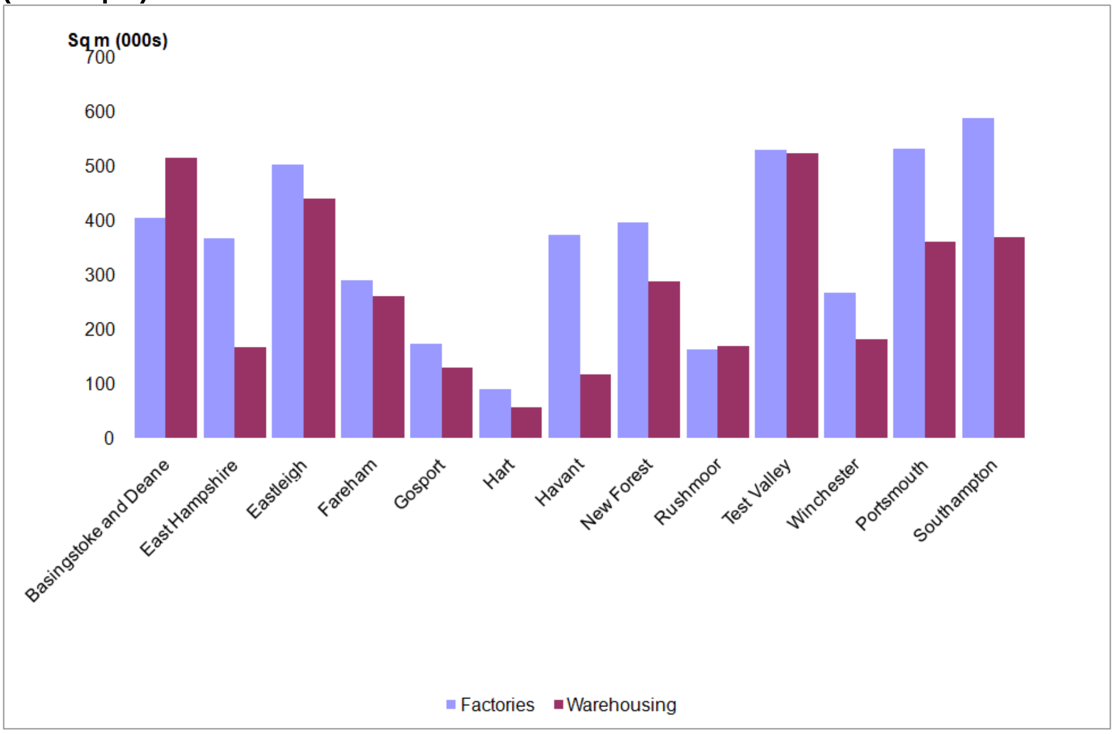
[4] Rural Test Valley Employment Needs Study, 2007, Hill Taylor Partnership

4.26 In Southern Test Valley rents have increased slowly over the last five years: rural locations change has typically been from £12 - £12.50 per sq ft in 2003 to £15 per sq ft in 2008. Elsewhere there are limited decent opportunities to compare rental changes, but by way of example, offices above Aldi (with no parking) are currently at £12 per sq ft and in comparison, out of town offices at Abbey Park (new build) are reaching £14-18 per sq ft. Limited figures from EGi confirm this pattern, with the Romsey Town Centre Office Market Study suggesting a similarity of Romsey to Andover i.e. lower rental values within the town centre.

Industrial/Warehousing Market

4.27 The industrial and warehousing market in Test Valley is comparatively large compared to other Hampshire local authorities. Figure 4.5 below illustrates the total stock on industrial and warehousing floorspace across all local authority areas in Hampshire and indicates the stock of warehousing floorspace in Test Valley is greater than all other local authority areas. Test Valley is clearly one of the more dominant industrial and warehousing locations in Hampshire reflective of its large industrial and distribution estates such as Walworth Business Park, and Portway and Nursling Estates. Section 3 of this report provides more detail on the distribution of this space throughout the Borough.

Figure 4.5: Total Industrial/Warehousing Stock by Local Authority in Hampshire, 2007 (000s sq m)



4.28 Figure 4.6 below illustrates the change in stock of industrial and warehousing floorspace over time for Test Valley and the South East. The chart clearly indicates that, whilst the stock of industrial floorspace has been decreasing over time for Test Valley, the stock of warehousing floorspace has increased. The same trend has occurred for the South East as a whole and is reflective of the changing nature of business activities. In spite of the recent decline in industrial floorspace, Test Valley has seen an overall increase of some 6% since 1998, compared to a decrease of 5% for the region as a whole. This is illustrative of Test Valley's continued relative strength in industrial floorspace provision.

Figure 4.6: Total Industrial Stock Over Time (1998-2007)

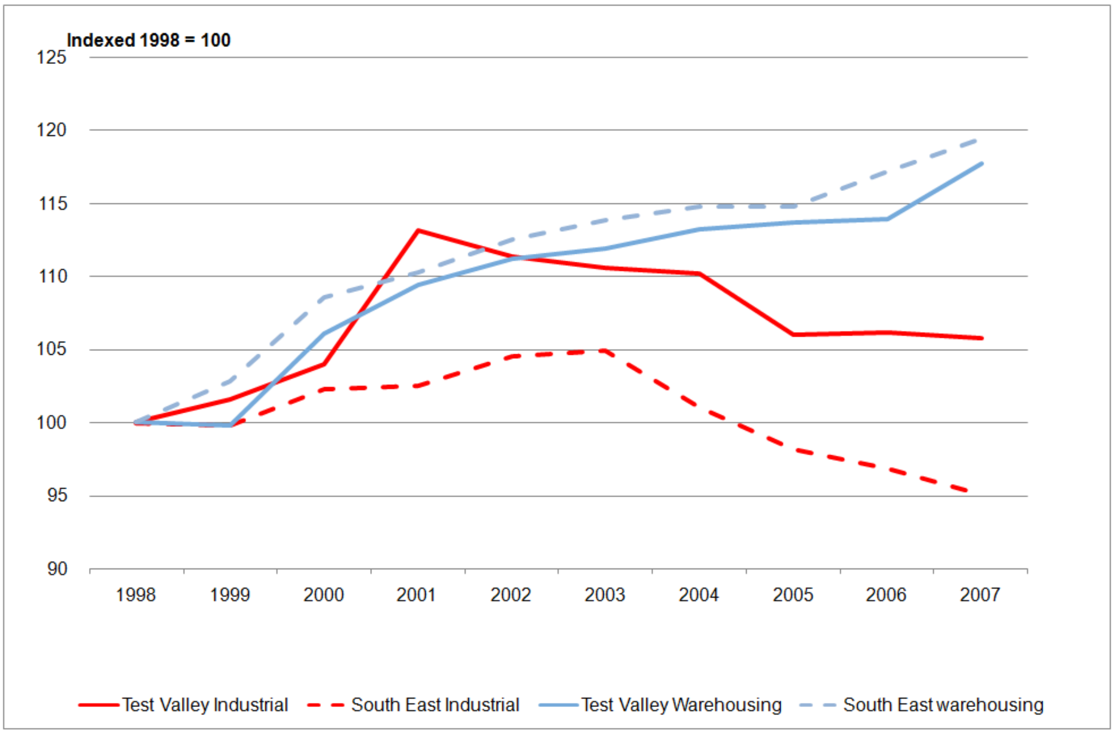


Table 4.4: Industrial Stock Over Time, 1998-2007 (000s) sq m

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Test Valley	501	509	521	567	558	554	552	531	532	530
South East	21,729	21,692	22,228	22,282	22,721	22,806	21,965	21,342	21,056	20,664

Table 4.5: Total Warehousing Stock Over Time, 1998-2007 (000s) sq m

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Test Valley	446	445	473	488	496	499	505	507	508	525
South East	15,801	16,249	17,153	17,424	17,777	17,994	18,142	18,143	18,525	18,878

Source: Commercial and Industrial Rateable Value Floorspace Statistics

4.29 In Andover, the industrial/warehousing market is characterised by a number of large industrial estates, including Walworth and Portway, both of which are owned by the Council. These estates were largely built out in the 1960s and 70s to cater for manufacturing. Although they are still home to some of the Borough's largest manufacturing occupiers, there is a perception that they are now no longer fulfilling the uses they were originally built for as a result of the general decline in manufacturing, the demand for higher spec premises and shifting operations towards distribution activities. In response, agents have suggested that planning should be flexible enough to react to these changing market conditions, e.g. to allow trade counter uses in order to cater for market demand. The current planning restriction in terms of a 30% retail and 70% storage split on estates such as Walworth Business Park is reportedly not viable according to local commercial agents, although the scope of this study does no enable us to substantiate this comment.

4.30 Aside from Andover's larger estates there are a number of small scale estates (10 ha or less), including some in rural areas, that comprise a mix of more recently developed units together with older units and provide for small scale distribution and light industrial occupiers. These are discussed in further detail in Section 3 of this report.

4.31 In Southern Test Valley the majority of warehousing space is located at Nursling, which is restricted to B8 uses for planning reasons. This site caters for sub-regional/regional occupiers as well as more local occupiers. Competing centres include Eastleigh, Chandlers Ford and Totton; these are mostly established local markets. As with the office market, there are two industrial/warehousing markets operating in Southern Test Valley – the local market around Romsey and the more sub-regional market (focussed on regional distribution activities) south of the M27.

Available Space

4.32 Table 4.6 below breaks down the vacant industrial floorspace within Test Valley by area. The Andover area currently has the majority of vacant space, with 62.2% of the Borough total. This is largely accounted for by vacant space on Walworth Business Park and Portway Industrial Estate. This is followed by Southern Test Valley with 34.8% and Rural Areas with the remaining 3%. In total there is some 156,098 sq m of industrial/warehousing space on the market.

4.33 As noted above, in Andover there is a significant amount of available stock on the market, particularly on the Walworth Business Park. Agents believe this is largely because stock is dated and unsuitable for modern day requirements. Accordingly, stock that has been recently refurbished has been letting, but there still remains a large amount of un-refurbished stock that is on the market.

4.34 In Southern Test Valley vacancy rates are reported as low, particularly amongst those premises located south of the M27. It is felt by agents that these rates would be even lower if planning restrictions were lifted.

Table 4.6: Total Vacant Industrial/Warehousing Floorspace by Area

	Floorspace (sq m)
Andover	97,017
Southern Test Valley	54,455
Rural Areas	4,626
Total	156,098

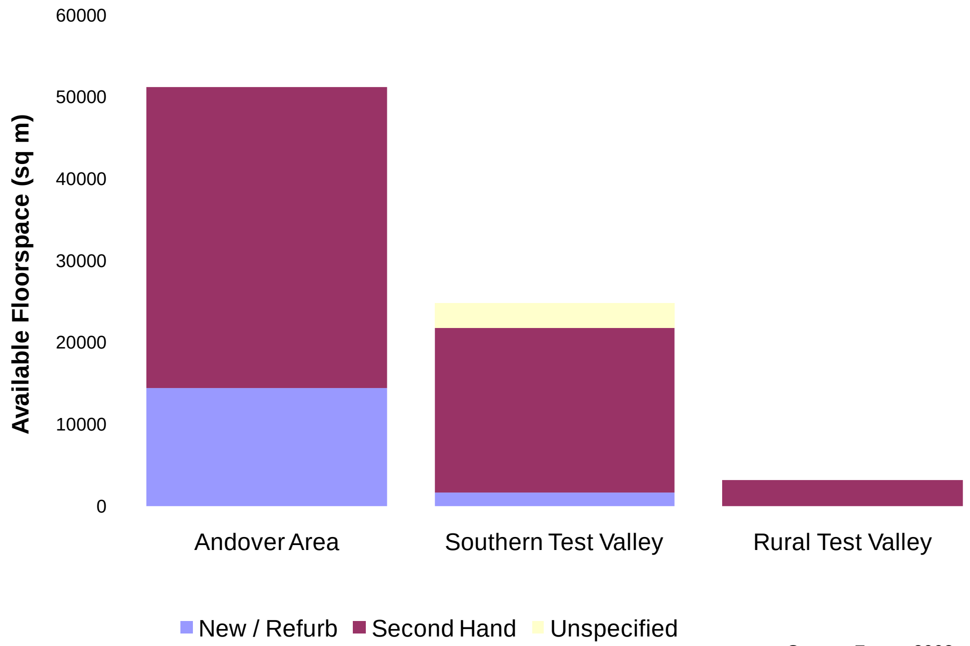
Source: EGi, Focus, (Invest in Southampton) Vacancy database

4.35 As with vacant office space we have analysed data from Focus vacancy database in order to provide an indication of the quality of stock on the market. As Table 4.7 and Figure 4.7 demonstrate, 28% of the floorspace in Andover is new or refurbished, and 72% second hand. Southern Test Valley has a larger amount of its stock as second hand, with a figure of 81%. All of the stock in rural areas is second hand. Overall, therefore, 76% of all vacant industrial stock in the borough is second hand, with only 20% confirmed as new or refurbished.

Table 4.7: Number of Vacant Industrial Premises by Area (Focus data only)

	New/Refurbished	Second Hand	Unspecified
Andover	14,361	36,736	0
Southern Test Valley	1,649	20,140	3,044
Rural Areas	0	3,251	0
Total	16,010	60,127	3,044

Figure 4.7: Number of Vacant Industrial Premises by Area



Source: Focus, 2008

4.36 In terms of available land, Andover Airfield Business Park is the largest site in this part of the Borough with development potential. It is subject to a planning application for largely distribution uses which is pending consideration. In addition to this site, the Walworth extension is an 11 ha allocated site on the edge of the existing Walworth Business Park. Its availability for development is subject to the relocation of open space that it is currently being used for, but it could provide freehold opportunities for a range of occupiers which are currently unavailable elsewhere in the Andover area. The Council is considering a suitable strategy to bring the site forward, but a number of agents have commented that the priority should be to make use of the existing space on Walworth Business Park and reduce the level of vacant space.

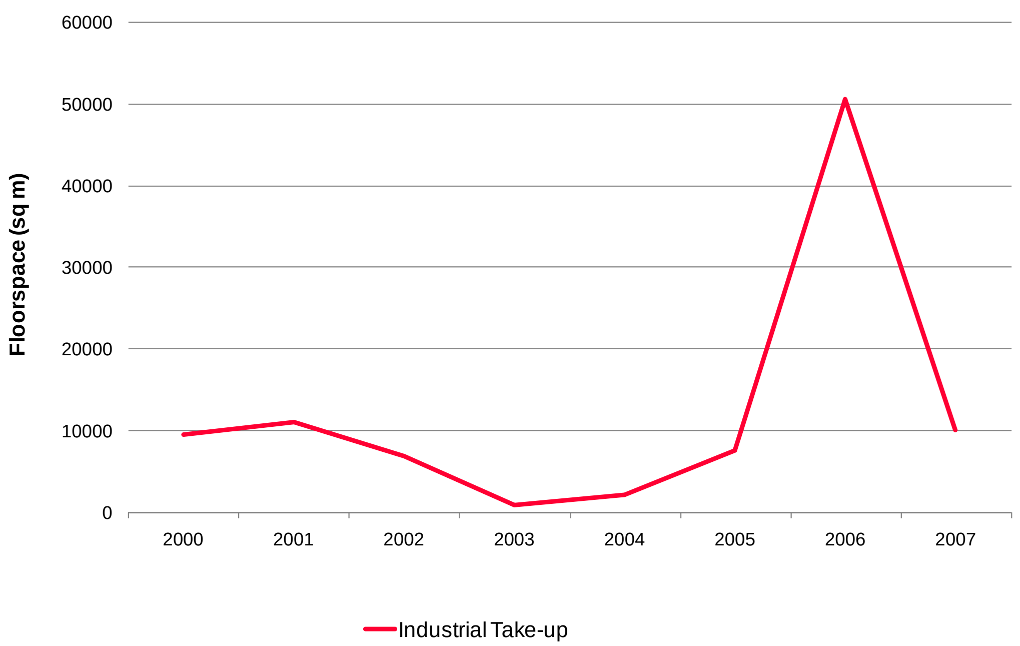
4.37 Both Walworth Business Park and Portway Industrial Estate have a small number of small plots for development which are the subject of outstanding planning applications. Agents have reported a lack of demand in bringing these sites forward because of onerous ground rents and leasing arrangements.

4.38 Adanac Park is a key site in Southern Test Valley reserved for strategic B1 uses of sub-regional/regional significance. However, agents have suggested that the planning restrictions which limit the space to five users will mean that it is more difficult to let and will not satisfy local demand, which is reported to be for space of less than 20,000 sq ft. Agents also highlighted a number of other potential development sites including those next to Abbey Park and Adanac Park whereby development for B1 uses would be suitable. These sites are not presently allocated and do not have permission for development. Agents have suggested there is very little availability of land in general and reported a lack of opportunities for both small and large scale premises.

Take-up and Demand

4.39 Analysis of take-up rates using EGi information on industrial deals since 2000 reveals that overall there has been a fairly consistent level of take-up with an average of around 7,000 sq m a year from 2000-2005. Take-up in 2006 has far exceeded figures for previous years, with over five times the floorspace. However, 40% of the 2006 figure is comprised of a single site - Danebury Works in Stockbridge, which was sold by Gleeson Properties for £1.4m. In 2007 the take-up rate returned to the previous trend of c.10,000 sq m per year.

Figure 4.8: Industrial Take Up 2000-2007



Source: EGi, 2008

4.40 In Andover, demand for industrial/warehousing space comes principally from Andover based companies and there have been a limited number of companies attracted to Andover from further afield. An exception to this is Van Spall, who recently relocated to the Walworth Business Park from Slough. According to agents, they were principally attracted to the estate by lower costs rather than location of premises. The units they relocated to had been refurbished and agents commented that there is good demand for such units. Indeed Frobisher is in the process of upgrading 300,000 sq ft of former Ducal units on the Walworth Business Park and similar undertakings have seen rents increase from £4.15 per sq ft to £5.50 per sq ft. There is currently some interest on c6 plots on Walworth and Portway, in the main from existing firms, but also from a Danish company wishing to locate a biomass chipping plant on Portway.

4.41 According to a number of commercial agents, however, the ground rents on the Walworth Business Park are considered to be high and leasing arrangements too complex/restrictive, both of which are reported to be prohibiting further investment and refurbishments. This, in turn, limits the scale of demand for un-refurbished/renewed premises on the estate in that they are not suited to modern requirements. This is discussed in more detail under rents.

4.42 It was felt by local commercial agents that new/good quality stock would be likely to attract demand, but agents went on to comment that this type of provision is unlikely to come forward because of the lack of speculative interest and freehold land availability. Indeed one agent reported enquiries from Andover based industrial companies seeking space on Solstice Park in Salisbury (adjacent to A303) because of readily available opportunities, which Andover is unable to provide for, including freehold opportunities. Solstice Park is discussed in more detail in Section 3 of this report.

4.43 The Glenmore Estate was cited by agents as indicative of demand for freehold opportunities, which were sold a few years ago by the County Council and which did extremely well on the market. The lack of other such opportunities in Andover was highlighted by one agent who reported an enquiry for an 8 acre freehold site which they have not been able to satisfy and have instead looked to Greenham Park in Newbury. Agents felt there is likely to be more than one large freehold requirement in the area which would take up any available supply.

4.44 In terms of the size of units in demand, commercial agents have suggested there is limited demand for premises between 5,000 and 10,000 sq ft, but that above and below this threshold there is reasonable demand, particularly from local companies growing and expanding. An example was cited as Londis who are expanding into adjacent plots.

4.45 Agents felt that regional enquiries are not likely to come to Andover because of the lack of stock to attract them. The possible location of Tesco on the Andover Business Park is clearly an exception to this assertion. On the whole occupiers tend to want space that is readily available and of the right quality without having to wait for, or negotiate refurbishments. Hi-tech users were highlighted in particular as not being able to meet their needs for sufficient lab space (B1b/B8) as a result of viability issues with such schemes in the area.

4.46 In terms of Southern Test Valley, demand tends to be focussed on organic growth of local businesses within Romsey, and elsewhere demand is more typically related to the docks, regional distribution hubs and service industries. Demand is centred on good quality, modern, self contained premises, but agents have reported that much of the existing stock is old, in wrong locations and has problems such as poor ground conditions and access restrictions.

Budds Lane industrial estate was cited as a key example of suffering from such constraints with restricted access as a result of the railway bridge.

4.47 Demand is reported to be growing steadily and is particularly increasing for premises with greater eaves heights (10m +). Demand is reported as strong at the larger end of the scale (30,000 sq ft) and for mixed B8/B1 space. Agents have also reported good demand for investment at the smaller end of the market among local developers both in terms of selling to owner occupiers and occupying themselves. It was felt that developers would speculatively build if suitable sites were available.

Rents

4.48 Average rental figures on vacant properties in 2007 from EGi give an average rent across the borough of £6.60 per sq ft. However, as with office premises, there is a broad range across different sites within the borough – currently between £5 and £8 per sq ft.

4.49 In Southern Test Valley, agents report typical rents of £6.60-£8.50 per sq ft for smaller units, with one or two exceptions at c£10 per sq ft, with leases for typically five years. Larger shed rents are £6.50-£7.75 per sq ft with second hand stock at £5-6.

4.50 In Andover, agents report refurbished premises witnessing increases in rental levels, thus demonstrating demand for premises of reasonable quality. As noted above, units on the Walworth Business Park have seen rents increase from £4.15 per sq ft to £5.50 per sq ft as a result of such refurbishments.

4.51 The issue of ground rents has been raised by commercial agents as a key concern on the Walworth Business Park and to a lesser extent on Portway Industrial Estate. The Council is the freehold owner of these estates and it maintains an income through ground rents. According to local commercial agents, the ground rents have increased to an extent whereby they are now out of kilter with real market conditions. This has resulted in deterring investment and refurbishments in existing stock.

4.52 The Council has previously indicated that it would be unable to lower rents, but is exploring the potential to work in Partnership with an Investment Fund in order to regenerate the estates. However, it is likely that this is a long term option and would take at least two years to come to fruition and would add another layer of interest to the site, which in turn will need to be serviced by higher rents/reduced leasehold interests. Agents have suggested that ground rents should be minimised in order to stimulate investment which would serve to reduce the existing vacant stock. This may result in a short-term reduction in ground rent for the Council, but in the longer term could attract more occupiers to the sites according to agents.

4.53 A further issue highlighted by agents as being potentially prohibitive to investment/ refurbishment on the estates is the onerous leasehold arrangements. The role of the Council in both estate management/effective landlord together with general planning and economic development roles could be deterring occupiers from entering into such agreements on the basis they are unlikely to appreciate the Council overseeing them, particularly in terms of enforcing use class consents, under-letting etc.

5. Future Forecast Demand

Introduction

5.1 The brief for this study called for an assessment of future requirements for Andover[1] up to the period 2026.

5.2 For Southern Test Valley the quantum of employment space to be provided has already been provisionally identified in line with the sub-regional strategy developed by the Partnership for Urban South Hampshire (PUSH) within the South East Plan. Whilst the requirements for B8 space are still under discussion, the following have been proposed in terms of future requirements:

– B1 offices 18,600 sq m

– B2 7,500 sq m

– B8 30,000 sq m

5.3 For Rural Test Valley no assessment of demand was requested as part of this brief. However, we have considered this at a headline level later in this section in order to inform site recommendations in Section 6.

