



**Lambert
Smith
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Employment Land Study Addendum Report

covering

Winchester

on behalf of

Eastleigh Borough Council

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Date: February 2018

Ref: SP/GRH/SM

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1.0 INTRODUCTION

1.1 Purpose of the report

- 1.1.1 In the autumn 2015 Lambert Smith Hampton was commissioned by Eastleigh Borough Council, on behalf of Eastleigh Borough Council, Test Valley Borough Council, Southampton City Council and Winchester District Council to undertake an Employment Land Study to inform the development of policies within their respective Local Plans. The Employment Land Study (2016) was to provide the local authorities with a realistic, market oriented study on the projected level of occupier demand and to compare the existing and future supply of employment land (predominately those within 'B' class availability).
- 1.1.2 The study of existing employment sites within these areas was to determine the quality and suitability of the sites in the context of current and future business requirements.
- 1.1.3 The sites were graded A to E to reflect their current status in terms of their market demand and appeal, their quality and suitability for purpose and their current and future availability to the market.
- 1.1.4 This February 2018 report updates key elements of the Employment Land Study undertaken by Lambert Smith Hampton in June 2016. This addendum report provides an update on market changes on the South Coast, providing updated market statistics, as well as updated assessments of some employment sites where there has been significant change within this time period.
- 1.1.5 To enable comparative assessment the same scoring criteria has been used when reassessing the sites.
- 1.1.6 The structure of the report is as follows:
- Section 2 Hampshire Employment Market Update
 - Section 3 Winchester District Sites Update
- 1.1.7 It should be noted that this report is an addendum and update rather than a full Employment Market Appraisal; as such it should be read in conjunction with the full Employment Market Appraisal produced in June 2016.

1.2 LSH Credentials

- 1.2.1 LSH is the UK and Ireland's largest commercial property consultancy (a subsidiary of Countrywide Plc). We are a national network with our headquarters based in London and 34 other regional offices, employing more than 1,500 staff.
- 1.2.2 Along the South Coast, we have the strongest and largest transactional team, operating from two offices in Fareham and Southampton with 19 surveyors/agents, including eight directors. We have been established in the region for over 25 years, servicing office/industrial, retail and commercial