5.4 The focus of this section is, therefore, on assessing the future forecast demand for employment land and floorspace for Andover. This has included an assessment of future sectoral employment growth, population growth and labour supply implications, and requirements to accommodate market churn and choice. We have also provided an assessment of past levels of completions in employment floorspace for Andover and Test Valley on the basis that this provides a useful cross check with forecasts.

5.5 The remainder of this section is set out as follows:

- Background
- Andover Employment Base and Floorspace Forecasts
- Andover Labour Supply Issues
- Analysis of Past Completions in Employment uses
- Rural Test Valley Forecasts.

[1] Andover is defined as the wards of: Alamein; Charlton; Harroway; Millway; St Mary's; and Winton. The Charlton ward was created through the sub-division of the Harroway ward in 2003.

Background

5.6 Substantial economic baseline research has been undertaken for the Council including: Test Valley, An Economic Profile 2006 (published March 2007) and as part of the Test Valley Long Term Economic Strategy (LTES), (published October 2007). This study has not therefore sought to replicate this research but rather, to draw on its findings.

5.7 The LTES clearly illustrates the difference in economic structure and performance of the southern and northern parts of the Test Valley. The southern area has performed well and is well connected with the M27 corridor/urban south Hampshire area. However, the northern Test Valley has performed less well. This is corroborated by the views of commercial agents as summarised in the market review section of this report.

5.8 The relative poorer performance of the northern Test Valley includes lower skill levels within the labour market, lower value jobs and many of the lower socio-economic groups in Test Valley being concentrated in Andover. This is in large part a result of a lack of infrastructure and drivers on which to build a highly competitive economy, such as strong Further Education (FE) and Higher Education (HE) provision, high quality sites and premises and a vibrant service sector offering.

5.9 There are measures in place to address the lack of infrastructure. The *Andover Vision* is seeking to create a step change in the performance and aspirations of Andover. To date this has gathered momentum and there is evidence on the ground of improvements to Andover's offer to residents through town centre leisure development. There has been a major change in the leadership of FE provision within Andover which includes the offer of some HE. There are also plans to regenerate a number of key industrial estates.

5.10 However, there is a clear acknowledgement within the LTES that this step change will take time to take hold as the core building blocks need to be put in place and established before the target impacts are realised.

Andover Employment Base and Floorspace Forecasts

Employment Base

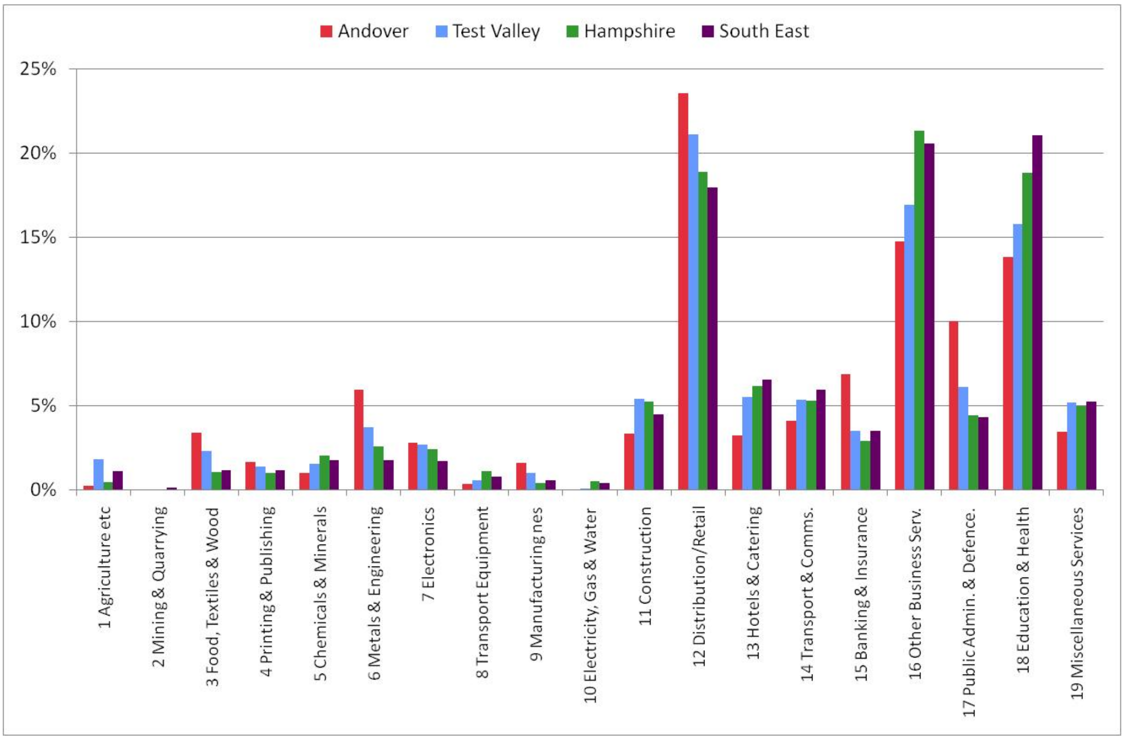
5.11 To inform the analysis of likely future employment space requirements, we have undertaken an analysis of recent employment trends in Andover.

5.12 Andover accounts for 46% of Test Valley employment (ABI, 2006) or 23,200 jobs. 35% of employment is located within the Southern Test Valley area around Romsey and 19% in Rural Test Valley. Andover is, therefore, very important to the Test Valley economy as an employment centre.

5.13 The employment structure in Andover relative to benchmark areas is illustrated in Figure 5.1. This shows concentrations in a number of manufacturing sectors; distribution and retail (more detailed analysis shows a high concentration in wholesale); banking and insurance; and public administration and defence. Major manufacturing companies include Twinings, Stannah Stairlifts and Cengage Learning (formerly Thompson International Publishers). The banking and insurance sector is underpinned by two large operations for Scottish Widows Lloyds TSB and Simply Health (HSA). The defence sector has historically been a major employer in the Andover area through the RAF, the Defence Logistics Organisation (DLO) and most recently the single headquarters for the British Army.

5.14 Andover is under represented in construction; hotels and catering; transport and communication; other business services; education and health; and miscellaneous services.

Figure 5.1 Sectoral Employment Structure, 2006

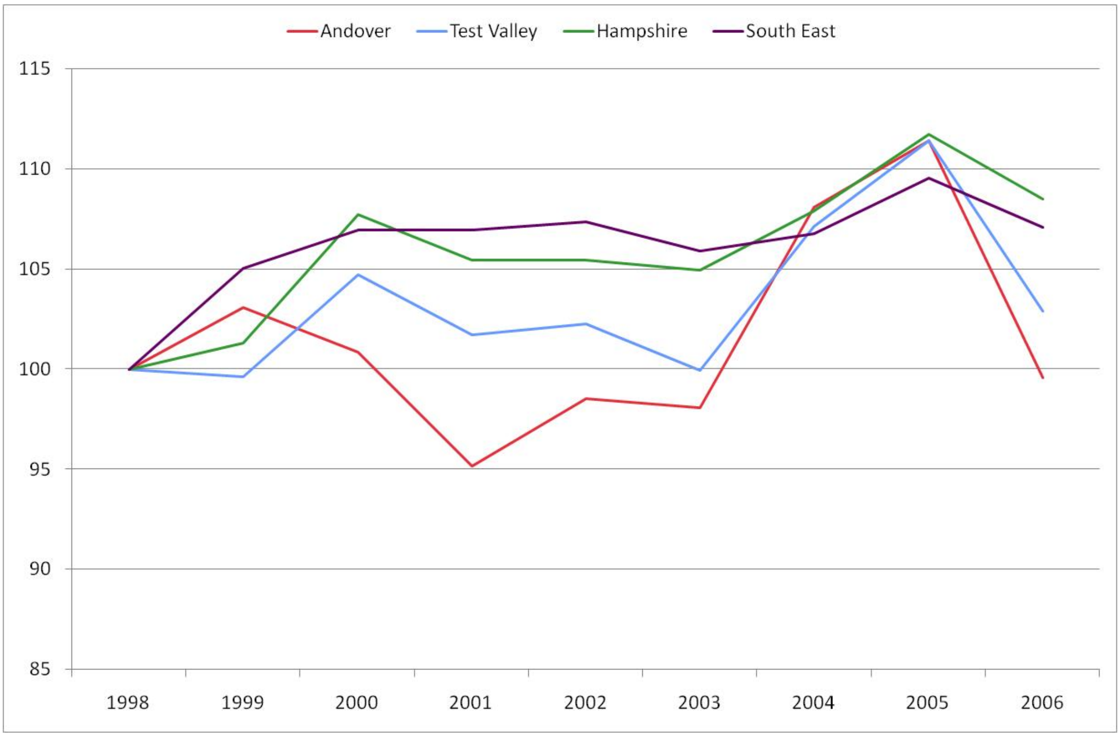


Source: Annual Business Inquiry

5.15 Figure 5.2 shows how total employment has changed in Andover compared to benchmark areas over the period 1998-2006. The figure shows a marked change in employment from 2005 -2006 in part caused by a change in how the data was collected and analysed. As a result we have focused on the period 1998-2005 for more detailed analysis. Over the period 1998-2003 Andover has lagged the benchmark areas. This gap was closed over the period 2003-2005, in large part through substantial growth in the public admin and defence sector with the new Army HQ.

5.16 Excluding public administration and defence from the analysis, total employment in Andover over the period 1998-2005 would have substantially lagged the Hampshire and South East averages with almost no net employment growth.

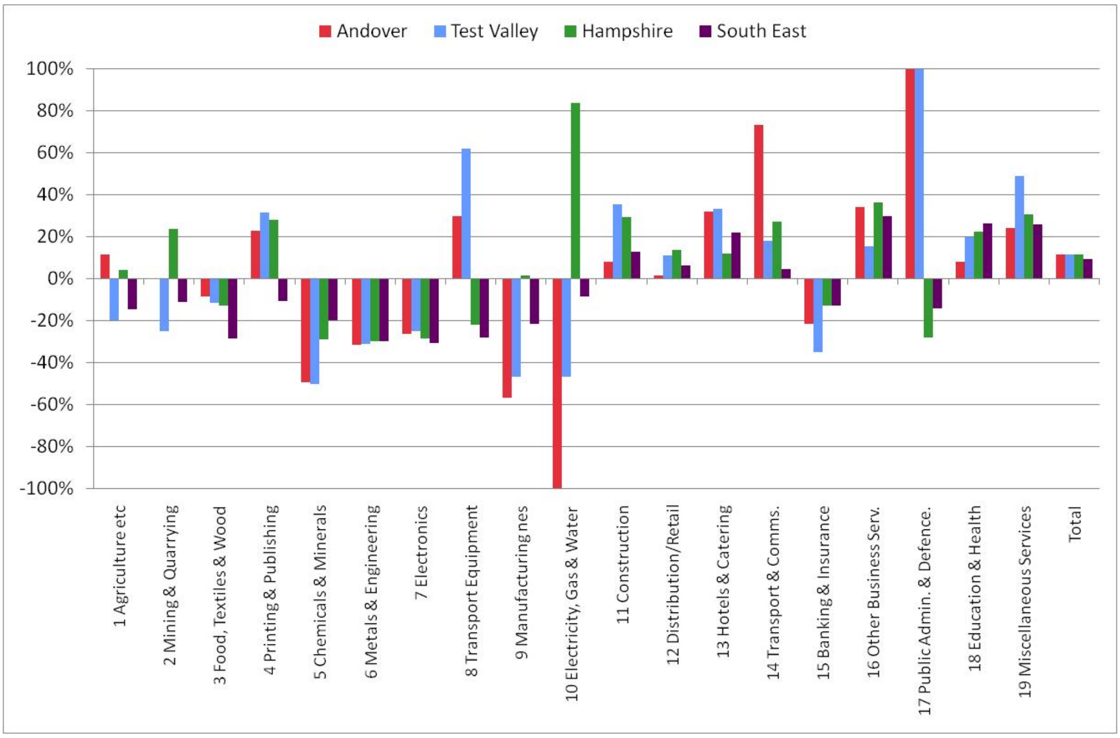
Figure 5.2 Indexed Employment Change, 1998-2006 (1998=100)



Source**:** Annual Business Inquiry

5.17 Figure 5.3 shows employment change by sector 1998-2005. Other than the huge growth in public administration and defence other growth sectors include: printing and publishing; transport equipment; hotels and catering; transport and communication; other business services; and miscellaneous services. Employment decline has been largely concentrated in a number of manufacturing sectors and the banking and insurance sector. The decline in utilities employment is from a very small base.

Figure 5.3 Percentage Employment Change by Sector, 1998-2006



17 Public Administration and Defence. Andover = +558%, Test Valley = +225%. Scale reduced to illustrate change within other sectors more clearly.

Source**:** Annual Business Inquiry

Baseline Economic Forecasts

5.18 DTZ has developed baseline employment projections for Andover based on Cambridge Econometrics projections for the whole of Hampshire.

5.19 As outlined above, excluding defence, Andover has experienced substantially lower employment growth than Hampshire in recent years. Casting this performance forward we may expect Andover to continue to perform below the Hampshire average. In the short term this may be the case. As outlined in the LTES the Andover economy could be exposed to global cost pressures. However, in the longer term actions are being put in place to address this.

5.20 In addition, Andover is a relatively small economy. As a result, fluctuations in individual firms can have a substantial bearing on performance and have done in the recent past (i.e. Army HQ). It is hard to predict how individual movements in firms will take effect in the future and the county average performance is likely to be a better starting point for this analysis. Also, no individual sector has experienced consistent year on year performance either ahead or below the Hampshire average. If this were the case it may be reasonable to assume a continuation of this trend. As it is not the case we have not adjusted any particular sector within the baseline scenario.

5.21 Allowing for slightly higher growth is also useful for assessing future requirements of employment space. For the purposes of this work we need to operate on the basis that provision of employment space should not constrain the economy. Providing a slightly more optimistic scenario is, in this case, prudent. If employment space provision is constrained by a low projection of employment growth it could become a self fulfilling prophecy.

5.22 Table 5.1 sets out the baseline employment scenario. This indicates employment growth of 2,410 jobs over the 20 year period. Manufacturing is projected to decline in employment terms. Employment growth is largely concentrated in service sector activities. The Test Valley LTES indicated total net employment growth in the Andover area in the region of 2,500 – 3,000 over the period 2005-2020. This would indicate a slightly higher level of overall growth which is largely driven by much lower projected declines in the manufacturing sector.

Table 5.1 Andover Baseline Scenario Employment Projections 2006-2026

	2006	2011	2016	2021	2026	2006-26
1 Agriculture etc	50	50	50	50	50	0
2 Mining & Quarrying	0	0	0	0	0	0
3 Food, Textiles & Wood	790	730	680	630	580	-210
4 Printing & Publishing	390	360	330	310	280	-110
5 Chemicals & Minerals	230	210	200	180	170	-60
6 Metals & Engineering	1,380	1,290	1,200	1,110	1,010	-370
7 Electronics	400	370	350	320	290	-110
8 Transport Equipment	310	290	270	250	230	-80
9 Manufacturing nes	370	340	320	290	270	-100
10 Electricity, Gas & Water	10	0	0	0	0	-10
11 Construction	770	840	900	960	1,010	240
12 Distribution/Retail	5,470	5,590	5,780	5,990	6,200	730
13 Hotels & Catering	740	760	790	810	840	100
14 Transport & Comms.	950	950	940	940	930	-20
15 Banking & Insurance	1,590	1,690	1,810	1,930	2,060	470
16 Other Business Serv.	3,430	3,640	3,890	4,150	4,420	990
17 Public Admin. & Defence.	2,320	2,420	2,510	2,590	2,660	340
18 Education & Health	3,200	3,340	3,470	3,570	3,670	470
19 Miscellaneous Services	800	830	860	890	920	120
Total employment	**23,190**	**23,720**	**24,350**	**24,970**	**25,600**	**2,410**

Source: DTZ based on Cambridge Econometrics/ABI

5.23 We have reality checked these forecasts against the views of stakeholders expressed to us through the course of this research, our assessment of recent economic performance in Andover and the ambitions for the town as expressed through the Test Valley LTES. These have been used to provide an alternative scenario. The key adjustments are summarised in Table 5.2. Only positive adjustments are made as negative adjustments would risk reducing the impact on employment space.

Table 5.2: Alternative Scenario Options

Sector	Justification	Adjustment
1 Agriculture etc	Very small sector. No adjustment required.	-
2 Mining & Quarrying	Very small sector. No adjustment required.	-
3 Food, Textiles & Wood	Risks and opportunities around Twinings are uncertain. Recent levels of decline lower than Hampshire average. No adjustment made.	-
4 Printing & Publishing	Recent performance of this sector has been positive in Andover and Hampshire although declines nationally. Adjust to remove decline.	+110
5 Chemicals & Minerals	Sector has declined more rapidly in Andover than Hampshire. No clear justification for manual adjustment.	-
6 Metals & Engineering	Sector has moved in line with Hampshire. No adjustment required.	-
7 Electronics	Sector has moved in line with Hampshire. No adjustment required.	
8 Transport Equipment	Andover has experienced growth compared to decline in Hampshire. Therefore removed decline.	+80
9 Manufacturing	Sector has declined more rapidly in Andover than Hampshire. No clear justification for manual adjustment.	-
10 Electricity, Gas & Water	Very small sector. No adjustment required.	-
11 Construction	Sector has grown more slowly than Hampshire. However, plans for regeneration of industrial estates and Andover vision could stimulate sector to grow in line with county average. Substantial planned housing growth will also stimulate this sector.	-
12 Distribution/Retail	Wholesale/Distribution activities are concentrated in Andover. Proposals for major logistics development an Andover Business Park (Airfield) are in pipeline. Town centre redevelopment could stimulate retail sector growth and lead Andover to perform in line with Hampshire. Implications of Goodmans proposals for Andover Business Park need to be considered as potential one off development and dealt with outside this modelling exercise.	-
13 Hotels & Catering	Has grown more strongly than Hampshire. Improvement in leisure provision could stimulate increased growth above county average. However, not well related to Employment (B) Use Classes.	+100
14 Transport & Comms.	Growth has outstripped Hampshire average substantially. Development of logistics park at	+120

Sector	Justification	Adjustment
	Andover Airfield could boost this sector further rather than forecast decline.	
15 Banking & Insurance	Reliant on two major employers and anecdotal evidence of declining levels of employment in one of these. Therefore existing strong growth projected may be ambitious. Andover not viewed as a major office location with substantial competitors in Central and North Hampshire as well as along M27 corridor.	-
16 Other Business Serv.	Recent performance broadly in line with Hampshire. Andover not viewed as a major office location with substantial competitors in Central and North Hampshire as well as along M27 corridor. No adjustment required.	-
17 Public Admin. & Defence.	Very high levels of growth in recent history as a result of one off development. Likely to return to trend. No adjustment required.	-
18 Education & Health	Sector has recently performed less well than county average. No justification for uplift.	-
19 Miscellaneous Services	Recent performance broadly in line with Hampshire. No adjustment required.	-
Total		**+390**

5.24 The changes indicated in Tables 5.1 and 5.2 relate to net changes. The LTES sets out a need to restructure the activities within sectors to capture higher value activities based on high skill levels. This may not lead to net growth in sectors in either the short or medium term but will be necessary to put the Andover economy on a firmer long term footing and could have impacts on the employment space needs in the economy. In order to achieve this there is a stated requirement in the LTES for *"a more attractive physical environment, high specification business premises and an appropriately skilled workforce".* No substantial quantitative requirement for new sites is indicated through the LTES[2]. However, the regeneration of existing sites is included as a key action to create the sites and premises infrastructure to enable change in the Andover economic base.

Net Additional Employment Space Forecasts

Office

5.25 Andover is not a recognised office location. The predominant employment sectors that relate to office activity are banking and insurance, and other business services. Although some activities within a range of other sectors may use office accommodation. Two major office occupiers lead to the banking and insurance sector being over represented in comparison to county and regional benchmarks. However, the presence of Scottish Widows Lloyds TSB and Simply Health (HSA) has not led to further office occupiers locating in Andover. The wider business services sector is under represented in comparison to benchmarks. Other than the two large occupiers identified, the majority of occupiers in these sectors are smaller, local or sub-regional operations.

[2] The identification of future land requirements was not a core aim of the LTES.

5.26 Both sectors are projected to grow in employment terms, with business services heralded as the key driver for much economic growth in the UK. At the Andover level there is a lack of confidence among agents for substantial growth in office related activities outside the local/sub-regional professional services sectors. Competing locations such as Newbury, Basingstoke, Winchester and urban south Hampshire are seen as much stronger office locations.

5.27 However, if Andover is to shift its economic structure, there is a need to create the capacity for office development alongside interventions to address the skills and wider service sector offer of Andover.

5.28 We have converted employment change by SIC code to Use Class using the matrix attached at Appendix 4 to this report along with assumptions used for employment densities. This would indicate around 1,500 net additional jobs in office related activities over the period 2026. This would generate a requirement for a net additional 27,300 sq m of office floorspace in Andover over the 20 year period.

Table 5.3 Future Net Additional Office Forecasts in Andover

	2006-11	2011-16	2016-26	2006-26
Employment Change	330	370	770	1,480
Floorspace (sq m)	6,140	6,900	14,240	27,290

Source: DTZ

Figures may not sum due to rounding

Industrial

5.29 Andover has a significant concentration of manufacturing activity compared to the county and regional averages. 17% of Andover employment in 2006 was within the manufacturing sector compared to 13% in Hampshire and 11% in the South East. This has therefore created a larger commercial industrial property base. Commercial agents still perceive Andover as a largely industrial focused location with the potential for ongoing demand.

5.30 However, the manufacturing sector has been in decline in employment terms with 28% fewer employees in 2005 than 1998 (5,800 to 4,200). The rate of decline has been greater in Andover as a result of its exposure to this contracting (employment) sector. Industrial floorspace has increased slightly over the same period, but has fallen year on year since a peak in 2001.

5.31 The sector is projected for continued contraction in employment terms although output is projected to continue on an upward trend. The aim of the LTES is to develop higher value manufacturing activity linked to R&D. This is already coming about in the southern Test Valley linked to the University of Southampton Science Park at Chilworth. There is a challenge to Andover to diversify into higher value manufacture. This may require a different type of industrial property to that which is currently available.

5.32 At present the majority of demand in this sector is from locally based companies. Anecdotal evidence relating to new industrial occupiers from outside the immediate area is that the low cost of industrial property is the primary driver. This may provide a short term boost but does not support the vision for a more resilient and competitive manufacturing base.

5.33 The decline in employment is unlikely to create a net additional demand for industrial floorspace. However, there is potential for ongoing demand arising from the changing needs of occupiers. In addition, although employment is expected to contract, this may not feed through to a commensurate release of industrial floorspace. As manufacturing becomes increasingly capital intensive, labour may be replaced with capital equipment. Furthermore, the lumpy nature of the property market does not necessarily enable firms to shed 10% of their floorspace if they shed 10% of their labour. If there are firm closures then there is likely to be a release of property into the market. Circumstances at the time will determine whether the released sites and premises are suitable for re-use in their existing format, whether they can be redeveloped for industrial uses or whether the site is no longer suitable or appropriate for continued employment use.

5.34 In the short term there is optimism that good quality industrial premises would be taken up if available and at present Andover could be losing out to competitor locations along the A303(T) corridor. This churn/replacement demand is dealt with separately below.

Warehouse

5.35 The warehousing sector has been performing strongly with rising stocks in recent years. Andover has a concentration of distribution/wholesaling activity and has seen substantial growth in transport and communications employment. Commercial agents have identified demand for trade counter and local storage and distribution type uses.

5.36 The baseline employment scenario projects around 200 additional jobs in warehousing related uses over the period 2006-2026. This net change is in part dampened down by the decline in manufacturing employment which although predominantly accommodated within B2 Uses will also require B1 b/c and B8 space. Excluding the decline in manufacturing the additional employment rises to 300 over the same period. This has been used as a higher growth scenario for this sector along with increased growth of the transport and communications sector as a result of our higher growth scenario. Using local warehousing employment densities[3] this would lead to a requirement for 17,800 sq m of warehouse space. Table 5.4 sets out the details of this analysis under the two scenarios.

Table 5.4: Future Net Additional Warehousing Forecasts in Andover

	2006-11	2011-16	2016-26	2006-26
Including Manufacturing Decline				
Employment Change	40	60	120	210
Floorspace (sq m)	1,800	2,800	5,980	10,570
Excluding Manufacturing Decline				
Employment Change	70	90	190	360
Floorspace (sq m)	3,590	4,640	9,580	17,810

Source: DTZ

Figures may not sum due to rounding

[3] 50 sq m per worker (see Appendix 4)

5.37 Modern warehousing developments are often found to operate at lower employment densities (larger areas per worker). This can reflect the nature of many national and regional distribution hubs rather than local storage and distribution. However, if these trends begin to impact on smaller scale activities over the course of the 2006-26 period there would be an inflationary impact upon requirements. If average densities were to change from 50 sq m per worker to 65 sq m per worker under the higher scenario in Table 5.4 requirements would increase to 50,800 sq m.

5.38 A major proposal for distribution uses at the Andover Airfield Business Park has been put forward by Goodman's. This would include 130,000 sq m of B8 space and Tesco has been identified as an anchor tenant to take 75,000 sq m for a major regional distribution centre. With Andover located on the A303, one of the major routes from London to the South West of England this type of proposal is not unsurprising but is on a larger scale than existing distribution activity in the Andover area. This development is over and above the growth projected by baseline economic forecasts and should be considered as additional demand.

Non B Uses

5.39 1,450 jobs are projected within non B Use Classes. This reflects the continued shift towards the service sector. Major growth areas will be education, health, retail, construction and tourism and leisure.

5.40 Part of this growth may look to B Use Class employment sites and premises for accommodation. In particular *Sui Generis* Uses such as motor trades are often located on employment sites. Some service sector activities are also found on employment sites where they either add to the mix of occupiers; or they require employment type premises (e.g. leisure uses within warehouse type buildings).

5.41 We have assessed the potential implications of non traditional employment Uses. Appendix 4 to this report sets out the assumptions for sector shares used in this analysis. In total an estimated 130 jobs could look to locate on employment sites over the 20-year period. At an estimated 40 sq m per worker this will create a demand for 5,160 sq m of floorspace. Table 5.5 sets out the analysis over time.

Table 5.5: Non B Use Forecasts on B Use Class Sites

	2006-11	2011-16	2016-26	2006-26
Employment Change	20	30	70	130
Floorspace (sq m)	960	1,370	2,840	5,160

Source: DTZ

Figures may not sum due to rounding

Churn and Replacement

5.42 When considering future requirements for employment land and floorspace it is also important to take account of the needs to accommodate churn and replacement in the market. There are complex issues in the Andover commercial property market which will impact on issues of churn and replacement. These include investment constraints on the Walworth Estate and high levels of vacant stock. In previous studies in the UK DTZ has assumed a figure in the order of 0.25% - 0.5% of stock per annum as an indicator of churn and replacement. Due to the issues around ageing stocks we have assumed the upper end of this range. This is also consistent with the LTES stated requirement for restructuring sectors and developing high specification premises. Table 5.6 sets out the results of this analysis.

Table 5.6: Non B Use Forecasts on B Use Class Sites (sq m)

	Stock Estimate*	2006-11	2011-16	2016-26	2006-26
Office	75,900	1,900	1,900	3,800	7,590
Industrial	336,900	8,420	8,420	16,840	33,690
Warehouse	271,500	6,790	6,790	13,580	27,150
Total	**684,300**	**17,110**	**17,110**	**34,220**	**68,430**

Source: DTZ

Figures may not sum due to rounding

* VOA

Combined Forecasts

5.43 Table 5.7 brings together the results of each stream of work, whilst including a further 10% allowance for choice in the market. This shows a total requirement of around 130,000 sq m over the 20-year period.

Table 5.7: Future Forecasts Summary (sq m)

	2006-11	2011-16	2016-26	2006-26
Office				
Net Additional	6,140	6,900	14,240	27,290
Churn	1,900	1,900	3,800	7,590
Choice	800	880	1800	3490
Total	***8,840***	***9,680***	***19,840***	***38,370***
Industrial				
Net Additional	-	-	-	-
Churn	8,420	8,420	16,840	33,690
Choice	840	840	1680	3370
Total	***9,260***	***9,260***	***18,520***	***37,060***
Warehouse				
Net Additional	3,590	4,640	9,580	17,810
Churn	6,790	6,790	13,580	27,150
Choice	1040	1140	2320	4500
Total	***11,420***	***12,570***	***25,480***	***49,460***
Non B Use	***960***	***1,370***	***2,840***	***5,160***
Total	**30,480**	**32,880**	**66,680**	**130,050**

Source**:** DTZ

Figures may not sum due to rounding

5.44 Floorspace requirements have been translated into indicative land requirements. Two scenarios for conversion have been adopted. The first utilises guidance from *Employment Land Reviews - Guidance Note, Office of the Deputy Prime Minister (ODPM) December 2004* for plot ratios. The second scenario utilises plot ratios calculated from development in Andover within the period 2001-2007 provided by Hampshire County Council. This second scenario suggests lower densities of development. This leads to a larger requirement for employment land. However, there should be an aspiration to increase the efficiency of land utilisation towards the more dense form of development. Table 5.8 contains the results of the analysis.

5.45 For offices in particular the adoption of plot ratio assumptions is problematic. Office development in town centre locations could achieve densities close to 100% with little or no car parking provision. There is also the scope for multi storey development. At the present time it is unlikely that high rise office development will take place in Andover, but two-storey development is realistic. In edge and out of town locations and business parks very different plot ratios are likely. The provision of car parking for labour intensive working can be substantial, with evidence from recent development in Andover suggesting lower levels of site coverage for office development than warehousing. Two-storey development is also likely. For the purposes of this study we have not made an allowance for 100% town centre densities. However, if these can be achieved the overall requirement would fall.

5.46 The total land requirement from this analysis is in the range of 28 – 43 hectares over the 20-year period. This is equivalent to 1.4 – 2.2 hectares per annum.

Table 5.8: Future Land Requirements (hectares)

	Density Assumption	2006-11	2011-16	2016-26	2006-26
ODPM Assumptions					
Office+	40%	1.1	1.2	2.5	4.8
Industrial	40%	2.3	2.3	4.6	9.3
Warehouse	40%	2.9	3.1	6.4	12.4
Non B Use	40%	0.2	0.3	0.7	1.3
Total		**6.5**	**7.0**	**14.2**	**27.7**
Historic Andover Development Assumptions					
Office+	26%	1.7	1.9	3.8	7.4
Industrial	26%	3.6	3.6	7.1	14.3
Warehouse	26%	4.4	4.8	9.8	19.0
Non B Use	26%	0.4	0.5	1.1	2.0
Total		**10.0**	**10.8**	**21.8**	**42.6**

Source: DTZ

Figures may not sum due to rounding

+ Two storey development has been assumed for office uses.

Andover Labour Supply Issues

5.47 We have provided some analysis of future potential labour supply as a cross check to the employment projections included in the previous analysis.

Population and Labour Market Summary

5.48 Andover accounts for 36% of the Test Valley population based on the 2001 Census. As at 2006 the Andover population was a little over 40,000 according to Hampshire County Council estimates. Andover has the highest proportion of working age population of the three sub areas of the Test Valley at 62%. Economic activity rates for the Test Valley working age population currently stand at 87%, after rapid rises in the last two years. This compares with 82% at the South East regional level and 78% for Great Britain.

5.49 An estimated 14,500 people live and work in Andover. In addition, a further 9,400 people in-commute to Andover to work. The town is a net in-commuter with only 6,400 out-commuting for work. The top four origins and destinations for in and out commuters are the same, including: Wiltshire; Rural Test Valley; Basingstoke and Deane and Winchester. These areas account for in excess of 77% of in-commuting and 63% of out-commuting. The range of out-commuting destinations are more diverse reflecting the distances people will travel for high quality employment and the relative shortage of such opportunities within Andover.

Population Projections

5.50 Hampshire County Council (HCC) has developed long term population projections for districts within the county. In addition, there are medium term projections for wards which allow analysis of the Andover implications. An allowance for future housing provision has also been made.

5.51 The short term population projections suggest Andover will grow more rapidly in population terms than other areas of the Test Valley over the period 2006-2011. This leads to Andover accommodating 37% of the borough's population, an increase of one percentage point from current estimates.

5.52 However, in the longer term this trend may be in part restricted by housing development. Dwelling figures for the three sub areas of the Test Valley for the period 2006-2026 include 3,910 for the Southern Test Valley and 5,000 for Andover and Rural Test Valley. If Andover took the lion's share of this growth it will still lead to broadly similar levels of housing development as the Southern Test Valley and as a result the scale of long term population change may be broadly similar in the two areas.

5.53 For the purposes of this analysis we have considered three scenarios. A low variant which assumes Andover retains 37% of the Test Valley population; a medium variant which assumes that Andover continues to increase its share of the Test Valley total by half of one percentage point every five years to 38.5% in 2026; and a high variant that assumes Andover increases its share of the Test Valley population by one percentage point every five-years to 40% by 2026. The high scenario is consistent[4] with the higher housing growth of 5,600 in Andover across the 20-year period included within the South East Plan Examination in Public Panel Report.

5.54 Each of these scenarios is applied to Test Valley total population projections to derive Andover's population to 2026. The economically active population is derived through applying the proportions used within the HCC projections for each relevant year. Three economic activity options are used: High[5], Medium and ONS. This leads to a total of nine scenarios. A notional unemployment rate of 3% is assumed to allow for frictional changes in the economy. The results are summarised in Table 5.9.

Table 5.9: Andover Labour Supply Scenarios 2006-2026

	Low Variant	Medium Variant	High Variant
Total Population Growth	4200	6000	7800
High Econ Activity	3500	4500	5500
Medium Econ Activity	2100	3000	3900
ONS Econ Activity	1800	2800	3700

Source: DTZ based on Hampshire County Council

[4] This assumes average household size fall from 2.34 in 2006 to 2.11 in 2026 in line with DCLG projections.

[5] The high economic activity scenario includes a substantial uplift in rates of economic activity post retirement age. Achieving these rates is presently uncertain.

5.55 A further allowance should be made for commuting patterns. At present 30.6% of the Andover workforce out-commutes for work and 39.3% of jobs in Andover are occupied by in-commuters to the town. Table 5.10 sets out the adjusted local labour supply assuming that out-commuting remains at current levels.

Table 5.10: Andover Labour Supply Scenarios Removing Out-Commuters 2006-2026

	Low Variant	Medium Variant	High Variant
Total Population Growth	4200	6000	7800
High Econ Activity	2430	3120	3820
Medium Econ Activity	1460	2080	2710
ONS Econ Activity	1250	1940	2570

Source: DTZ based on Hampshire County Council

5.56 To ensure like for like comparison the labour demand projections from Tables 5.1 and 5.2 have been adjusted for in-commuting. The adjusted local employment projection stands at 1,500 – 1,700 jobs.

5.57 Under the low variant there would be a slight shortage of labour in all but the high economic activity scenario. This would lead to a need to increase the levels of in-commuting or claw back existing out commuters in order to maintain a balance between labour supply and local employment projections. Under the medium and high variants there would be an over-supply of labour compared to local employment projections, which could lead to either higher levels of out-commuting, reduced in-commuting or higher unemployment in Andover.

5.58 On this basis, for all but the lowest projections of labour supply, the future patterns of demographic and labour market change indicate that it may be necessary to deliver higher levels of employment growth than the baseline to maintain a healthy and balanced economy. The effective implementation of the LTES and Andover Vision could contribute to higher levels of employment growth. A slower than projected decline in the manufacturing sector will also provide a net boost to jobs.

5.59 Should higher levels of employment growth come forward, or be required to meet increases in labour supply, this could in turn result in increased demand for employment floorspace over and above the levels projected in the employment demand assessment. At this stage it is not possible to identify which sectors could support additional growth and the associated land requirements. If additional growth is within the service sector as a result of town centre revitalisation, and the construction sector as a result of commercial and residential development the need for B Class employment sites and premises could be limited. Available data on labour supply and demand should be reviewed on a regular basis to identify any need for action to maintain a balanced labour market.

Analysis of Past Completions in Employment Floorspace

5.60 Analysing historic completions levels of employment floorspace provides a useful indication of the past rates of activity in an area and can be used as a potential indicator of future requirements and a cross check to floorspace requirements derived through employment growth forecasts. However, completion records need to be set in their context: significant past employment growth resulted from the development of the industrial estates and once built, they will not generate the same scale of job growth.

5.61 Table 5.11 below illustrates the average annual gross completions of floorspace by area for each of the use classes. In some cases a use class is not specified and the data is recorded as B1-B8. The data has been analysed in terms of completions within the employment sites that we appraised in Section 3, together with completions outside of these employment sites (referred to as "Other" in Table 5.11).

5.62 The average annual completion rate for the whole of Test Valley between 1998 and 2003/04 was 30,726 sq m. The largest component of this is accounted for by completions of B1 floorspace, equating to an annual average of 12,649 sq m. In contrast, average annual completions of industrial floorspace (B2) have been relatively low at 3,841 sq m for Test Valley as a whole.

5.63 Completions within the industrial estates in Andover equate to an annual average of 11,234 sq m, which is greater than completions for other areas within Test Valley. This is largely driven by completions within B1 and B8 floorspace. In Southern Test Valley average annual completions equate to 9,719 sq m and again are predominantly driven by B1 and B8 activities. Average annual completions within rural estates are relatively low at 622 sq m. Outside of the industrial estates reviewed in Section 3 ("Other"), average annual completions levels amount to 9,795 sq m driven by B1 activities. This is predominantly accounted for by a large number of small scale rural/agricultural building conversion schemes, together with some activity on other industrial estates.

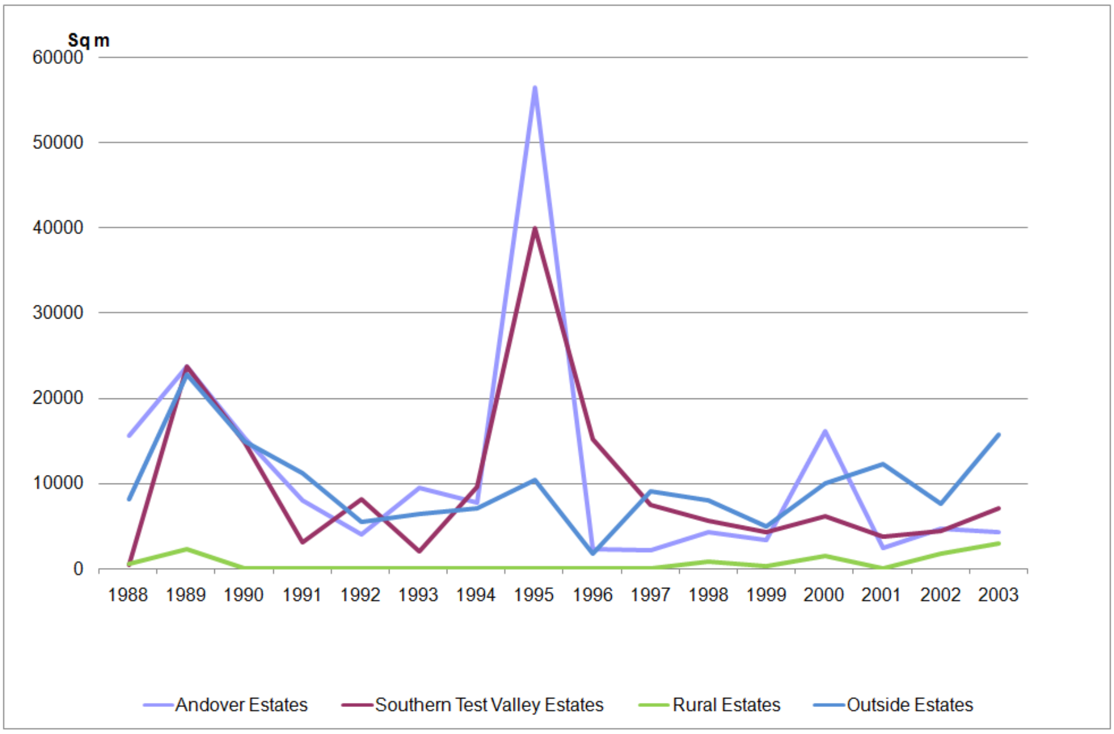
Table 5.11: Average Annual Gross Completions by Use Class and Area (sq m) 1998-2003/04

	Andover Estates	Southern TV Estates	Rural Estates	Other	Total
B1	3,698	3,440	80	5,431	12,649
B2	1,526	757	-	1,557	3,841
B8	3,153	4,578	91	1,173	8,994
B1-B8	2,212	944	451	1,635	5,242
Total	11,234	9,719	622	9,795	30,726

Source: Hampshire County Council

5.64 Figure 5.4 below illustrates annual completion levels over time for each of the areas set out in Table 5.11 above. The chart indicates considerable fluctuations amongst all areas, the most obvious of which is the peak in 1995 driven by un-typically high levels of completions of B8 space in both Andover and Southern Test Valley estates (eg Tesco regional distribution warehouse on Nursling). In Andover, this peak accounts for 26,662 sq m of B8 space, though there were also unusually high levels of B1 and B1-B8 space completed in this same year.

Figure 5.4: Gross Completions for Test Valley (1998-2003)



5.65 Table 5.12 below illustrates the effects of projecting forward average annual completion levels over the period 2006-2026 for each use class and each area. It is important to note, however, that this is simply a projection of historical trends rather than a forecast. On this basis, the data suggests there could be a total **gross** take-up of 614,520 sq m over the period across all use classes and areas.

5.66 According to these figures, estates within Andover will see the greatest levels of take-up with some 224,680 sq m followed by Southern Test Valley estates and areas outside of Industrial Estates. The greatest levels of take-up will be amongst the B1 use class category; this includes B1a, B1b and B1c.

Table 5.12: Projection Floorspace Completions 2006-2026, sq m

	Andover Estates	Southern TV Estates	Rural Estates	Outside Estates	Total
B1	73,960	68,800	1,600	108,620	252,980
B2	30,520	15,140	-	31,140	76,820
B8	63,060	91,560	1,820	23,460	179,880
B1-B8	44,240	18,880	9,020	32,700	104,840
Total	224,680	194,380	12,440	195,900	614,520

5.67 It is important to note that the figures above are projections based on gross take-up and as such, do not account for losses or replacement of stock. Furthermore, it is also important to consider the impact of uncharacteristic peaks in completion levels, such as that in 1995 largely driven by B8 activities. Without this peak, the average annual completion levels would be significantly lower. For example, removing the 1995 peak in B8 floorspace from the Andover Estates calculation of average completions results in 1,585 sq m average annual completion levels. Projecting this forward equates to 31,708 sq m of gross take-up over the period 2006 to 2026. This is slightly lower than the forecast requirements set out in 5.7 above.

5.68 We have been provided with gross completion figures for Andover for the more recent time - period of 2001-2007. Analysis of this data results in a total completion level of 41,700 sq m, or 5,957 sq m per annum. Projected over a 20 year period this would result in a requirement of c139,100 sq m of B use class floorspace which is broadly in line with the combined floorspace requirements set out in Table 5.7 above of c130,000 sq m.

Rural Test Valley

5.69 The brief for this study did not request an assessment of demand for the Rural Test Valley. However, we have assessed the net additional requirements as a result of economic growth in line with the analysis for Andover in order to inform site recommendations. The results of this analysis are presented in the tables below.

5.70 For offices, the analysis suggests a minimal increase in requirements of 8,620 sq m and for warehousing floorspace up to 4,680 sq m. These figures are clearly somewhat lower than those that have been forecast for Andover and indeed for Southern Test Valley and are simply indicative of the lower employment base in rural parts of the Borough. Local policy reinforces this by directing future growth to urban areas as far as possible. Nonetheless, employment floorspace provision in rural areas can provide sustainable local employment opportunities reducing the need to travel distances for those who live in rural areas. The commercial market assessment has indicated that rural parts of the Borough cater for small scale requirements, particularly those seeking freehold opportunities and that demand for this type of premises is reasonable.

Table 5.13: Future Net Additional Office Requirements in Rural Test Valley

	2006-11	2011-16	2016-26	2006-26
Employment Change	110	120	240	470
Floorspace (sq m)	2,000	2,190	4,430	8,620

Source: DTZ Figures may not sum due to rounding

Table 5.14: Future Net Additional Warehousing Requirements in Rural Test Valley

	2006-11	2011-16	2016-26	2006-26
Including Manufacturing Decline				
Employment Change	10	20	30	60
Floorspace (sq m)	630	770	1,600	3,010
Land (ha)	0.2	0.2	0.4	0.8
Excluding Manufacturing Decline				
Employment Change	20	20	50	90
Floorspace (sq m)	1,030	1,210	2,440	4,680
Land (ha)	0.3	0.3	0.6	1.2

Source: DTZ Figures may not sum due to rounding

5.71 Modern warehousing developments are often found to operate at higher employment densities (larger areas per worker). This can reflect the nature of many national and regional distribution hubs rather than local storage and distribution. However, if these trends begin to impact on smaller scale activities over the course of the 2006-26 period there would be an inflationary impact upon requirements. If average densities were to increase from 50 sq m per worker to 65 sq m per worker under the higher scenario in Table 5.14 requirements would increase to 13,600 sq m or 3.4 ha.

6. Conclusions and Policy Recommendations

Introduction

6.1 Understanding the gaps and mismatches between supply and demand enables us to pinpoint the policy measures that are required. As a starting point, we refer back to national policy in relation to employment land (as discussed in Section 2) in order that recommendations we make are within the bounds of national guidance. In summary, the key messages from national policy were as follows:

- To make efficient use of previously developed land and to bring vacant and under-utilised land back into efficient use in order to meet development targets
- The need to be responsive to market signals whilst positively influencing productivity and employment growth
- To plan positively and proactively to encourage economic development, in line with the principles of sustainable development
- Where necessary safeguard land from other uses and identify a range of sites to facilitate a broad range of employment uses limiting the designation of sites for single or restricted use classes and promoting mixed use developments in appropriate locations
- Recognise in rural areas accessibility (via private and public transport) is a key consideration and local planning authorities are encouraged to recognise that a site may be an acceptable location for development, even though it may not be readily accessible by public transport, and to support small-scale economic development where it provides the most sustainable option in villages that are remote from local service centres
- Consider, amongst other things, whether sites that are currently allocated for industrial or commercial use could be more appropriately re-allocated for housing development
- To plan, monitor and manage the supply of commercial floorspace.

6.2 The preceding sections of this report have set out our assessment of the quantity and quality of supply, together with an assessment of the future requirements of employment land taking account of the commercial property market, future employment growth and the need to account for market churn and choice. It has been an important part of this process to distinguish between different parts of the Borough rather than to consider the Borough as a whole. This has ensured that the different property market characteristics of each area, together with the different impacts of surrounding external areas, are considered in full. Our conclusions and recommendations are therefore set out in relation to the following areas:

- Andover
- Southern Test Valley
- Rural areas.

6.3 With regards to each of these areas we discuss the comparison between the forecast future demand for employment land with the quantitative and qualitative suitability of employment sites in the Borough to meet this demand. We then make recommendations to inform forward policy plan making and the future portfolio of employment land within the Borough.

Andover

6.4 Our assessment of future forecast demand for Andover (see Section 5) has taken account of future employment growth prospects, together with the requirements for market churn and choice. On this basis, the future forecast demand for floorspace each use class is as follows:

- B1 = 38,370 sq m
- B2 = 37,060 sq m
- B8 = 49,460 sq m
- Non B class = 5,160 sq m
- Total = 130,050 sq m

6.5 It is important to note, as set out in Section 5, that this forecast demand does not take account of the applications from Goodman at Andover Airfield for a major distribution premises. This is considered as an exception (or additional) to the forecast demand set out above.

6.6 In Section 3, we set out the supply of employment floorspace in Andover, which comprised available premises, outstanding planning permissions and allocations. Using a standard plot ratio of 0.4 (and two storeys for B1A space) across all use classes we have converted land figures into floorspace figures (sq m). Figure 6.1 and Table 6.1 below provide a breakdown of the supply by use class compared to the forecast future demand for each use class.

Figure 6.1 Comparison of Andover Future Forecast Demand with Floorspace Supply up to 2026, (sq m)

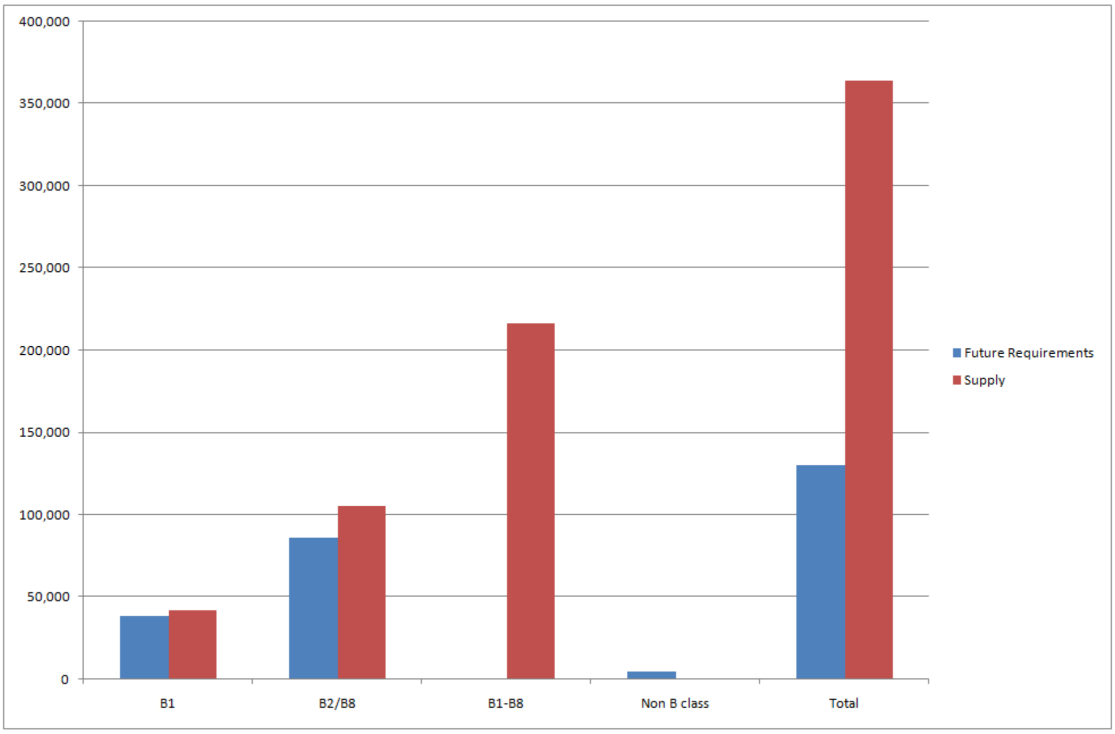


Table 6.1 Comparison of Andover Future Forecast Demand with Floorspace Supply up to 2026, (sq m)

	B1 (sq m)	B2/B8 (sq m)	B1-B8 (sq m)	Non B class (sq m)	Total (sq m)
Future Forecast Demand	38,370	86,520	0	5,160	130,050
Supply[1]	42,213	105,668	216,413	0	364,294
Difference (Supply – Future Requirements)	3,843	19,148	172,413	0	234,244

6.7 In purely quantitative terms, Figure 6.1 and Table 6.1 above indicate there is more than sufficient supply to meet the future forecast demand for employment floorspace in Andover, and for each of the use classes. In total there is 234,244 sq m more floorspace currently in supply than there is a forecast demand for up to 2026. This is largely a product of the substantial supply of generic B1-B8 floorspace.

6.8 Although there is more than sufficient supply to meet the future forecast demand for employment floorspace, it is also important to consider how this position might be altered by the need to plan for changes in population (labour supply). For example, as noted in Section 5, the Council's objective is to try and maintain the existing balance between out and in commuting patterns. Therefore, if the supply of labour were to increase significantly (through additional housing provision, for example) it will be important to consider and monitor the impacts of this on the balance with employment opportunities.

6.9 It is also important to note that the balance between demand and supply is far more complex than a purely quantitative analysis and must take account of the qualitative suitability of employment sites and premises in meeting future requirements. This is influenced by a number of factors including site and premises constraints, market demand for particular sites and locations and sustainability of locations.

6.10 We discuss these issues in relation to both office and industrial/warehousing floorspace below.

Andover Office Demand and Supply

6.11 Demand for office space in Andover is limited at present and focussed on local occupiers seeking small scale space and freehold opportunities. Our demand assessment has forecast that net forecast demand for office space over the long term will increase over the period to 2026, but it is unlikely that a significant step-change in the market will occur.

6.12 The supply of B1 space in Andover exceeds demand by 3,843 sq m. The supply comprises 3,161 sq m of available office premises, some of which is located in Andover town centre, together with a small number of outstanding permissions on both the existing Walworth Business Park and the Portway estates. In addition to specific B1 supply, there is a substantial amount of floorspace (216,413 sq m) in supply in non-specific B use classes (B1-B8), a large proportion of which is accounted for by the Andover Airfield Business Park

[1] Supply figures include currently available premises, outstanding planning permission and outstanding allocations

proposals including both outline and full applications and the Walworth Business Park extension.

6.13 The available premises on the market are predominantly second hand and small scale. This is not out of kilter with market demand in the area and therefore of suitable quality and type to meet the majority of requirements. However, the scale of available premises on the market is currently small and provides limited choice and flexibility within the market (typically referred to as a frictional vacancy requirement).

6.14 There are a small number of outstanding outline planning permissions for B1 space on the Walworth Business Park and Land at East Anton Road amounting to c20,000 sq m of floorspace. Whilst these could theoretically provide for office (B1a) space, given the location of these permissions on estates that are predominantly industrial in nature, it is more likely they will come forward for light industrial space and thus the extent to which they are likely to contribute towards meeting future forecast demand is limited. Furthermore, there are a number of constraints on the Walworth Business Park which may prevent such space from coming forward in the short-term. These are discussed in more detail in relation to industrial/warehousing demand and supply below.

6.15 As already noted, there is also a substantial supply of B1-B8 space, which could in part come forward for office space. This is mainly comprised of an outstanding outline planning permission for 21.79 ha at Andover Airfield Business Park, together with over 60,000 sq m B1-B8 space detailed outstanding planning permission. Although these permissions are still outstanding and could in theory be implemented, the site is now the subject of a new planning application which is pending determination. The application is for full planning permission for 80,183 sq m of new high bay distribution warehousing, together with outline planning permission for 68,067 sq m for offices, hotel, community use and more distribution uses. The application is yet to be determined, but we understand that, should it be permitted, a single major distribution occupier is likely to occupy the space being sought for full planning permission. The remaining space (68,067 sq m) being sought for outline planning permission could, if built out, form part of the supply for office provision in the area. The precise nature and scale of contribution is not determined at this stage. In addition to Andover Airfield Business Park, there is also an 11 ha allocation of B1-B8 space at the Walworth Business Park extension site. This equates to c44,000 sq m when a standard plot ratio of 0.4 is applied. The land is specifically allocated for B1(b), B1(c), B2 and B8 uses, thus the extent to which it could contribute to future forecast demand for office premises is limited.

6.16 **In summary,** demand for office space in Andover is limited at present and over the longer term (up to 2026) could be met in quantitative terms by the existing supply of B1 space. Although future demand is unlikely to stem from an influx of large scale occupiers, the lack of existing modern and freehold premises could in itself be deterring demand, and such provision may serve to attract a broader range of occupiers, diversify the economy and help to balance labour supply requirements. Whilst there is more than sufficient supply in quantitative terms to meet future forecast demand, there are limited opportunities for occupiers to locate in the town centre which is preferential in sustainability terms. The main opportunities for provision of new office space arise at the Andover Business Park, whereby the scale and type of provision is yet to be determined. On this basis, our recommendations are as follows:

– In quantitative terms, over the long term there is likely to be scope to permit losses of a limited amount of B1 floorspace without constraining the amount of supply to meet future forecast demand. However, the extent to which losses are permitted needs to be reviewed following the determination of the application at the Andover Business Park which may result in provision of further B1a space.

- Any loss of B1 floorspace also needs to be balanced carefully with the need to provide for a suitable range and choice of employment opportunities in qualitative terms, together with the possible need to provide for additional employment opportunities on the basis of any future increases in labour supply. Therefore, applications and proposals which may come forward over the plan period resulting in a net loss of B1 office floorspace should be considered in qualitative terms on a site-by-site basis (not just in relation to sites appraised as part of this study) and in terms of how this would impact on the quantitative balance between supply and demand.
- The best and most suitable sites and premises in B1 use should continue to be protected and safeguarded to ensure a continued supply of B1 space in sustainable locations (see Table 6.2 below).
- Applications for office provision in the town centre should be received positively on the basis it is the most sustainable location for office space and there is currently limited provision and limited short term opportunities elsewhere.
- A flexible policy designation should be maintained on the Walworth Business Park extension, but development on the site should be considered in light of the wider regeneration requirements on the rest of the Walworth Business Park.
- The planning application in relation to Andover Airfield Business Park for outline permission for uses including office provision would, if permitted, create a surplus of office floorspace in relation to future forecast demand (at present it is included within the general B1-B8 category of supply). However, in qualitative terms, it presents an opportunity for the development for new and modern office floorspace which is not currently available in this part of the Borough (at least in the short term), and may contribute to a better balance between employment opportunities and labour supply. Commenting on the suitability of this planning application is beyond the scope of this report; however, we have made a general site specific recommendation in Table 6.2 below.

Andover Industrial/warehousing Demand and Supply

6.17 Our demand assessment for Andover has highlighted that there are unlikely to be any significant net increases in the demand for industrial floorspace on the basis of forecast declining employment levels within this sector, but that there will be requirements for churn and choice amounting to 37,060 sq m. In terms of warehousing floorspace, employment growth is forecast and there will be requirements to accommodate churn and choice amounting to 49,460 sq m. Therefore in total, the net forecast demand for industrial and warehousing space amount to 86,520 sq m up to 2026.

6.18 Figure 6.1 and Table 6.1 above indicate that the supply of industrial/warehousing space exceeds future forecast demand by 19,148 sq m. There is also a large proportion of supply in B1-B8 uses which could add to the supply of industrial/warehousing space and thus lead to a further excess in supply (even taking account of requirements for non-B use classes).

6.19 This supply of industrial and warehousing space comprises the following:

- 97,017 sq m of currently available premises, a large proportion of which is located on the Walworth Business Park and West Portway Industrial Estate
- A number of outstanding planning permissions on the Walworth Business Park and a smaller number on other sites
- 216,143 sq m of B1-B8 space, which could in theory come forward as industrial or warehousing space, and is largely attributable to the Andover Airfield Business Park outstanding planning permissions, the Walworth Business Park Extension, together with a number of outline planning permissions on the Walworth Business Park and West Portway Estates.

6.20 The stock of currently available premises is, for the most part, located on the Walworth Business Park and West Portway Industrial Estate. These premises are largely second hand, un-refurbished and unattractive to the needs of modern occupiers. Problems of vacancy levels and under-performance on these sites are more closely linked with the condition of stock on the site, rather than the sites themselves which are well connected, in good proximity to Andover town centre and have limited physical constraints. Whilst a number of premises on these sites have undergone refurbishment, a number remain in their original condition, rendering them poorer quality, dated, and inflexible in terms of their design and scope to accommodate a range of occupiers.

6.21 On the Walworth Business Park in particular, there has been a lack of investment in premises in terms of renewal/refurbishment and, as such, the problems associated with the poorer quality premises are not being addressed. The reasons for lack of investment/renewal on the site and high levels of vacancies are attributable to a number of factors, as follows:

- The ground leases on the site are reaching a 50-60 year barrier which, in many cases, means that obtaining a mortgage is unachievable. A possible solution would be to re-gear the ground leases, but this is likely to result in an up-lift in ground rents, which in turn will impact on rents on properties. Indeed, there are several layers of interest/investment on the site which complicate leasing arrangements
- Ground rents are calculated by the Council on the value of the land, rather than the rents that can be achieved for the properties. Agents who are acting on behalf of occupiers and investors have commented that as a result, ground rents are out of kilter with market realities
- The effective role of the Council on the estate in terms of both landlord/estate manager as well as Planning authority is a possible deterrent to investors and occupiers on the basis that they will be overseen in terms of enforcement for use classes, under-lettings and so on
- The site lacks freehold opportunities which are said to be in demand and are available elsewhere (including outside of the Borough – see Section 3). It therefore suffers from competition from other sites within the Borough as well as neighbouring Boroughs.

6.22 It is evident there are a number of complex issues affecting the attractiveness of the estate to both occupiers and investors. This has been an on-going problem for several years. In response, the Council hopes to work alongside an investment fund for the estate, which could overcome the issues around mortgage lending and help to stimulate regeneration and investment in the site. However, this is unlikely to result in a solution in the short-term.

6.23 Portway Industrial Estate also suffers from the constraints described above, albeit to a lesser extent because the ground leases have a slightly longer period remaining than at Walworth. In short, therefore, whilst there is a considerable amount of vacant floorspace on the market, much of it is unattractive to occupiers and in its present form unsuitable for meeting future requirements.

6.24 The issues described above also relate to the supply of outstanding planning permissions for sites on the Walworth and Portway Estates. Although these could potentially meet future requirements for industrial and warehousing premises, they are unlikely to come forward for development in the short-term as a result of the overall constraints described above.

6.25 There is a substantial supply of B1-B8 space, which could in part come forward for industrial/warehousing space. This is mainly comprised of an outstanding outline planning permission for 21.79 ha and a detailed outstanding planning permission for over 60,000 sq m B1-B8 space at Andover Airfield Business Park. As noted with regards to office space above, although these permissions are still outstanding and could in theory be implemented, the site is now the subject of a new planning application which is pending determination. The application is for full planning permission for 80,183 sq m of new high bay distribution warehousing together with outline planning permission for 68,067 sq m for offices, hotel, community use and more distribution uses.

6.26 The application for 80,183 sq m of detailed planning permission is likely to be occupied by a major single distribution occupier and will represent an exception to the past trends in take-up. This level of requirement has been treated separately from the net forecast demand set out in Section 5 on the basis that it is more likely to be derived from sub-regional or regional demand rather than local demand. It is also possible that the location of such an occupier could drive/stimulate further demand for distribution activities, either through supplier linkages or simply through raising the profile of the area as a distribution location. Thus, should the application be permitted, the extent to which the site as a whole could contribute to meeting Andover's future forecast demand, set out in Section 5, will be reduced. On the other hand, the site represents an opportunity that is not available elsewhere in the Borough to attract an occupier of significant sub-regional importance, thus potentially raising the profile of Andover as a business location and increasing its economic competitiveness.

6.27 The Walworth Business Park Extension is allocated in the Local Plan for B1b, B1c, B2 and B8 purposes and therefore could contribute to meeting future forecast demand. The site is well located and has limited physical constraints, but is a greenfield site with a requirement to relocated existing functions prior to employment development. Development on this site also needs to be considered in the context of the wider regeneration needs of the Walworth Business Park as a whole.

6.28 In addition to the current supply of B2/B8 floorspace described above, there is potential to meet future forecast demand for warehousing space through the redevelopment and renewal of B2 space on existing industrial estates and areas as B2 employment levels decline. Our appraisal of sites in Section 3 has shown the large majority of these sites to be suitable for continued employment uses although it is not possible to accurately determine the extent to which such sites could contribute to supply in this manner.

6.29 **In summary,** the supply of industrial/warehousing space (including B1-B8) in quantitative terms is beyond the forecast future demand (including for non-B use classes) for space up to

2026. However, this does not take account of the possibility that forecast demand could increase on the basis of the need to plan for and accommodate employment opportunities to bring labour supply and demand in to balance in the long term. Furthermore, in spite of this over supply in quantitative terms, there are a number of qualitative issues in relation to supply which constrain the ability of stock to meet future requirements. The currently available stock of premises is largely unsuitable to meeting future requirements at present, and unlikely to be resolved in the very short term (two to three years). The main pipeline supply of floorspace comprises the Andover Airfield, although the scale of contribution to meeting requirements is un-determined as a result of a pending planning application. Should this application be permitted, the presence of such a major distribution occupier could drive demand for other such occupiers which would have further implications on the ability of the supply to meet demand. There are limited opportunities elsewhere in this part of the Borough for new development to take place on readily available sites. However, it is possible that B8 requirements could in part be met through the redevelopment of B2 premises as and when such opportunities arise. On this basis our recommendations are as follows:

- In quantitative terms there is some scope to release industrial/warehousing floorspace without constraining the ability to meet future forecast requirements. However, this must be considered carefully in light of the pending application at Andover Business Park, which if permitted, could stimulate further demand. Furthermore, it is necessary to ensure a suitable choice and range of sites is available in qualitative terms. Therefore, applications resulting in the net loss of floorspace should be considered on a site-by-site basis taking into account the quality and suitability of the site for employment purposes together with the implications in terms of the balance between demand and supply. For applications that come forward on sites or premises not appraised as part of this study the same qualitative appraisal criteria (see Appendix 1) could be used to ensure consistency in considering the site's merit for continued employment use
- Sites that are suitable for continued employment uses should continue to be protected and safeguard for such uses (see Table 6.3 below)
- The redevelopment of existing sites/areas to meet B8 requirements should be encouraged as and when opportunities arise through the vacation of B2 premises
- The regeneration of the Walworth Business Park should be prioritised as a means to meeting future forecast demand, on the basis of limited sustainable supply opportunities elsewhere, and a strong national policy directive to make the most efficient use of previously developed land
- The policy priority should be to re-use previously developed land to meet future requirements, rather than allocating or permitting development on sites that have not previously been developed. Development on the Walworth Business Park Extension site should therefore be considered in the context of any strategy that is put in place to address the regeneration requirements on the Walworth Business Park
- In relation to Andover Airfield Business Park, its contribution to meeting future forecast demand will in part be determined by the outcome of the pending planning application. It is beyond the scope of this report to comment on the suitability of the application – such scale of development is a sub-regional/regional issue for consideration. It is clear, however, that there are no other readily available opportunities of such scale in Andover and that the site could contribute to diversifying and strengthening the economic base of

the area in the absence of other such opportunities and helping to bring the labour supply and demand back into balance in the longer term.

Table 6.2: Andover Site Specific Recommendations

Andover Site	Recommendations
1 Andover Town Centre	Andover town centre plays an important role in the Borough as one of only two town centres. It has good proximity to the strategic road network, and provides a sustainable environment in which to live and work. Existing office floorspace should be protected and applications for future provision should be considered favourably on the basis of currently limited provision.
2 Andover Airfield Business Park	Andover Airfield Business Park, currently undeveloped, has excellent access to the strategic road network and represents a major opportunity in the Borough to accommodate a range of occupiers, including those of sub-regional and regional importance. The future of the site will, in part, be determined by the outcome of a planning application. Notwithstanding the pending application, the site should continue to be protected and promoted for a sustainable mix of business uses (B1-B8) on the basis of very limited readily available development opportunities elsewhere in this part of the Borough.
3 Walworth Business Park	Walworth business park suffers from high levels of vacancies and poor quality premises. Nonetheless, the site is in a sustainable location with excellent access to the strategic road network and market demand for premises has been proven on those that have undergone refurbishment. The site should continue to be safeguarded and protected for employment uses. A regeneration strategy for the site should be prioritised and solutions sought to upgrade premises and make the best use of the site before any further allocations of land are considered. The planning and economic development teams within the Council should actively engage with the property/estate management team in order to ensure the best and most timely solution is implemented. This should include discussions in relation to the lowering of ground rents in order to stimulate demand.
4 Walworth Business Park Extension	This site represents one of a limited number of commercial development opportunities in the Andover area. The availability of a choice and range of sites is an important consideration, but the re-use of previously developed land should be the priority. Development on this site should not be promoted until a regeneration strategy for the Walworth Business Park has been fully explored.
5 East Portway	This site accommodates a wide range of business occupiers, and is located in good proximity to the strategic road network. The site itself is suitable for continued employment purposes but a number of the premises suffer from lack of investment, albeit to a lesser extent than on Walworth Business Park. The council should continue to protect and safeguard the site as a sustainable business location and consider the need for a regeneration or investment strategy in order that the circumstances on the site do not escalate to the same level as those on Walworth.

Andover Site	Recommendations
6 West Portway	This site accommodates a wide range of business occupiers, and is located in good proximity to the strategic road network. The site itself is suitable for continued employment purposes but a number of the premises suffer from lack of investment, albeit to a lesser extent than on Walworth Business Park. The council should continue to protect and safeguard the site as a sustainable business location and consider the need for a regeneration or investment strategy in order that the circumstances on the site do not escalate to the same level as those on Walworth.
7 Anton Mill Trading Estate	This site is in a good location for continued employment uses being in proximity to the town centre and the local road network. Although there are limited further development/intensification opportunities, the site has recently benefited from investment from Stannah. The council should continue to protect and safeguard the site as a sustainable business location but monitor levels of vacancy and market activity on the site to inform future reviews of the allocation of this site.
8 Glenmore Business Park	This site is well occupied and the internal portfolio of good quality. Although less accessible from the strategic road network than other sites, it is currently providing important local employment opportunities and premises on a freehold basis which are limited in availability elsewhere in the Borough. The site should continue to be protected and safeguarded as a sustainable employment site for continued use.
9 Meridian Park	This site is well occupied and provides important employment opportunities including for lower cost/value businesses. The site should continue to be protected and safeguarded as a sustainable site for continued employment use.

Southern Test Valley

6.30 For Southern Test Valley, prior to this study, work had been undertaken within PUSH to inform requirements for B1 offices, B2 and B8 space at a sub-regional level and to agree divisions between each of the districts. We understand that further work is being undertaken to inform B8 requirements, but at present, the employment floorspace requirement for Southern Test Valley up to 2026 is proposed as follows:

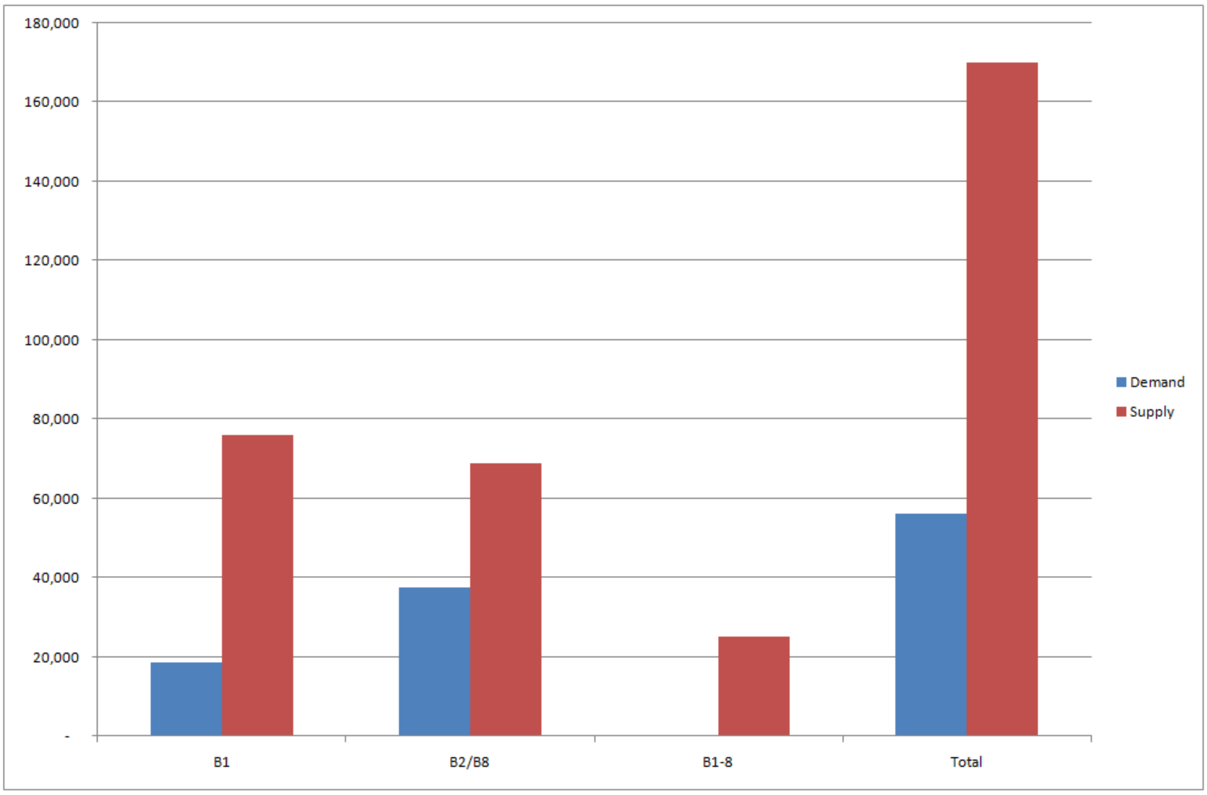
- B1 offices 18,600 sq m
- B2 7,500 sq m
- B8 30,000 sq m.

6.31 These figures equate to some 12.7 ha, which would be phased over the plan period. According to the Council's Core Strategy Preferred Development Options, this will be accommodated by achieving some further development in Romsey town centre (although limited) and the remainder through new site allocations either within strategic sites for development, or as a free standing employment only allocation. A contribution will also be made from redevelopment within the existing employment areas.

6.32 As part of this study we have reviewed the quality of existing employment areas within Southern Test Valley, together with commercial property market issues. This has enabled us to make recommendations in terms of the extent to which existing employment areas are both fit for current purpose and capable of meeting future requirements. It also enables us to make recommendations as to the requirements for new allocations as suggested in the Core Strategy Preferred Options Document.

6.33 Section 3 of this report highlighted a total of 169,980 sq m of B1-B8 floorspace supply in Southern Test Valley comprised of currently available premises and outstanding planning permissions. This has been broken down by use class and compared with the future requirements for each use class as set out above. Figure 6.2 below indicates that in purely quantitative terms, there is more than sufficient supply to meet the proposed future requirements for Southern Test Valley for each use class.

Figure 6.2: Future Demand Requirements (up to 2026) Compared to Supply, sq m



6.34 However, in addition to considering the quantitative relationship between demand and supply, it is also important to consider the qualitative aspects, and the extent to which the supply of employment floorspace is suitable for meeting future requirements. We discuss this below in relation to both office and industrial/warehousing floorspace.

Southern Test Valley Office Demand and Supply

6.35 Figure 6.2 above indicates that for B1 space, the supply of floorspace exceeds future requirements up to 2026 by a ratio of 1:4. However, this is largely as a result of the scale of a limited number of committed developments, namely Adanac Park in Nursling and the

University of Southampton Science Park. There is, in addition, a limited supply of currently available B1 premises and outstanding planning permissions in both Romsey town centre and other employment areas.

6.36 Both the University of Southampton Science Park and Adanac Park in Nursling are good quality sites, in sustainable locations with good levels of market interest. They are thus largely suitable to meeting future requirements for B1 space and represent opportunities to attract higher-value and knowledge-based activities in line with Test Valley's economic development aspirations.

6.37 The scale of available office premises in Southern Test Valley is very limited and mainly consists of second hand, small scale premises which are not suitable to meeting the needs of modern occupiers or those who are expanding and changing the nature of their activities, due to their poorer quality. Furthermore, the limited scale of existing premises on the market does not provide sufficient choice for occupiers within the market (frictional vacancy requirement) and is likely to result in occupiers looking outside of the Borough to meet their accommodation needs for readily available space.

6.38 The remaining supply of B1 space in this part of the Borough consists of a small number of small scale permissions on small sites outside of the main employment sites and including barn and farm conversions which serve to meet local employment needs and help to diversify employment opportunities in less well connected/urban parts of the Borough. Whilst these are important in catering for local employment opportunities they are unlikely to meet the needs of large scale occupiers who require more accessible or higher profile locations.

6.39 There are no outstanding allocations at present in Southern Test Valley for B1 space (all B1 floorspace is both built and available, or subject to outstanding planning permissions). Without such allocations, occupiers and investors are limited in choice to locate at Adanac Park in Nursling or at the University of Southampton Science Park.

6.40 **In summary**, there is a sufficient supply of B1 space in quantitative terms to meet future requirements in Southern Test Valley. With the exception of sites such as the University of Southampton, which is very much a part of the Southampton/Portsmouth property market area, the demand for B1 space tends to be small scale and localised and could be met through a combination of existing commitments and currently available premises. However, the choice and range of available sites and premises is limited and heavily dominated in terms of pipeline supply at Adanac Park. There is a lack of investment opportunities in this part of the Borough and a lack of suitable space to meet the needs of those occupiers seeking town centre or proximity to town centre locations. This is challenging in light of national policy requirements to provide for range, choice and flexibility as well as to stimulate and diversify economic activity. Our recommendations are therefore as follows:

- To protect and safeguard those sites that are reviewed as part of this study and deemed suitable for continued B1 uses or that are committed for B1 uses (see Table 6.3 below)
- To closely monitor the take-up of B1 space over the plan period, in particular at Adanac, Nursling on the basis that this forms the main component of pipeline supply for B1 space
- To closely monitor other sites and opportunities that may come forward over the plan period as a result of redevelopment and changes of use on existing employment areas and, in line with principles of sustainable development, to encourage their re-use for B1

purposes where suitable, in order to increase the range and choice of available opportunities

- To consider the potential to bring forward new small-scale allocations for B1 space to provide for a better range and choice of opportunities for B1 space. This should be focussed on sustainable locations (e.g. where possible previously developed land) in proximity to existing or planned urban areas (e.g. areas of new housing development) and as part of mixed-use developments, and should be well connected to the existing road network
- Whilst in quantitative terms there is some scope to permit losses of B1 floorspace without constraining the amount of supply to meet future requirements, this needs to be balanced carefully with the need to provide for a suitable range and choice of employment opportunities. Therefore, applications and proposals which may come forward over the plan period resulting in a loss of B1 office floorspace should be considered on a site-by-site basis and in a manner consistent with the qualitative site appraisals undertaken as part of this study.

Southern Test Valley Industrial/Warehousing Demand and Supply

6.41 Figure 6.2 above indicates that in relation to industrial/warehousing floorspace there is more than sufficient supply to meet future requirements with a ratio of 1:1.8. There is also just over 25,000 sq m supply in non-specific B use classes, though is largely accounted for by one outstanding planning permission at the Test Valley business park which will be owner occupied.

6.42 Of the 68,792 sq m in supply of B2/B8 space, the large majority (54,455 sq m) is accounted for by currently available premises. These are predominantly second hand rather than new or refurbished. Just under half the vacant industrial and warehousing floorspace is located on the Nursling Industrial estate, the remainder is distributed on other estates including Abbey Park, Romsey Industrial estate and Budds Lane, together with smaller estates and individual premises. These sites are for the most part well functioning industrial estates with limited constraints and, as such, the supply of premises is suitable for contributing towards meeting future requirements. However, although significantly more in scale than the available office premises, the stock of available premises is still relatively small compared to the overall stock and limits the availability of choice and flexibility in the market (typically referred to as a frictional vacancy requirement) for those seeking readily available premises. Indeed, in order to allow the market to operate smoothly a frictional vacancy rate of 8 to 10% is typically required at any one time. To this end, the scale of available industrial/warehousing premises is insufficient in contributing to the overall future requirements for B2/B8 space.

6.43 The remaining c14,000 sq m of supply of industrial/warehousing space comprises an outstanding planning permission at the Nursling Industrial Estate for c11,500 sq m, together with two smaller outstanding planning permissions for on small sites that have not been included in the qualitative review of this study. There are no outstanding allocations of industrial/warehousing sites in Southern Test Valley.

6.44 **In summary,** although Figure 6.2 suggests there is sufficient supply in quantitative terms to meet future requirements for industrial and warehousing space, this needs to be considered alongside the requirements for frictional vacancy, which absorbs the stock of currently available premises, together with the very limited supply of sites available for development elsewhere in the Borough. As previously mentioned, further work is being undertaken in relation to the future requirements for B8 space, but it is unlikely that the scale of future requirements will be reduced significantly. As with B1 space, the lack of choice, flexibility and scale of supply to meet future requirements is inconsistent with the national policy objectives together with regional priorities to foster economic growth. Our recommendations are therefore as follows:

- To protect and safeguard those sites that are reviewed as part of this study and deemed suitable for continued B2/B8 uses or that are committed for B2/B8 uses (see Table 6.3 below)
- To closely monitor other sites and opportunities that may come forward over the plan period as a result of redevelopment and changes of use on existing employment areas and, in line with principles of sustainable development, to encourage their re-use for B2/B8 purposes where suitable, in order to increase the range and choice of available opportunities
- To consider the potential to bring forward new allocations through the LDF process for flexible uses including B2/B8 uses to provide for a better range and choice of opportunities as well as a sufficient quantity of supply. The amount of land required, will to a certain extent, be dependent on on-going work in relation to B8 requirements. New allocations should be focussed in sustainable locations (e.g. where possible previously developed land), in proximity to strategic road connections and in areas of existing market demand (see Section 4)
- Permitting the loss of B2/B8 floorspace is likely to place further constraints on the ability of the supply to meet future requirements. However, there may be some exceptions to this, for example, where sites are no longer suitable in qualitative terms for meeting future requirements and floorspace is being replaced elsewhere in more suitable locations thereby resulting in no net loss of space. Such instances will need to be considered on a site-by-site basis and should be judged in a manner consistent with the qualitative site appraisals undertaken as part of this study
- To consider favourably opportunities which may come forward through the development control process for the provision of new warehousing premises provided that proposals are in sustainable locations, well connected to the strategic road network and in proximity to urban areas where labour supply can be drawn from.

Table 6.3: Southern Test Valley Site Specific Recommendations

Site Name and Reference	Recommendations
10 Romsey town centre	Romsey town centre plays an important role in the Borough as one of only two town centres and accommodates local office occupiers. Further development or intensification opportunities are limited but the centre represents a sustainable location for office uses and existing sites and premises should continue to be safeguarded and protected.
11 Abbey Park Industrial Estate, Romsey	This site is reasonably well occupied and provides important employment opportunities including for lower cost/value businesses. The site should continue to be protected and safeguarded as a sustainable site for continued employment use. Redevelopment should be considered to provide for small scale distribution uses should opportunities arise through vacant industrial premises in the future.
12 Romsey Industrial Estate, Romsey	Although the site is lower quality than others in this part of the Borough and suffers from access constraints, it accommodates a wide range of local business providing important employment opportunities. Investment in upgrading and maintaining premises and internal environment should be encouraged. In the short-term the site should continue to be protected and safeguarded for continued employment uses, but should be monitored in terms of vacancies and market activity to inform longer term allocations of the site.
13 Budds Lane Industrial Estate, Romsey	As with the above site, it is lower quality than others in this part of the Borough and suffers from access constraints. However, it accommodates a wide range of local business providing important employment opportunities. In the short-term, the site should continue to be protected and safeguarded for continued employment uses, but should be monitored in terms of vacancies and market activity to inform longer term allocations of the site.
14 Belbins Business Park, Romsey	This site is well occupied and the internal portfolio of good quality. It is currently providing important local employment opportunities and premises on a freehold basis which are limited in availability elsewhere in the Borough. The site should continue to be protected and safeguarded as a sustainable employment site for continued use.
15 Wynford Industrial Estate, Romsey	This site accommodates a range of low cost/value occupiers together with small scale distribution uses. The site is of poorer quality than other sites in this part of the Borough but is functional and well occupied. The site should continue to be protected and safeguarded for employment purposes.
16 Yokesford Hill Estate, Romsey	This site is similar to the Wynford Industrial Estate and although access is limited as is local amenity the site provides for a variety of lower cost operators. It should continue to be protected and safeguarded for employment purposes.
17 University of Southampton Science Park, Chilworth	This site is of very high quality and of sub-regional/regional importance in terms of accommodating high value and knowledge industries. The site should continue to be safeguarded and promoted for these industries.

Site Name and Reference	Recommendations
18 Test Valley Business Park, North Baddesley	This site is currently undergoing redevelopment for owner occupier premises and should continue to be safeguarded and protected for employment uses.
19 Adanac Park, Nursling	This site is currently the subject of outline and detailed planning permission for OS headquarters and additional office premises. The site represents a major development opportunity in a highly accessible location; such opportunities are limited elsewhere in the Borough. The site should continue to be safeguarded and protected for high quality employment purposes.
20 Nursling Estate	This site is a major industrial and distribution site of strategic significance in terms of scale. It is highly accessible, well occupied and accommodates a number of large distribution companies. It should continue to be protected and safeguarded for employment purposes.

Rural Test Valley

6.45 Although not an explicit requirement of our brief, we have considered at a high level the future requirements for employment floorspace within rural areas of Test Valley (e.g. those areas that fall outside Southern Test Valley and Andover as defined by ward boundaries.) We have also undertaken a qualitative assessment of a number of rural employment sites and provided an overview of the quantity of supply in rural areas. This has enabled us to make broad recommendations as to the continued suitability of employment sites in rural areas.

6.46 Section 5 of this report set out the net additional requirements for floorspace over the plan period as follows:

- B1 = 8,620 sq m
- B2 = no additional requirements
- B8 = 4,680 sq m
- Total = 13,300 sq m.

6.47 This compares to a supply (as set out in Section 3) of 20,395 sq m indicating there is sufficient supply in quantitative terms to meet future requirements. It should be noted, however, that these requirements are likely to be a minimum, and that as with any requirements for commercial floorspace, there is a need to account for churn, choice and flexibility in the market.

6.48 The supply of floorspace predominantly comprises a variety of small scale outstanding planning permissions for B1, B2 and B8 uses across a number of sites including barn and farm conversions as well as large employment areas that have been qualitatively appraised as part of this study. Although these sites and premises tend to be less well connected in terms of accessibility and proximity to urban areas they none the less represent important localised employment opportunities as well as contributing to the choice of employment sites available across the Borough as a whole. Demand requirements for floorspace in rural areas is on the whole localised, from small scale occupiers, seeking a higher quality environment or owner occupier opportunities. On this basis our recommendations are as follows:

- We consider the supply of space sufficient in both quantitative and qualitative terms to meeting future requirements but recommend that it is monitored closely in terms of take-up and availability to ensure that opportunities for occupiers are not constrained
- Future opportunities which come forward for the conversion or redevelopment of premises to provide for employment opportunities should be considered favourably where they are no longer required their existing uses. Providing employment opportunities in such locations will be important in promoting sustainable working opportunities for the local labour supply
- Existing employment areas in rural parts of the borough should continue to be safeguarded for employment uses where they are found to be suitable for continued use (see table 6.3 below).

Table 6.4 Site Specific Recommendations for rural employment sites in Test Valley

Site Name and Reference	Recommendations
21 Harewood Forest Industrial Estate, Longparish	This site is low density and has a number of disused premises. However, it provides the opportunity for business and employment opportunities in an area which otherwise lacks such opportunities. Investment and redevelopment on the site should be encouraged to provide a better quality of offer including small light industrial and distribution premises. The site should continue to be safeguarded for employment purposes in the short term but monitored in terms of vacant levels and market activity to inform future reviews of the sites allocation/permitted uses.
22 Fairground, Weyhill	This site represents a good quality opportunity for localised business and employment provision having recently been developed. It should continue to be protected for employment purposes.
23 Weyhill Business Park, Weyhill	This site is low density and lacks investment or maintenance. It does, however, provide for localised employment opportunities in rural areas, including those seeking lower value premises. Investment and redevelopment on the site should be encouraged to provide a better quality of offer as and when opportunities arise. The site should continue to be safeguarded for employment purposes in the short term but monitored in terms of vacant levels and market activity to inform future reviews of the sites allocation/permitted uses.
24 Mayfield Avenue, Industrial Park, Weyhill	As above, this site represents important localised employment opportunities. The site should continue to be safeguarded for employment purposes in the short term but monitored in terms of vacant levels and market activity to inform future reviews of the sites allocation/permitted uses.

Appendix 1

Site Appraisal Criteria

1. Site Appraisal Criteria

1.1 These criteria are adapted from Annex E of the ODPM/DCLG Employment Land Reviews Guidance Note 2004.

Criteria	Data Source	Details
Basic Details		
Site Reference	Local Plan/DTZ	
Site Name	Local Plan/ Valuation Office Agency	
Address and Post Code	Valuation Office Agency	
General Location	Local Plan	Southern Test Valley, Andover or Rural
Description	Site Visit	A brief description of the site stating issues, observations and key occupiers
Site Size (ha)	Local Plan/GIS	
Total Floorspace by Use Class	Valuation Office Agency	B1a, B1b, B1c, B2, B8
Floorspace vacant/available	Focus/ Estates Gazette	
Vacancy Rate (%)	VOA/Focus/EG	Proportion of total stock that is vacant
Number of employees	VOA	Estimation using standard employment density assumptions
Potential Development Plots (ha)	Local Plan/Site Visit	Clear plots of land which represent development opportunities
Site Density Rating	Site Visit	e.g. low density - indicating possible scope for intensification
Ownership Status	Agent Discussions	e.g. Single Private, Public or Mixed [Land Registry searches will not be carried out]
Market Segment	Site Visit	Based on ODPM/DCLG approved property market segment classifications - e.g. general industrial/business area, office location, SME cluster site, R&D Science Park etc.
Current Policy Designation	Local Plan/Planning Officers	(based on info from planning officers)

Criteria	Data Source	Details
Quality of the Existing Portfolio/Internal Environment		
Age and Quality of Buildings	Site Visit	Brief Description of Buildings and Quality Rating
Noise and other obvious pollutants	Site Visit	Quality Rating
State of external areas and public realm	Site Visit	Quality Rating
Parking, servicing and internal circulation	Site Visit	Quality Rating
Capacity for 24 hr use	Local Plan/planning officers	Quality Rating
Quality of the Wider Environment		
Quality of Local Environment	Site Visit	Quality Rating
Bad Neighbour Adjacent Uses	Site Visit	Identity of noisy and polluting uses limiting use of site for B1 office uses or for mixed use including B1 office uses and housing
Local facilities for workforce	Site Visit	Quality Rating e.g. Good: Local shops and services less than 800 metres from site access (within maximum reasonable walking distance for workforce)

Accessibility		
Location Type	Site Visit	Urban, urban edge or rural
Ease of access to main road network	Site Visit	Quality Rating
Public transport accessibility for workforce	Site Visit	Quality Rating
Market Issues		
Strength of Local Demand in Segment	Agent Discussions	Rating based on opinion of local agents where available
Recent Market Activity on site	Site Visit/ Estates Gazette/ Agent Discussions	Evidence of recent developer or occupier activity suggesting demand
Policy Issues		
Social Policy: Housing Availability Opportunity	Site Visit/GIS	e.g. positive – site is near to area of planned housing growth and provides jobs for expanding local workforce
Economic Development Policy Contribution	Site Visit	e.g. positive – site accommodates high value or knowledge based industries that are important for the sub-

		regional/regional economy
Site Development Constraints (undeveloped sites/sites with vacant land only)		
Site Access	Site Visit/Planning Officers	e.g. site access geometry below highway authority standards or traffic generation unacceptable on inadequate local road network
Topography, size and shape	Site Visit/Planning Officers	e.g. irregular site shape or topography
Utilities	Planning Officers	e.g. local foul water drainage and water supply capacity and ability to overcome any water company service constraints
Environmental	Site Visit/Planning Officers	e.g. known contamination, flood plain, conservation area, overhead power lines, green belt, AONB
Amenity of Adjacent Occupiers	Site Visit/Planning Officers	e.g. residential, community or office uses limiting development of noisy, visually intrusive or polluting uses (B2 and some B8) on the site

Appendix 2

List of Consultees

List of Commercial Agents who were consulted as part of this study

James R D Clay – London Clancy

Alun Davies – Frobisher Retail ltd

Jason Webb – Vail Williams

Joanna Keene – Wadham Isherwood

David T Jones – Dreweatt Neate

Andrew Archibald – Humberts, Southampton

David Olds – Primmer Olds, Southampton

Matthew Poplett – King Sturge, Southampton

Southern Test Valley

Office

General:

- Main problem of town centre office markets in area (i.e. Romsey, Eastleigh, Southampton) is parking, hence more interest in out of town locations.
- Solent Business Park has proved very popular, as have the majority of other out of town sites in TV and Southampton.
- Positive aspects of TV are that it is in the middle of a group of centres, has excellent communications, a good housing stock and trained workforce.
- The negative side is the very limited employment space stock – with many residents commuting to the Thames Valley and elsewhere. Given the housing and labour pool in Romsey, in particular, it should have more employment space – at present it is a dormitory town.

Demand:

- Demand mainly centred on local organic growth. Romsey TC cannot meet current demand though, as only has small functionally obsolete units – when companies want to expand, nowhere to go.
- Good demand in rural locations for small owner occupier premises (1,000-2,500 sq ft) – often converted farm buildings.
- Much less demand for lower quality offices and no demand for cellular offices (i.e. current stock).

- Only two recent significant buildings on market: Portersbridge House, Church Street has been sold and likely to be converted to residential, Broadwater House, Bell Street likely to remain office – but this mainly because good parking and open plan.

- University of Southampton Science Park, Chilworth – there is demand for this style of building (50:50 to 0:100 lab: office split) and which looks like an office-style campus.

- Rents have crept up slowly over the last 5 years: in rural locations change has typically been from £12.00-12.50 psf in 2003 to £15 psf in 2008. Examples are Manor Farm in North Baddesley (£11 in 2003, now just let at £16).

- Few decent locations in Romsey to compare rent changes, but offices above Aldi (with no parking) currently £12 psf. In comparison, out of town offices at Abbey Park (new build) are reaching £14-18 psf.

- Ignoring current wider economic conditions, there is the demand for development and investment opportunities. The Belbins scheme worked very well and there is good interest among private developers who are currently looking for sites. This is the main problem though – there is low availability of sites.

- Not a lot of competition between centres – occupiers tend to stick where they are. Exception is if grown out of a location because of lack of suitable supply e.g. Romsey TC. There are definitely two distinct markets – above and below the M27.

- In demand sites: Abbey Park and outskirts of Romsey. Nursling is an historical anomaly and the bridges over the entrances to various industrial estates are a major barrier.

- There is always interest in rural sites (typically freehold driven) – mainly by non-customer facing firms and for quality of life reasons. The Business Park at Tanners Lane, for example, is always full and attracts good rents.

Supply:

- Apart from if they are new, there are no buildings available without being so for a particular reason i.e. 'fag end leases', planning restrictions on use, rubbish quality. There is very little quality accommodation – small offices at Abbey Park (20,000 sq ft of new space) – but existing space of a decent quality is all gone.

- As for land rather than premises, land is restricted at Adanac Park (planning consent believed to be coming soon for 75,000 sq m but likely to be restriction limiting space to 5 users). This is a big issue, as it will be more difficult to develop and let, and will not satisfy local demand (which is for space less than 20,000 sq ft). This forces potential occupiers to other centres, as no other space available.

- Other potential development sites - site next to Abbey Park (drawn on employment site plan) – all B1 uses; site next to Adanac Park (also marked) - could be B1 without restriction.

- Only Southampton, Eastleigh and maybe Totton really compete with South TV at all. Everything south of the M27 is really seen as part of the Southampton market rather than Test Valley, so they are not really competing, but part of the same market.

- In terms of the rural market, TV sites really only compete with Ringwood – there are not many other settlements or large amounts of space about to compete with, as you are then in the New Forest NP. There are some rural offices near M27 Junction 2 – mainly because of their proximity to Romsey.

- There is also 120,000 sq ft in 5 buildings at Testwood in New Forest, but again not really competing as south of the motorway and therefore seen as same Southampton market area.

- No supply but incredible demand around Romsey and this is likely to continue. There is no B1 space west of Nursling.

Industrial

General:

- Most warehouse space is in Nursling, which is restricted to B8 (for planning reasons).

- Excepting Nursling, everything new of B1a/b/c has sold virtually off-plan. There is nothing decent from 1,500-5,000 sq ft of B2 or B8 premises.

- Lots of small manufacturing businesses have outgrown current premises and have nowhere else to relocate locally of any quality, and therefore move out to south of the M27 (e.g. AquaPacific's move to Nursling).

- Indeed, Test Valley Small Business Centre at Nursling (with space of 1,000-5,000 sq ft) is always full.

- Situation at other sites (from maps): Site 18 (TV Business Park at North Baddesley) not available as owner occupying themselves; Sites 12 (Romsey Ind Estate) and 13 (Budds Lane) have problems through the bridge restrictions near their entrances. Site 19 (Adanac Park) has the potential for B8 but is currently safeguarded for Park & Ride.

Demand:

- Demand in Romsey centred on organic growth of local businesses. Elsewhere more related to the docks, regional distribution hubs and service industries.

- There is demand for B1 and B8 uses (with 50%+ enquiries for B1). 6,000-7,000 sq ft is the optimum floorspace.

- Demand (as expected) is centred on good quality, modern and self-contained premises i.e. with own yard. This is a mismatch to much of the stock, which is old, in the wrong locations and has major problems e.g. Budds Lane.

- Demand is growing steadily. Demand is particularly growing for premises with greater eaves heights (10+m), with new sheds being built always higher than previously. The number of enquiries in the Romsey area is also steadily growing.

- Two development in Budds Lane & one at Belbins (c. 1,000-3,000 sq ft) [each unit or total space?]– these are the only ones in TV in the past 10 years and both sold off-plan.

- There is demand for the larger end i.e. 30,000 sq ft and for mixed B8/B1 space. Eaves heights are also very important with preference of 10m eaves height. Nursling cannot satisfy this. Problems recently trying to let premises with 8m height.

- Have seen firms moving from Greatbridge to Nursling, leaving older stock.

- As with offices, there are two markets operating in Southern Test Valley – the local market around Romsey and the more regional market (focused on regional distribution) south of the M27.

- There are a lot of freehold deals for sizes of 1,000-5,000 sq ft – the letting market for this size has improved lately though. For 20,000-200,000 sq ft, flexibility on lease terms is more important (this is probably linked to the height and quality problems).

- Typical rents are £6.50 -£8.50 psf for smaller units (with 1 or 2 at c.£10), with leases for typically 5 years. Larger shed rents are £6.50-7.50/7.75 psf, with second hand stock at £5-6 psf (e.g. Nursling second hand stock). Rents for various buildings in Nursling written on map 19.

- Good demand for investment at the smaller end among local developers - both selling to owner occupiers and occupying themselves. Developers would speculatively build if suitable sites available.

- An 8 acre site (Test Lane) to south of M27 with B2/B8 zoning coming forward and likely to be a lot of demand for this.

- Potential demand for new office park near Romsey – 10 acres maybe of 2-storeys.

Supply:

- Smaller estates generally of poorer quality (e.g. Belbins, Yokesford).

- Budds Lane – poor quality stock from post WW2, serious low bridge constraint near entrance (which is only way in). Units include: 1980s stock at back, 1950s in middle, bits of new developments and ground condition problems. Therefore currently making best use of what is there. Varied stock – small units in Fernacre part of it sold at £100 psf, other older parts sold recently at £40-45 psf.

- Development coming forward – lack of land supply for both large and small scale premises. No sites
- Competing centres are Eastleigh, Chandlers Ford and Totton – these are mostly established local markets, but there are some transfers.
- Vacancy is very low (esp south of the M27) and would be lower if not restrictions i.e. planning, eaves heights. Main problem is no available good quality modern premises.
- Site 11 has B1, B2, B8 consent.
- There is a site between Abbey Park (Site 11) and North Baddesley where everything is ready for development.
- Nursling needs redeveloping. The way to do this is to lift the current planning restrictions and let the market dictate.
- In south then, no sites available for development – except for special cases mentioned on site plans.

Andover and Surrounds

Office Market

- No speculative schemes and the last pre-let development was in the 1990s. The office market is likely to “trickle on slowly” but there is unlikely to be any significant step changes in demand
- Low rental values are likely to be deterring investment. Out of town £10-£12 rental levels, fairly static for the last 7-8 years
- Levels of enquiries are limited with lack of demand from larger companies in particular to drive it forward
- Lloyds is one of the larger occupiers but they are reported as scaling down their operations; others include Simplyhealth (H S A)
- Occupiers are not tapping into the skills base of the wider Andover area which means they are not tied to the area and are more likely to be driven by cost/location. It also suggests out-commuting among those with higher order skills.
- Andover’s image as an Industrial location is also a possible deterrent to office investment – greater promotion/further investment could help to attract more interest.
- Andover also suffers from lack of profile and visibility from some strategic road networks (easy to by pass it from the A303/A34 for example). Needs greater prominence.
- Rents need to be in the region of c£20 per sq ft in order to generate investor demand – currently well below this level and a significant step-change would be required to alter this position

- Freehold opportunities are required/in demand and such provision would be likely to attract greater levels of demand than is currently the case, although still likely to be from smaller occupiers

- Economic development aspiration to attract higher value jobs/diversify employment base partly through stimulating office market – but agents commented that focus should be directed where the market is already strong (industrial/warehousing) and that it is unlikely a major step-change in the office is achievable

- Basingstoke is a competing office centre where there is a perceived significant over supply – again, likely to deter investors in Andover

- Newbury town centre office market has had reasonable levels of take-up despite influx of ex-Vodafone premises on the market. Also reasonable strong out of town office market along A4 towards Reading. Not necessarily comparable to Andover office market because it draws heavily on the strong M4 corridor market. However, the Vodafone example is useful in terms of demonstrating the lengths the council went to retain a major local employer.

- Winchester also has a reasonably strong office market but mostly based on movements within the City (churn) although Bacardi Martini is one example of where it has attracted a new occupier - they moved their HQ from Southampton Docks to fill c20,000 sq ft of office space at the Standard Life Royal Court Office complex with a 10 yr lease for £23 psf. Rents have done well in Winchester because supply has been restricted which has driven them up.

- Solstice Park in Salisbury (adjacent to A303 trunk road) is attracting demand/requirements from Andover based industrial companies because of readily available opportunities which Andover doesn't have, including freehold opps.

- If freehold opportunities were available in Andover there would be a market from small professional firms in proximity to the town centre

- Beyond the small end of the market e.g. 10,000 sq ft to 20,000 sq ft developers are not willing to build because no confidence in demand at this end of the market

- Walworth - Office Depot recently come on to the market which has increased the overall stock of available space on the estate by a significant amount – back to 1m. sq.ft.

- In terms of vacant space on the market there are no major issues with quality/size etc just simply a lack of market demand which is why there are so many on the market

- Newbury Road is an example of a building that was refurbished and a new tenant was attracted – Atos Origin – which operates a data centre in nearby Shepherd's Spring Lane. It currently only employs 2 people in a vast building. They now have places to increase on-site employment and use some of the space as a training centre.

- Location of the train station (out of centre) is not considered a significant issue in terms of generating/deterring demand

- Pre-requisites for office development would include rental levels (c£20 psf), freehold opps, visible/prominent location, suitable sized opportunities etc – none of which currently occurring in Andover which is why lack of developer/investor demand

Industrial Market

- Refurbished stock is being let eg Frobisher turning around former Ducal units – strong demand for such premises. Not huge amount of investment involved (cladding/general clean-up) but enough to attract demand. Refurbished stock has seen rents increase from £4.15 psf to £5.50 psf

- But, significant amount of stock that has not been refurbished

- Continuing differential between Walworth and Portway – Portway generally presents better and commands slightly higher rents

- Premises that have been refurbished have been able to do so because of lower ground rents, payable to TVBC which is the freehold owner of Andover's main industrial estates. Higher ground rents elsewhere are prohibiting refurbishments. This point was reiterated by several agents as being a significant issue.

- Council can not afford to lower rents – exploring the potential to set up an Investment Fund but this would add another layer of interest to the site which will need to be serviced by higher rents/reduced head leaseholds interest.

- Gearing on TVBC ground rents is too high. 10-15% is acceptable. 20-25% is unacceptable. Gearing should be minimised in order to stimulate investment in existing premises and refurbishments. This would serve to reduce the vacant stock on the site.

- Demand is principally from Andover companies. Limited number of companies attracted to Andover from further afield. One example is Van Spall, a Slough-based company, which was attracted to one of the Frobisher refurbished units on grounds of cost.

- Complexities involved in re-financing for TVBC head lease arrangements is becoming an issue. Occupiers are likely to look elsewhere where freehold opportunities are available.

- New/good quality stock would be likely to attract demand and agents felt it would be good to have this offer - but not possible at the moment because of lack of speculative interest and freehold land availability

- Glenmore Estate, Weyhill Road - County Council sold freehold opps a few years ago which did extremely well on the market. Indicative of where the demand is.

- Occupiers want somewhere that is readily available of the right quality, and not something that they have to wait for in terms of refurbishment requirements etc

- Start-up space at Walworth is in good supply but no "move-on" freehold space for companies which outgrow enterprise centres.

- Long leaseholds could be in demand but only if the process is painless. The role of TVBC in both estate management and effective landlord could be deterring occupiers from entering into such agreements – don't want someone constantly overseeing them particularly in terms of enforcing use class consents, underletting etc also complexities of lease arrangements

- Land plots available on Walworth but can't afford to develop because of Gearing. Reasonable sized plots.

- 2,000-4,000 sq ft premises in large number available on Walworth

- Limited demand for premises between 5,000 and 10,000 sq ft – but reasonable demand above and below this size threshold – most demand from local companies growing and expanding e.g. Londis expanding into adjacent plots

- Airfield (Andover Business Park) – Goodman are waiting in the wings to develop the site (with Tesco on board) – the timing of it coming forward will depend on environmental/traffic considerations in terms of getting full planning permission. It is likely that if Tesco come to Andover other supplier companies will want to join them

- One agent reported requirements for 8 acre site freehold opportunity, none available in Andover so gone to Greenham Park, Newbury

- Low density development land requirements – from reasonably clean industries

- No reason why Andover shouldn't command good B8 market – connections/access sufficient

- Walworth extension (8 ha) – haven't ruled out principle of freehold, council also considering whether to decant some occupiers on to that site to free up larger sites on Walworth. Agents felt should attempt to attract a range of uses on the site – including high tech uses. Freehold on the site could help to drive up the rents which in turn may stimulate refurbishment investment.

- Other agents commented that it is more important to make use of the existing available stock through re-gearing the leases and encourage investment rather than develop Greenfield sites. The Council may have to take a short term reduction in ground rent but more occupiers would be attracted in the longer term.

- Regional enquiries not likely to come to Andover because lack of stock to attract them. High tech users in particular need sufficient lab space (B1b/B8 ratio) but the schemes won't stack up in the area although Bioquell are moving from Walworth to West Portway

- Walworth Plot 37 – permission for high bay pre-let – agents confident sufficient demand for this

- Stanna – likely to prefer freehold opportunity – TV should not be complacent about it remaining in the Borough if such opportunities are not available.

- Likely to be more than one large freehold requirement in the area which would take up the available supply and more

- Supply likely to create demand – needs permission first

- Estates built for manufacturing activities in the past – perception that no longer fulfilling the uses they were originally built for because of changing economic structure and operation of companies (shifting to distribution activities). Agents suggest a development brief for the sites should allow trade counter uses and greater amount of retail. Commented that split of 30% retail/70% storage doesn't stack up in viability terms. (similar in Winchester where consents are actually being breached in order to make the scheme stack up)

- Agents would also like to see A1 permissible on site (without detracting from offer of town centre). Waitrose and Sainsbury's both want to move out of the town centre.

Appendix 3

Site Appraisals

1	
Andover Town Centre	
Borough Location	Andover
Full Address	Town centre, Andover
Description	Andover Town Centre
Example Occupiers	General High Street occupiers, mainly retail with some office space. Two larger office occupiers include Lloyds TSB and HSA
Density description	
Site Area (ha)	**21.2 ha**
Floorspace in use sq m	**31,404 sq m**
B1 (a) and B1 (b) in use	26,180 sq m
B1 (c) in use	337 sq m
B2 in use	0 sq m
B8 in use	4,887 sq m
Floorspace Available sq m	**4,889 sq m**
B1(a) and B1 (b) Available sq m	300 sq m
B1c/B2/B8 Available sq m	4589 sq m
Vacancy Rate	16%
Market Segment	Town Centre
Policy Designation	Town Centre, within primary and seconadry shopping areas uses other than A1-A5 will not be permitted within the ground floor uses
Quality of Existing Buildings	Mixed. Some fairly dated, particularly the large food retail units seen from the road. Roads around the Chantry Centre feature lower converted buildings with retail ground floors
Age of Premises	Mixed. Older buildings to the original town centre, with modern retail parks and some 1970's style architecture (Chantry Centre purpose built, inward looking)
Description	Busy town centre, main element retail with some office space. Heavy traffic A3057 ring road around the town centre, more pedestrian friendly streets to the core. Main shopping centre the Chantry Centre, smaller retail units in external space. Purpose-built retail parks at the Churchill Way Roundabout and Western Avenue roundabouts. Some examples of newer purpose built office accomodation.
Noise and other obvious pollutants	Traffic and heavy congestion to the ringroad, uses typical of a town centre
State of external areas and public realm	Average quality. Road dominates the centre, but internal roads are more pedestrian friendly. Strong emphasis on using car to access services, Chantry Centre and car park, out of town/edge retail parks etc.
Parking, servicing and internal circulation	N/A
Capacity for 24 hour use	Limited
Quality of Local Environment	Average quality. Limited public open space to the centre. Once away from the main road through better quality for pedestrians etc
Local Facilities for workforce	Town centre uses
Road Accessibility for Commercial Vehicles	Excellent accessibility to strategic road network including A303(T), M3 and A34. Internal road

	access limited due to narrower and congested roads.
Public Transport Accessibility for Workforce	Andover train station provides direct links to London, the bus station also provides links to town centre's within and outside the Borough
Strength of Local Demand in Segment	Lack of demand from office occupiers, no spec development for some time
Recent Market Activity on site	Some vacant premises on the market but limited because of limited stock
Area of potential housing growth	Urban area, sustainable location and future planned housing growth
Economic Development Policy Opportunity	Sustainable location to meet demand from officed based activities and wider town centre function
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

2	
	Andover Business Park
Borough Location	Andover
Full Address	Andover
Description	Former airfield, currently vacant land located to the north west of Andover town centre, south of the existing Portway Industrial Estate
Example Occupiers	Vacant land
Density description	
Site Area (ha)	**44.9 ha**
Floorspace in use sq m	**0 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	0 sq m
B2 in use	0 sq m
B8 in use	0 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	N/A
Market Segment	General industrial/Business Area
Policy Designation	Allocated for B1, B2 and B8, at least 0.5 ha reserved for community uses
Quality of Existing Buildings	N/A
Age of Premises	N/A
Description	Vacant land in proximity to town centre, with good primary road access and no constraining neighbouring activity
Noise and other obvious pollutants	Vacant land
State of external areas and public realm	Vacant land
Parking, servicing and internal circulation	Vacant Land
Capacity for 24 hour use	Site has access independent of residential areas
Quality of Local Environment	Frontage with road network, open space and existing employment area. Well mantained areas
Local Facilities for workforce	Limited
Road Accessibility for Commercial Vehicles	Easy access to the local road network, the B3402 Weyhill Road, and the A342
Public Transport Accessibility for Workforce	No public tranport services evident
Strength of Local Demand in Segment	Good strength of demand, Goodmans seeking development with Tescos as a major occupier
Recent Market Activity on site	Goodmans are seeking to develop the site for highbay warehousing, offices, hotel and community uses subject to full planning permission
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	45 ha
Site Access	Site accessed from the Primary road network (A342)
Topography, size and shape	Regular shape and topography
Utilities	No existing utilities on site

Environmental	No obvious environmental constraints
Amenity of Adjacent Occupiers	Neighbours the MOD site, residential development and the existing Portway Industrial estate to the North

3	
	Walworth Business Park
Borough Location	Andover
Full Address	Andover
Description	Extensive industrial estate to the west of Andover, off the A3057 towards the M3. Units are in use as offices but predominantly light industrial units/warehousing. Evidence of recent retail development on part of the site. The site is low density, with a generally single storey mix of units, extended over a number of years. Tallest building is 4+ storeys and visible from the roadway, occupied by Twinnings as a factory and distrubution centre.
Example Occupiers	Epicure Petty Wood and Co Ltd, Stagecoach Bus Wash, Le Cruset Factory Store, Office Depot Distribution centre, Plumbase, Buildbase, Twinnings Tea factory, DHL
Density description	Fairly high density but with some small development plots
Site Area (ha)	**83.8 ha**
Floorspace in use sq m	**260,439 sq m**
B1 (a) and B1 (b) in use	2,830 sq m
B1 (c) in use	32,525 sq m
B2 in use	118,116 sq m
B8 in use	106,969 sq m
Floorspace Available sq m	**59,729 sq m**
B1(a) and B1 (b) Available sq m	1763 sq m
B1c/B2/B8 Available sq m	57,966 sq m
Vacancy Rate	23%
Market Segment	General Industrial/Business Area
Policy Designation	Safeguadred for retention in employment use(ESN15)
Quality of Existing Buildings	Overall average quality for purpose
Age of Premises	Majority 1960s/70s although some have undergone more recent refurbishments
Description	Mix of brick built and shed. Those in use of fairly good quality for purpose, but there are some vacancies. Limited landscaping, but there is some evident
Noise and other obvious pollutants	Intermittent deliveries from vehicles and heavy lorries, traffic noise mainly from light goods vehicles and car based traffic. No noise from uses within units and some external noise from users (eg. timber store yard)
State of external areas and public realm	Limited landscaping to external areas but some planting evident. No internal area of public open space. Limited footpaths, generally one sided
Parking, servicing and internal circulation	Parking off street towards the rear/side of business units, good internal circulation established
Capacity for 24 hour use	Uses fairly self-contained and internal. Similar site wide user, and low density. Singluar units are not overlooked or in close proximity to their neighbours
Quality of Local Environment	No public open space but some planting evident. Site contains similar users, some noisey (sign makers, timber yard etc)
Local Facilities for workforce	Peak health and fitness centre single storey

	converted and basic quality gym within the Estate, there are no local shops, but a 24 hour Tesco and new Sainsbury's and retail park are approx a 15 minute walk towards Andover along the main road
Road Accessibility for Commercial Vehicles	Accessible from M3 junction into Andover, site is close to roundabout, and on A3093 for ease of access for heavy goods vehicles. Approx 5-10 minutes drive from the centre of Andover, and the same distance from the M3. Located at roundabout with directions into Andover, and towards Basingstoke
Public Transport Accessibility for Workforce	A bus route serves Walworth Road, there are no other public transport services nearby
Strength of Local Demand in Segment	More modern/recently refurbished units have been recently occupied. Others vacant and appear to have been for some time. Recent development of retail park located towards Andover
Recent Market Activity on site	High levels of vacancy particularly amongst older units
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	Limited number of small development plots
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

4	
	Walworth Business Park Extension
Borough Location	Andover
Full Address	Andover
Description	Site located between the existing Walworth Industrial Estate and the residential area of Picket Piece. Currently in use as open space, with sports field, and farmland
Example Occupiers	Vacant land
Density description	
Site Area (ha)	**11.1 ha**
Floorspace in use sq m	**0 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	0 sq m
B2 in use	0 sq m
B8 in use	0 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	N/A%
Market Segment	
Policy Designation	Allocated for employment use (B1b, B2 B8) with height restrictions
Quality of Existing Buildings	N/A
Age of Premises	
Description	The whole site is clear of development. There are no buildings on land, and no uses of land evident other than recreation space. This would need to relocated in the event of development
Noise and other obvious pollutants	N/A
State of external areas and public realm	N/A
Parking, servicing and internal circulation	N/A
Capacity for 24 hour use	Neighbouring residential occupiers
Quality of Local Environment	Neutral to good quality. Acts as a boundary to the existing business Estate and residential users. Walworth estate as existing is already fairly extensive and dominant in industrial appearance in the landscape. Detached houses on Walworth Road, low density and are clustered to the road frontage with open space behind
Local Facilities for workforce	No local shops, 24 hour Tesco and new Sainsbury's and retial park approx 15 minute walk towards Andover along the main road
Road Accessibility for Commercial Vehicles	Walworth Road links to the A303 towards M3 junction, and towards Andover Town centre. There is currently no access from Walworth Road around the site
Public Transport Accessibility for Workforce	A bus route serves Walworth Road, there are no other public transport services nearby
Strength of Local Demand in Segment	Reasonable demand for freehold opps
Recent Market Activity on site	None to date
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in

	general busness activities in proximity to urban area
Development Potential	11.1 ha
Site Access	Access via existing Walworth estate, road connecting to Picket Peice
Topography, size and shape	Regular site shape, flat and limited constraints
Utilities	No evident utilities on site
Environmental	Currently in use for recreational uses which would need to be relocated in the event of development. There is an area of flood risk running through the site
Amenity of Adjacent Occupiers	Neighbouring residential users and links to Walworth estate

5	
	East Portway Estate
Borough Location	Andover
Full Address	Andover
Description	Site extends either side of Portway Road, and is accessed from the Churchill Way roundabout to the North east of Andover. Recenet development has added a Basepoint innovation centre with office space and workshops for smaller business
Example Occupiers	Key occupier Stannah Stairlifts, large site and several separate smaller units. Other occupiers in single units
Density description	Reasonably high densiity although some areas of open space
Site Area (ha)	**26.2 ha**
Floorspace in use sq m	**89,362 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	15,103 sq m
B2 in use	27,894 sq m
B8 in use	46,365 sq m
Floorspace Available sq m	**2743 sq m**
B1(a) and B1 (b) Available sq m	45 sq m
B1c/B2/B8 Available sq m	2698 sq m
Vacancy Rate	3%
Market Segment	General Industrial//Business area
Policy Designation	Safeguarded for retention in employment use(ESN15)
Quality of Existing Buildings	Generally good quality, well used and well maintained
Age of Premises	Some new development, Innovation centre 1990's. Other buildings probably 1980's/1990's.
Description	Site generally brick built office units with some Light Industrial/workshops. Predominantly B1 office use
Noise and other obvious pollutants	No external noise. No external work spaces
State of external areas and public realm	Good quality, landscaping, clean
Parking, servicing and internal circulation	Parking to individual units, with no on street car parking. Roadway single road joined to the A345 towards roundabout with directions to M3 and inton Andover, and from Churchill Way roundabout
Capacity for 24 hour use	Some capacity
Quality of Local Environment	Good quality. Areas well maintained and well used. Occupants office based rather than industrial/distribution led
Local Facilities for workforce	There is a Travelodge at the West Portway Estate with pub/restaurant, and neighbouring garage but no other facilities on site. Supermarket and retail park at Churchill Way/New Street roundabout approx 5 minutes drive
Road Accessibility for Commercial Vehicles	Very accessible from the local road network and within walking distance to the neighbouring residential area
Public Transport Accessibility for Workforce	There is cycle parking at the Basepoint centre, and a bus route along Portway Road

Strength of Local Demand in Segment	Some units to let, majority occupied and in use
Recent Market Activity on site	Marketing to vacant units
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	Vacant expansion land of 0.33 ha
Site Access	high levels of access to strategic road network
Topography, size and shape	Site slopes upwards towards A342 away from Churchill road, but development plot is regular shape
Utilities	Utilities likely to be accessed from rest of site
Environmental	No obvious environmental constraints
Amenity of Adjacent Occupiers	Part of existing inudstrial estate

6	
	West Portway Estate
Borough Location	Andover
Full Address	Andover
Description	Site a substantial area covering the western part of the Walworth Estate. There are fairly heavy levels of traffic onto site, with LGV's and heavy goods lorries. Predominantly operational as a distribution centre, there is also a Premier Inn Hotel
Example Occupiers	Glassworks, Ford car repair centre, commercial vehicle paint centre, car servicing, plumbing trade warehouse and showroom, joiners etc.
Density description	low density, generally single storey/equivalent. Newer buildings have larger heights/scale/footprint
Site Area (ha)	**49.7 ha**
Floorspace in use sq m	**140,166 sq m**
B1 (a) and B1 (b) in use	2,959 sq m
B1 (c) in use	34,093 sq m
B2 in use	59,813 sq m
B8 in use	43,301 sq m
Floorspace Available sq m	**17786 sq m**
B1(a) and B1 (b) Available sq m	606 sq m
B1c/B2/B8 Available sq m	17180 sq m
Vacancy Rate	13%
Market Segment	General Business and Industrial Location
Policy Designation	Safeguarded for retention in employment use(ESN15)
Quality of Existing Buildings	Those occupied are in fairly good condition, and vacant units seem to be recently vacant rather than longer term, in similar quality
Age of Premises	
Description	Mix of older brick built single storey workshops and newer clad sheds/light industrial units. Available development plot of 1.1 ha in south east corner of site
Noise and other obvious pollutants	Some industrial units and workshops open and polluting uses, production based
State of external areas and public realm	No area of open space, grass verges and some landscaping to the front of units
Parking, servicing and internal circulation	Off road car parking for the majority of units, and the wide roadways allow for some additional on street parking
Capacity for 24 hour use	Self contained as an industrial site, neighbours in similar uses (aside from hotel)
Quality of Local Environment	Average quality, and fit for purpose. Wide road gived space and buildings are regular in pattern and grouped to use type
Local Facilities for workforce	Limited local faciliites
Road Accessibility for Commercial Vehicles	Easily accessible, one way road system on site (double lane, same direction) so good flow of traffic
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Some evidence of developer activity and marketing
Recent Market Activity on site	Recent planning permissions for extensions to

	existing units and new buildings for employment uses
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	1.1 ha available for development/expansion
Site Access	Good road access with direct road frontage, but high levels of traffic
Topography, size and shape	Regular shape and topography
Utilities	Utilities likely to be accessed from rest of site
Environmental	No obvious environmental constraints
Amenity of Adjacent Occupiers	Part of existing industrial estate, site with road frontage

7	
	Anton Mill Trading Estate
Borough Location	Andover
Full Address	Andover
Description	Located to the rear of the 24 hour Asda at Winchester Road roundabout, and bounded by the River Anton and public footpath to the south. Site is predominantly distribution type warehouses
Example Occupiers	
Density description	Low density, mainly 2 storey modern sheds
Site Area (ha)	**2.9 ha**
Floorspace in use sq m	**19,591 sq m**
B1 (a) and B1 (b) in use	8,068 sq m
B1 (c) in use	545 sq m
B2 in use	4,112 sq m
B8 in use	6,866 sq m
Floorspace Available sq m	**1180 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	1180 sq m
Vacancy Rate	6%
Market Segment	General Industrial/Business Area
Policy Designation	Safeguadred for retention in employment use(ESN15)
Quality of Existing Buildings	Modern and of good quality, well kept
Age of Premises	1980's-1990's
Description	Units are modern and in use for distrubution, steady flow of traffic. Site is clean and well kept
Noise and other obvious pollutants	No evidence of any production noise. Site is behind the Asda and main road, with boundary at the river, public footpath
State of external areas and public realm	Evidence of some new planting, limited landscaping but some trees and planting etc
Parking, servicing and internal circulation	Site a T-junction, there is no circulation through the site, but space to the front of units for servicing and car parking. Some off street car parking
Capacity for 24 hour use	24 hour Asda nearby, also neighbouring residential use
Quality of Local Environment	Nearby access road and Winchester Road roundabout busy with heavy traffic, nearby residential estate well kept, footpath in use with dog walkers and school children
Local Facilities for workforce	Attiva Health Club on site, with nearby supermarkets and Andover's town centre approx a 10 minute walk
Road Accessibility for Commercial Vehicles	Easily accessible from the road network, and all routes from the Winchester roundabout
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	No vacancies evident
Recent Market Activity on site	Permissions for 45 houses
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban

	area
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

8	
	Glenmore Business Park
Borough Location	Andover
Full Address	Colebrooke Way, Andover
Description	Busy industrial estate, located within a residential area to the west of Andover towards Weyhill. Site is predominantly in 2 storey terrace's of industrial units, with some shed type. Site is closely neighboured by Methodist Church, residential dwellings, and school and playing fields
Example Occupiers	
Density description	High Density well utilised site. Arranged in terraces of units, site enclosed by other development, well used, good parking within marked parking areas and on street, traffic evident to surrounding uses.
Site Area (ha)	**3.4 ha**
Floorspace in use sq m	**10,761 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	4,117 sq m
B2 in use	163 sq m
B8 in use	6,481 sq m
Floorspace Available sq m	**697 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	697 sq m
Vacancy Rate	7%
Market Segment	General Business and Industrial
Policy Designation	Safeguarded for retention in employment use(ESN15)
Quality of Existing Buildings	Good quality
Age of Premises	Predominantly 1990's/2000's
Description	Busy industrial park within a modern residential area to the west of Andover towards Weyhill. Predominantly 2-storey terraces of inustrial units, brick/shed built.
Noise and other obvious pollutants	No obvious pollutants, noise from vehicle movements, and some production noise. Units generally smaller in size with limited capacity to generate noise
State of external areas and public realm	Good quality external areas, car parking spaces marked etc. Limited planting etc but external space clean and tidy
Parking, servicing and internal circulation	Single entrance/exit. Access is fairly narrow and through a residential area, going directly past the church, and is the same route used to access the school. Suitable for LGV's but not large heavy goods lorries
Capacity for 24 hour use	Neighbouring residential area, church, school sensitive to 24 hour use. Access could be problem.
Quality of Local Environment	Very good quality modern residential area, and school
Local Facilities for workforce	Limited local faciliites
Road Accessibility for Commercial Vehicles	Easy access to Weyhill Road into Andover, with access through the residential area
Public Transport Accessibility for Workforce	There are a number of bus routes serving Weyhill Road

Strength of Local Demand in Segment	Good level of demand in general for units of this nature on the site
Recent Market Activity on site	Some small vacancies but units generally well occupied and recent development activity
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

9		
	Meridian Park	
Borough Location	Andover	
Full Address	Greenwich Way, Andover	
Description	General business area located to the north of Andover Town centre, site is bordered by New Street, railway line, retail park, and open space. Office uses are located towards the roadway, with an Office Depot and industrial/distribution warehouse behind. The older buildings are located towards the railway boundary	
Example Occupiers	Office Depot	
Density description	Site fairly low density, buildings are 3-storey/equivalent but there is space and car parking areas surrounding.	

Site Area (ha)	**6.5 ha**
Floorspace in use sq m	**29,573 sq m**
B1 (a) and B1 (b) in use	5,175 sq m
B1 (c) in use	1,408 sq m
B2 in use	7,021 sq m
B8 in use	15,968 sq m
Floorspace Available sq m	**4966 sq m**
B1(a) and B1 (b) Available sq m	216 sq m
B1c/B2/B8 Available sq m	4750 sq m
Vacancy Rate	17%
Market Segment	General Business and Office
Policy Designation	Safeguaded for retention in employment use(ESN15)
Quality of Existing Buildings	Office buildings are modern 3-storey brick built and well maintained, the warehousing sheds are modern and of good quality, with older units towards the railway 2-storey 1960/70's brick built office and brick built industrial unit. Older units are well us
Age of Premises	Modern office space and warehouse unit 1990/00's. Older warehousing towards the railway line 1980's brick built. Office and warehouse towards New St 1960's/70's.
Description	Site is in predominant office use, with two modern 3-storey office buildings, an older 2-storey brick built office and warehouse complex, and an industrial/warehouse shed behind
Noise and other obvious pollutants	No industrial noise, the industrial space is set away from the office buildings. Location off busy A343 close to the New St roundaboout, and so heavy traffic
State of external areas and public realm	Landscaping and planting to the front of office space and modern industrial unit. Area of undeveloped open space to grassed. River Anton and nature reserve located to the western boundary
Parking, servicing and internal circulation	Car parking adjacent to all users. Roadway through site wide, no on street car parking/congestion
Capacity for 24 hour use	Close to residential area
Quality of Local Environment	Local area urban but fairly good quality. Retail park modern and well maintained, residential

	area to the north. Internal space functional but well maintained
Local Facilities for workforce	Supermarket and retail park within 5 minute walk. Andover town centre and shops within 5 minute drive
Road Accessibility for Commercial Vehicles	Located just off the Churchill Way/New St roundabout for directions into Andover town centre, the M3 and A343 towards Newbury. Low bridge under railway track, but no signs to redirect HGV's
Public Transport Accessibility for Workforce	Bus routes serve Andover town centre, and the surrounding residential area
Strength of Local Demand in Segment	No evident vacancies
Recent Market Activity on site	No evidence. Rear office building newer, and seems underoccupied
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

10	
	Romsey Town Centre
Borough Location	Southern Test Valley
Full Address	Romsey
Description	Romsey is a traditional market town, a busy centre led by retail uses with some enidence of office space above
Example Occupiers	
Density description	fairly high density in being a traditional town centre. 3 storey terraced buildings and narrow streets.
Site Area (ha)	**10.1 ha**
Floorspace in use sq m	**10,416 sq m**
B1 (a) and B1 (b) in use	4,937 sq m
B1 (c) in use	1,072 sq m
B2 in use	1,080 sq m
B8 in use	3,327 sq m
Floorspace Available sq m	**1661 sq m**
B1(a) and B1 (b) Available sq m	999 sq m
B1c/B2/B8 Available sq m	662 sq m
Vacancy Rate	16%
Market Segment	Town Centre
Policy Designation	Town Centre, within primary and secondary shopping areas uses other than A1-A5 will not be permitted within the ground floor uses
Quality of Existing Buildings	Good quality
Age of Premises	Mix
Description	Busy town centre, mainly retail with some office space. Limited on street car parking and consistent levls of traffic
Noise and other obvious pollutants	Busy in use as the town centre but no excessive noise/pollution
State of external areas and public realm	Good quality public realm, limited landscaping and planting but clean, well maintained, and historic buildings
Parking, servicing and internal circulation	Good circulation around centre but busy
Capacity for 24 hour use	Limited
Quality of Local Environment	Good quality
Local Facilities for workforce	Good facilities, range of service and retail/ leisure etc, very well used and busy
Road Accessibility for Commercial Vehicles	Good access from the M3 and M27. Internally there are some narrow streets, but otherwise good accessibility. Site would not be suitable for large volumes of heavy commercial traffic
Public Transport Accessibility for Workforce	There is a fairly good bus service and a train station
Strength of Local Demand in Segment	No evident vacancies but demand for small occupiers rather than strategic
Recent Market Activity on site	Permission recently granted for fromer british legion club to include provision of office space
Area of potential housing growth	Urban area, sustainable location and future planned housing growth
Economic Development Policy Opportunity	Sustainable location to meet demand from officed based activities and wider town centre function
Development Potential	N/A

Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

11		
	Abbey Park Industrial Estate	
Borough Location	Southern Test Valley	
Full Address	Romsey	
Description	Extensive industrial estate, signed from roads from the Romsey/North Baddesley direction. Site features mainly distribution warehouses, with some office space. Uses are zoned, and each section accessed separately, with car parking along the main route through	
Example Occupiers		
Density description	Fairly high density. Buildings are equivalent to 2 storeys, building plots are close together	

Site Area (ha)	**11.6 ha**
Floorspace in use sq m	**47,040 sq m**
B1 (a) and B1 (b) in use	2,432 sq m
B1 (c) in use	11,391 sq m
B2 in use	11,015 sq m
B8 in use	22,201 sq m
Floorspace Available sq m	**12493 sq m**
B1(a) and B1 (b) Available sq m	44 sq m
B1c/B2/B8 Available sq m	12449 sq m
Vacancy Rate	27%
Market Segment	General Business
Policy Designation	Safeguarded for retention in employment use(ESN15)
Quality of Existing Buildings	Good quality
Age of Premises	1990s with some evidence of more modern development
Description	Industrial estate located to the south east of Romsey, east of Whitenap, south of Halteworth. Across site is a zoning of uses and architecture, with uses seeming to be distribution rather than production
Noise and other obvious pollutants	No excessive noise from units
State of external areas and public realm	External areas mainly comprise car parking. No public open space
Parking, servicing and internal circulation	Car parking a problem, cars were parked off and on road with no available spaces
Capacity for 24 hour use	Self contained as a business area, with surrounding open space. Accessibility avoids the nearby residential area
Quality of Local Environment	Good quality, clean and modern, well used and well maintained. Landscaping to the pavements, with car parking areas, there are trees to the boundary and retained through the site. Open space neighbouring is in public use
Local Facilities for workforce	Pub and restaurant approx 5 mins walk, also a School and nearby residential area
Road Accessibility for Commercial Vehicles	Easily accessible from the A27
Public Transport Accessibility for Workforce	No bus stops into the site, there is evidence of a high level of car use
Strength of Local Demand in Segment	Some vacancy but site seems to be well used and interest in adjacen sites for B uses
Recent Market Activity on site	Evidence of marketing activity (lambert smith hampton), rents c£14-18 per sq ft for offices

Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

12	
	Romsey Industrial Estate
Borough Location	Southern Test Valley
Full Address	Romsey
Description	Dated industrial estate close to Romsey town centre, of predominantly brick built warehouses with some newer shedunits. Users are mainly production and distribution driven, of smaller local businesses
Example Occupiers	Small local businesses
Density description	Fairly low density
Site Area (ha)	**8.4 ha**
Floorspace in use sq m	**42,072 sq m**
B1 (a) and B1 (b) in use	1,489 sq m
B1 (c) in use	7,132 sq m
B2 in use	5,910 sq m
B8 in use	27,542 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	2941 sq m
Vacancy Rate	7%
Market Segment	General Industrial
Policy Designation	Safeguarded for retention in employment use(ESN15)
Quality of Existing Buildings	Low quality
Age of Premises	1950's/60's With some newer. Fairly old and dated.
Description	Limited maintenance evident, appearance is low quality, with old street lights and signing etc
Noise and other obvious pollutants	Limited activity especially to the external areas but some loading etc. No excessive production noise/pollutants
State of external areas and public realm	Limited public realm. Most buildings have no landscaping, but external areas concrete/paved and in use as parking areas, there are some trees towards Fishlake Meadows but limited green areas
Parking, servicing and internal circulation	Car parking to the front of units, older units have no separately marked spaces and aren't separated from the loading areas
Capacity for 24 hour use	Potentially some capacity
Quality of Local Environment	Low quality. Residential areas through Fishlake Meadows are well kept
Local Facilities for workforce	Romsey town centre approx a 5 minute walk from station, there are no on site facilities for workforce, residential development towards the Malmesbury Road
Road Accessibility for Commercial Vehicles	Just off the A3057 into Romsey from the north. Reasonable access although bridge restrictions at entrance
Public Transport Accessibility for Workforce	Site is fairly close to Romsey's train station
Strength of Local Demand in Segment	Vacancies, possible competition from other units close by/ nearer Romsey
Recent Market Activity on site	Vacancy boards
Area of potential housing growth	Proximity to urban area and proximity to future

	planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

13	
	Budds Lane industrial Estate
Borough Location	Southern Test Valley
Full Address	Romsey
Description	Dated industrial estate of predominantly brick built warehouse buildings, with some shed type units
Example Occupiers	Mainly office uses, with some showroom space, car repair, removal van/hire, limited production uses
Density description	Reasonable high density although some large areas of under-utlisied freestanding/storage space
Site Area (ha)	**8.3 ha**
Floorspace in use sq m	**32,120 sq m**
B1 (a) and B1 (b) in use	1,919 sq m
B1 (c) in use	15,284 sq m
B2 in use	10,460 sq m
B8 in use	4,457 sq m
Floorspace Available sq m	**3462 sq m**
B1(a) and B1 (b) Available sq m	87 sq m
B1c/B2/B8 Available sq m	3375 sq m
Vacancy Rate	11%
Market Segment	General Industrial
Policy Designation	Safeguarded for retention in employment use(ESN15)
Quality of Existing Buildings	Average to poor quality. Functional. Limited evidence of maintenance
Age of Premises	1950's-1980's mix
Description	Varied stock with piecemeal newer development towards rear
Noise and other obvious pollutants	Generally uses aren't production based but there is some noise from the external space (e.g. railway line)
State of external areas and public realm	Some existing trees but limited other planting. No landscaping to building fronts, and low quaility public realm
Parking, servicing and internal circulation	Parking off road, with some marked on road spaces. Limited on road parking due to turning area for lorries etc. Straight road with no internal circulation
Capacity for 24 hour use	Separated from neighbouring uses by surrounding open space
Quality of Local Environment	Low quality internal environment. Surrounding open space and farmland, doesnt seem to be in use a public open space
Local Facilities for workforce	No facilities internal to site, there is a garage, pub, shop within 5 min walk
Road Accessibility for Commercial Vehicles	Located off the A3067 into Romsey, there are some bridge restrictions to the entrance
Public Transport Accessibility for Workforce	No bus route evident
Strength of Local Demand in Segment	Some vacancy but units are generally in use, close to Romsey Industrial Estate
Recent Market Activity on site	Some vacancy. Most uses seem to the well established and long term. Recent approval for Waste Transfer station
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth

Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

14	
	Belbins Business Park
Borough Location	Southern Test Valley
Full Address	Romsey
Description	Industrial estate located to the north of Romsey. Site fetures a mix of industrial, production, and distribution units
Example Occupiers	Shop fitters, car garage, timber yard
Density description	High Density
Site Area (ha)	**4.9 ha**
Floorspace in use sq m	**8,667 sq m**
B1 (a) and B1 (b) in use	280 sq m
B1 (c) in use	4,341 sq m
B2 in use	1,598 sq m
B8 in use	2,449 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	0%
Market Segment	General Industrial
Policy Designation	Subject to SET07, located within countryside and subject to SET03 and adjacent to SINC, subject to SET10
Quality of Existing Buildings	Good quality
Age of Premises	1990's
Description	Small size units constructed at the same time, brick based. All 2 storey or equivalent with office windows to second floors
Noise and other obvious pollutants	Some production noise
State of external areas and public realm	Average. No public open space, and limited landscaping
Parking, servicing and internal circulation	Good availability of spaces with no on street parking
Capacity for 24 hour use	Some potential for extended use
Quality of Local Environment	Good quality, rural environment
Local Facilities for workforce	Romsey Town centre 5 minute drive. No other local facilities
Road Accessibility for Commercial Vehicles	A3057 or Cupenham Lane, to the north of Romsey. Site is fairly easily accessible, but not close to the motorway links
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Good
Recent Market Activity on site	Most units seem to be well used and well occupied
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	Plot to North East of the site
Site Access	Access from remainder of site, to secondary road network
Topography, size and shape	Regular shape and topography
Utilities	From existing site

Environmental	Adjacent to SINC
Amenity of Adjacent Occupiers	Residential and SINC

15	
	Wynford Industrial Park
Borough Location	Southern Test Valley
Full Address	Romsey
Description	Business park located in the village of Belbin, north of Romsey town centre. Land to the rear in use as a scrap yard, and there are no vacant plots, site has been extensively developed
Example Occupiers	Mix of uses including garaging, car repair, servicing, cafe, timber yard, car scrap yard
Density description	High density
Site Area (ha)	**2.1 ha**
Floorspace in use sq m	**3,469 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	2,770 sq m
B2 in use	0 sq m
B8 in use	700 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	304 sq m
Vacancy Rate	9%
Market Segment	General Industrial/Business Area
Policy Designation	Subject to SET07, located within countryside and subject to SET03 and adjacent to SINC, subject to SET10
Quality of Existing Buildings	Good quality and well maintained
Age of Premises	1980's/1990's
Description	One single storey temporary building, also a red brick residential unit to the front of road
Noise and other obvious pollutants	Noise from scrap yard, also neighbouring construction work
State of external areas and public realm	Congested. No public space/landscaping/planting
Parking, servicing and internal circulation	On street parking and additional marked spaces. Internal circulation poor due to size and the amount of vehicles
Capacity for 24 hour use	Potential capacity although there are residential uses close by
Quality of Local Environment	Fairly good quality local area. Rural with some detached residential dewllings oppositte. No new development
Local Facilities for workforce	On site cafe, but no other facilities in walking distance
Road Accessibility for Commercial Vehicles	Direct access from the main road, but some narrow sections, country roads to the site
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Reasonable
Recent Market Activity on site	No evidence
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A

Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

16	
Yokesford Hill Estate	
Borough Location	Southern Test Valley
Full Address	Romsey
Description	Site an industrial location currently under development, with current and proposed future operation as recycling facility. Sie appears to have been in longstanding industrial use, and is being modernised
Example Occupiers	Recycling facility, with part of site under construction
Density description	Low density. Small building footprints given site size, new development will significnatly increase density but there is still open space towards the roadway.
Site Area (ha)	**2.5 ha**
Floorspace in use sq m	**7,916 sq m**
B1 (a) and B1 (b) in use	102 sq m
B1 (c) in use	2,872 sq m
B2 in use	0 sq m
B8 in use	4,942 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	0%
Market Segment	General Industrial
Policy Designation	Subject to SET07, located within countryside and subject to SET03 and adjacent to SINC, subject to SET10
Quality of Existing Buildings	Good quality but aged brick built office. Other land is fairly poor quality
Age of Premises	New development and 1960's/70's
Description	Existing brick built two storey office building, with new development. Rear processing equipment and machinery for recycling facility
Noise and other obvious pollutants	Processing noise from recycling facility plant to rear
State of external areas and public realm	Poor quality, no landscaping currently present
Parking, servicing and internal circulation	On street and separate area for car parking
Capacity for 24 hour use	Limited, residential users opposite
Quality of Local Environment	Fairly good quality local area. Rural with some detached residential dewllings oppositte. No new development
Local Facilities for workforce	On site cafe at the neighbouring Wynford Estate, no other local facilities
Road Accessibility for Commercial Vehicles	Direct access from the main road, fairly narrow along parts, there is a separate driveway and gate onto the site
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Reasonable
Recent Market Activity on site	Partly under construction
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A

Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

17	
	Southampton University Science Park
Borough Location	Southern Test Valley
Full Address	Chilworth
Description	Modern and newly developed science park located to the south of Chilworth Old Village, west of the M3 at Eastleigh. Site is a modern science park with research and laboratory facilities
Example Occupiers	Research labroratories, telecommunications, Merck, gym and health centre
Density description	High Density.
Site Area (ha)	**18.6 ha**
Floorspace in use sq m	**29,562 sq m**
B1 (a) and B1 (b) in use	29,392 sq m
B1 (c) in use	170 sq m
B2 in use	0 sq m
B8 in use	0 sq m
Floorspace Available sq m	**428 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	428 sq m
Vacancy Rate	1%
Market Segment	R+D Science Park
Policy Designation	STV01.1 B1 uses permitted comprising scientific research and development including ancilliary industrial production
Quality of Existing Buildings	Very high quality. Varied design and architecture styles
Age of Premises	1990-2000's modern
Description	High quality and modern business park
Noise and other obvious pollutants	None evident, lot of cars parked but no heavy traffic
State of external areas and public realm	Very good quality, lanscaped, planting, trees, designated areas of public space
Parking, servicing and internal circulation	Full car parking areas to each building. Good circulation, and clearly signed, single entrance from the road
Capacity for 24 hour use	Some possibility as there are no sensitive neighbours
Quality of Local Environment	Very good quality. Rual with some residential dwellings and farmland
Local Facilities for workforce	Chilworth Village approx 20 minute walk, gym and health centre on site
Road Accessibility for Commercial Vehicles	Easily accessible from the M27 at Eastleigh, A27 from Romsey and from North Baddesley. There are no obvious road restrictions, though Chilworth is more residential
Public Transport Accessibility for Workforce	There is a dedicated bus service for the park
Strength of Local Demand in Segment	Strong demand
Recent Market Activity on site	No vacant plots, one under construction
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Meeting key economic priorities in terms of knowledge based activities and high-value technologies

Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

18	
	Test Valley Business Park
Borough Location	Southern Test Valley
Full Address	North Baddesley
Description	Majority of the site currently under construction for owner occupation, with previous offices cleared for B1 and B8 uses. Site is located to the north of North Baddesley, off the A27 Botley Road. Two existing buildings on the site include a 1960/70's concrete office building and a Drapers shed unit
Example Occupiers	
Density description	N/A construction underway
Site Area (ha)	**8.2 ha**
Floorspace in use sq m	**0 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	0 sq m
B2 in use	0 sq m
B8 in use	0 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	N/A
Market Segment	General Business
Policy Designation	Safeguarded for retention in employment use(ESN15)
Quality of Existing Buildings	Existing Drapers units is modern high quality shed, Roman House concrete office building
Age of Premises	mixed
Description	Drapers industrial shed fenced from rest of site, majority of the area is being cleared for construction
Noise and other obvious pollutants	None on site
State of external areas and public realm	Some planting to the boundaries, otherwise currently a construction site
Parking, servicing and internal circulation	Wide roadway, with limited traffic
Capacity for 24 hour use	Neighbouring residential use opposite, fairly easy access to site
Quality of Local Environment	Average. Areas of green space to grass verge, with trees and planting to boundaries and open space surrounding (rear)
Local Facilities for workforce	Located to the edge of North Baddesley which has a village school. There is a pub, nursery, and petrol station within a five minute walk, but no other on site facilities. Also a pub and restaurant within a 10 mintue walk towards Scrag Hill
Road Accessibility for Commercial Vehicles	Accessible from the A27 from Romsey, there are some height restrictions, and sections are a fairly narrow country lane
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Under construction for owner occupier
Recent Market Activity on site	Under construction
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in

	general busness activities in proximity to urban area
Development Potential	Just under 8 ha cleared for construction for owner occupied uses
Site Access	Access from the A27 but some limitations
Topography, size and shape	Flat and regular shape, cleared for construction
Utilities	Yes
Environmental	N/A
Amenity of Adjacent Occupiers	Residential

19	
	Adanac Park
Borough Location	Southern Test Valley
Full Address	Nursling
Description	Site is vacant and being marketed as a potetnial location for a corporate headquarters, located ajacent to Nursling Industrial Estate, separated by the M271. Resolution to permit development for OS scheme and outline permission for B space for remainder of site.
Example Occupiers	Ordnance Survey to be relocated to one third of the site, with a new HQ building
Density description	N/A
Site Area (ha)	**33.5 ha**
Floorspace in use sq m	**0 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	0 sq m
B2 in use	0 sq m
B8 in use	0 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	N/A%
Market Segment	R&D/High Tech Manufacturing
Policy Designation	Safeguarded for high quality office/research/manufacturing development for a single large user or a small number of large users, would need to demonstrate no other allocations or permissions in South Hampshire which could meet the requirements of that ope
Quality of Existing Buildings	N/A
Age of Premises	N/A
Description	Vacant site safeguarded for high quality R&D/high tech manufacturing uses
Noise and other obvious pollutants	N/A
State of external areas and public realm	N/A
Parking, servicing and internal circulation	N/A
Capacity for 24 hour use	N/A
Quality of Local Environment	Frontage with motorway and opposite industrial park, there is housing and open green space to the rear, of good quality
Local Facilities for workforce	Limited at present
Road Accessibility for Commercial Vehicles	Access from M271
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Ordnance Survey to be located on site in new HQ. Also market interest in some adjacent sites for B8 uses
Recent Market Activity on site	Outline permission for B use classes, although limited to 5 users
Area of potential housing growth	Proximity to urban area and proximity to future planning housing growth
Economic Development Policy Opportunity	Meeting key economic priorities in terms of knowledge based activities and high-value technologies

Development Potential	30 ha
Site Access	Direct access from M271
Topography, size and shape	Irregular shape, but there is scope for significant development plots, flat
Utilities	None
Environmental	No obvious environmental constraints but site reserved for high quality B use classes with planning restrictions limiting space to 5 users
Amenity of Adjacent Occupiers	Fronts motorway, with Nursling estate opposite, residential and open space in close proximity along eastern edge of the site

20	
	Nursling Estate
Borough Location	Southern Test Valley
Full Address	Nursling
Description	Site is an extensive industrial park located at the M27/M271 junction to the North-West of Southampton
Example Occupiers	Large distribution companies, TNT, Parcelnet, Christian Salveson, Tesco's Southampton distribution centre, BT engineering centre
Density description	Medium/Low density
Site Area (ha)	**71.3 ha**
Floorspace in use sq m	**175,340 sq m**
B1 (a) and B1 (b) in use	785 sq m
B1 (c) in use	9,726 sq m
B2 in use	0 sq m
B8 in use	164,828 sq m
Floorspace Available sq m	**24509 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	24509 sq m
Vacancy Rate	14%
Market Segment	General Industial/Business
Policy Designation	STV05.1 Use of land and buildings restricted to storage and distribution uses
Quality of Existing Buildings	Varied quality and fuctional buildings, generally well used
Age of Premises	1980's-1990's
Description	Buildings generally shed type units of single storey with some office based 2/3 storey buildings
Noise and other obvious pollutants	Heavy traffic into site and surrounding. No obvious pollutants
State of external areas and public realm	Decent quality external areas, with some landscaping and planting
Parking, servicing and internal circulation	Good circulation, wide roads, on street parking as well as designated areas. Good quality
Capacity for 24 hour use	Single type use in local area, with no residential or other sensitive neighbours
Quality of Local Environment	Retail park neighbouring is modern and well used, surrounding area fairly industrial but limited production pollutants etc, and heavy traffic
Local Facilities for workforce	Retail park selling predominantly comparison and white goods, but no other facilites within walking distance
Road Accessibility for Commercial Vehicles	Directly accessible from the Motorway
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Outstanding permissions for 11,500 sq m of B use on site, interest from agents in sites south and east of the extension for B8 uses, indicating strong demand
Recent Market Activity on site	Some marketing. Most units seem to be in use and well used, rents being achieved in the region of £7.5 psf to £5 psf depending on quality
Area of potential housing growth	Proximity to urban area and proximity to future

	planning housing growth
Economic Development Policy Opportunity	Potential to provide employment opportunities in general busness activities in proximity to urban area
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

21	
	Harewood Forest Industrial Estate
Borough Location	Rural Test Valley
Full Address	Long Parish
Description	Rural site located between Andover and the M3, and close to Harewood Forest. Site has 2 residential dwellings opposite, with a disused two storey brick built office building, and single storey sheds, with an area of green space neighbouring
Example Occupiers	Office building derelict, other users production based
Density description	Low density, under utilised
Site Area (ha)	**2.9 ha**
Floorspace in use sq m	**2,021 sq m**
B1 (a) and B1 (b) in use	64 sq m
B1 (c) in use	1,933 sq m
B2 in use	0 sq m
B8 in use	24 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	0%
Market Segment	General Industial/Business
Policy Designation	Located within countryside (SET03) and adjacent to a SINC. Policies SET07 and SET10 apply
Quality of Existing Buildings	Industrial unit modern, of good quality and well maintained. Office building derelict, dated and of poor quality
Age of Premises	Office building 1970's, industrial unit 2000's
Description	The site contains a single storey modern industrial shed, a disused concrete industrial/production warehouse, and a disused 2-storey brick built office building. The site is accessed from the A303, and the driveway also leads to an area of open space and three residential dwellings (one under construction) opposite. The site was not busy with traffic/cars/workforce at the time of visit and operations seemed fairly internally contained
Noise and other obvious pollutants	Some vehicle movement to the rear of industrial unit but no other industrial/production noise
State of external areas and public realm	Internal to site poor quality, with no landscpaing/trees. Located though within rural Harewood Forest area, neighbouring area of open space, forest, pastureland etc.
Parking, servicing and internal circulation	Car parking to the front of buildings, internal circulation good although fenced, uncongested roadway with no on-street parking, shared with residential dwellings
Capacity for 24 hour use	Residential and rural uses adjacent
Quality of Local Environment	Good quality, open space, forest, residential dwellings all fairly well maintained, with one large new dwelling
Local Facilities for workforce	No facilities in the immediate area, or in walking distance, there is a petrol Station within a 5

	minute drive
Road Accessibility for Commercial Vehicles	Easily accessible from the A303 into Andover from the M3. Site is signed from the A303, and there are limited other uses sharing the road and junction. Although the access roads from Andover are rural, they are wide and have no restrictions
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	No evidence of recent development activity or marketing
Recent Market Activity on site	Latest development is 2002 (industrial units)
Area of potential housing growth	Limited proximity to urban area and limited planning housing growth
Economic Development Policy Opportunity	Potential to provide local employment opportunities in rural areas where other opportunities lacking
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

22	
	Weyhill Fairground
Borough Location	Rural Test Valley
Full Address	Weyhill
Description	Recently developed small scale industrial park, located to the outskirts of Weyhill, West of Andover. Site features a total of 4 units, with 2 additional smaller, which seem to be in limited use with few parked cars, being recently occupied or not yet occupied
Example Occupiers	Distribution and warehouses
Density description	Low density. 2 storey units with space around.
Site Area (ha)	**2.8 ha**
Floorspace in use sq m	**5,695 sq m**
B1 (a) and B1 (b) in use	821 sq m
B1 (c) in use	2,064 sq m
B2 in use	1,680 sq m
B8 in use	1,129 sq m
Floorspace Available sq m	**3782 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	3782 sq m
Vacancy Rate	66%
Market Segment	General Industial/Business
Policy Designation	Located within countryside (SET03) Policies SET07 and SET10
Quality of Existing Buildings	Very good quality and modern
Age of Premises	1990's-2000's
Description	
Noise and other obvious pollutants	None evident but scope to be more intensively used
State of external areas and public realm	Good quality. Some landscaping to the unit boundaries, with some newly planted trees
Parking, servicing and internal circulation	Good internal circulation
Capacity for 24 hour use	Limited potential with neighbouring residential use
Quality of Local Environment	Good quality. Open space opposite.
Local Facilities for workforce	Weyhill Village is approximately a five minute walk, with a pub, small shop and petrol station etc
Road Accessibility for Commercial Vehicles	Easily accessible
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Some vacancy but reasonable demand
Recent Market Activity on site	Some vacancy but likely to be because of newness of units, recent developnment of light industrial units
Area of potential housing growth	Limited proximity to urban area and limited planning housing growth
Economic Development Policy Opportunity	Potential to provide local employment opportunities in rural areas where other opportunities lacking
Development Potential	N/A
Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A

Environmental	N/A
Amenity of Adjacent Occupiers	N/A

23	
Weyhill Business Park	
Borough Location	Rural Test Valley
Full Address	Weyhill
Description	Neighbouring Mayfield Avenue Industrial Park, site features dated brick built industrial units, in predominantly production use, with access for distribution. Seems to be limited use with few parked cars etc.
Example Occupiers	
Density description	low density. Under developed land surrounding
Site Area (ha)	**5 ha**
Floorspace in use sq m	**3,414 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	0 sq m
B2 in use	3,414 sq m
B8 in use	0 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	0%
Market Segment	General Industial/Business
Policy Designation	Located within countryside (SET03) Policies SET07 and SET10
Quality of Existing Buildings	Dated
Age of Premises	1970's-1980's. Little evidence of long term maintenance to buildings or external area.
Description	Site contains a 2 storey brick built, and a larger single storey shed, with vacant land to rear. There is no recent development activity
Noise and other obvious pollutants	None obvious, industrial rather than business space
State of external areas and public realm	Poor quality. No trees or planting, limited green space, no maintenance or public realm.
Parking, servicing and internal circulation	One way system. Parking areas marked
Capacity for 24 hour use	Limited potential with neighbouring residential use and industrial park
Quality of Local Environment	Fairly good quality. Open space, rural, housing development neighbouring are well looked after semi detached houses
Local Facilities for workforce	Limited
Road Accessibility for Commercial Vehicles	Accessed along a fairly narrow country lane, with a low bridge towards Mayfield
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Reasonable but site is underused with some vacancies
Recent Market Activity on site	None evident
Area of potential housing growth	Limited proximity to urban area and limited planning housing growth
Economic Development Policy Opportunity	Potential to provide local employment opportunities in rural areas where other opportunities lacking
Development Potential	Remaining development potential with outline permission for 1,295 sqm
Site Access	Seperate access from Mayfield, but road

	frontage
Topography, size and shape	Regular shape and topography
Utilities	From remainder of site
Environmental	No obvious environmental constraints although located within countryside
Amenity of Adjacent Occupiers	Neighbouring Mayfield industrial estate and residential development

24	
	Mayfield Avenue Industrial Park
Borough Location	Rural Test Valley
Full Address	Weyhill
Description	A well used industrial estate with a number of different unit types and age, single storey, of predominantly sheds with some office space. Car parking located to the front os units with loading garages
Example Occupiers	
Density description	Low density.
Site Area (ha)	**4.6 ha**
Floorspace in use sq m	**14,276 sq m**
B1 (a) and B1 (b) in use	0 sq m
B1 (c) in use	5,736 sq m
B2 in use	0 sq m
B8 in use	8,540 sq m
Floorspace Available sq m	**0 sq m**
B1(a) and B1 (b) Available sq m	0 sq m
B1c/B2/B8 Available sq m	0 sq m
Vacancy Rate	0%
Market Segment	General Industial/Business
Policy Designation	Located within countryside (SET03) Policies SET07 and SET10
Quality of Existing Buildings	Dated with some modern buildings, of fairly good quality and well used and well kept
Age of Premises	
Description	Mainly shed type with office space, single storey units. Car parking to front with loading garages
Noise and other obvious pollutants	Distribution users with some manufacturing, no excessive noise
State of external areas and public realm	Some trees and grass to car parking areas, open space behind with some new trees planted to the boundary
Parking, servicing and internal circulation	Access from Mayfield Road. Tight access to front but wider to the rear and unit entrances, one way system operates
Capacity for 24 hour use	Separated from residential uses so some potential.
Quality of Local Environment	Some areas of open space and farmland, with recent residential development towards Weyhill. Good quality rural landscape
Local Facilities for workforce	Limited. Weyhill Village is approximately a five minute drive, there are no on site facilities
Road Accessibility for Commercial Vehicles	Easily accessible from the A303, there is a low bridge
Public Transport Accessibility for Workforce	None evident
Strength of Local Demand in Segment	Reasonable
Recent Market Activity on site	None evident
Area of potential housing growth	Limited proximity to urban area and limited planning housing growth
Economic Development Policy Opportunity	Potential to provide local employment opportunities in rural areas where other opportunities lacking
Development Potential	N/A

Site Access	N/A
Topography, size and shape	N/A
Utilities	N/A
Environmental	N/A
Amenity of Adjacent Occupiers	N/A

Appendix 4

Use Class and Assumptions

4. Use Class and Assumptions

	Office B1a	Other Business Space B1b/c, B2	Warehousing B8	Non B Use Class	Relevant Non B Use Class
1 Agriculture etc	0%	0%	10%	90%	
2 Mining & Quarrying	0%	10%	15%	75%	
3 Food, Textiles & Wood	0%	90%	10%	0%	
4 Printing & Publishing	0%	90%	10%	0%	
5 Chemicals & Minerals	0%	90%	10%	0%	
6 Metals & Engineering	0%	90%	10%	0%	
7 Electronics	0%	90%	10%	0%	
8 Transport Equipment	0%	90%	10%	0%	
9 Manufacturing nes	0%	90%	10%	0%	
10 Electricity, Gas & Water	0%	0%	0%	100%	
11 Construction	5%	5%	15%	75%	
12 Distribution/Retail	5%	5%	35%	55%	15%
13 Hotels & Catering	5%	5%	0%	90%	2.5%
14 Transport & Comms.	10%	5%	35%	50%	
15 Banking & Insurance	80%	0%	0%	20%	
16 Other Business Serv.	80%	10%	0%	10%	
17 Public Admin. & Defence.	40%	5%	5%	50%	
18 Education & Health	20%	5%	3%	72%	2.5%
19 Miscellaneous Services	20%	0%	0%	80%	5%

Employment Density

4.1 Employment density assumptions have been applied to the employment change figures to calculate the floorspace requirements to accommodate employment change. We have used employment density assumptions presented in *Employment Densities: A Full Guide, July 2001*, by Arups Economics and Planning on behalf of English Partnerships and the RDAs. The work by Arups provides a range of employment densities, expressed as sq m per worker. It also considers a range of employment uses, which we have simplified for the purposes of this study.

Employment Category	**Assumption**
Office	The work by Arups notes a range of office uses with varying densities. For the purposes of this study we have used an average of the varying densities presented. General offices – 19 sq m per employee Headquarters – 22 sq m per employee Serviced Business Centre – 20 sq m per employee Call Centre – 13 sq m per employee **Average – 18.5 sq m per employee**
Other Business Space	*Again, the Arups report presents a range of industrial and light industrial employment densities. We have taken an average position.* General Industrial – 34 sq m per employee Small Business Units – 32 sq m per employee High Tech/R&D – 29 sq m per employee Science Park – 32 sq m per employee **Average – 32 sq m per employee**
Warehouse	*Two types of warehouse densities are presented. The majority of demand is anticipated for local storage and warehousing uses, rather than major logistics activities. As such, warehousing activities are likely to tend towards storage and wholesale and therefore the general warehousing ratio has been adopted.* General Warehousing – 50 sq m per employee Large Scale/High Bay – 80 sq m per employee **Adopted – 50 sq m per employee**
Non-B Use Classes	This covers a range of activities within the Motor Trades, Retail, Tourism & Leisure, Education & Health and Other Services sectors. As such we have adopted a broad assumption based on **40 sq m per employee** based on stated benchmarks across this mix of uses where available.

4.2 Research by DTZ for the South East of England Regional Assembly (SEERA) and South East of England Development Agency (SEEDA) 'Use of Business Space and Changing Working Practices in the South East' (May 2004), considered the potential impact of more flexible working patterns and increased use of technology upon employment densities. With such strong forces potentially exerting influence on the property/floorspace needs of occupiers in the future it is important to consider such issues when setting policy. The study made some of the following findings:

"Change in floorspace ratios are taking place at a slow pace, especially in the light of various forces (some operating in opposite directions) shaping it".
"…changing working practices appear to have had little impact on the use of business space".
"Over three quarters of respondents (to the business survey) suggested that no change to floorspace to worker ratio is likely due to new/changing working practices".

"In terms of new working practices and employment densities, the evidence presented in this report shows limited overall impact of changing working practices on employment density, except for some office based employment activities with increasing ICT use".

4.3 This research would suggest that there is no strong evidence, on the basis of changing working practices, to justify a significant departure from established guidance on floorspace per worker assumptions as set out in the Arup report for English Partnerships and the RDAs. However, it may be prudent to monitor future research in this area to identify whether changing working practices generate more significant floorspace impacts in the future.

Development Density

4.4 The floorspace requirements have been translated into land requirements using development density assumptions.

Scenario 1

4.5 For office uses, the assumptions are hard to make due to the varied nature of office developments. Town centre development may achieve site coverage of close to 100%, whereas in out of town locations this may fall to 40%. Planning policy is seeking to concentrate development in town centres and achieve higher development densities.

4.6 However, to ensure there is no constraint on land we have assumed the lower end of the density range at 40%. We have assumed an average of two storey development.

4.7 For other business space, warehouse and relevant non-B uses we have assumed a development density of 40% and single storey development.

4.8 These assumptions are consistent with Employment Land Reviews - Guidance Note, Office of the Deputy Prime Minister (ODPM) December 2004.

Scenario 2

4.9 The second scenario adopted uses evidence collected by Hampshire County Council on recent developments in Andover. Over the period 2000-2006 the average plot ratio for employment development was 26%. This is well below the ODPM guidance and suggests a more efficient use of land is possible.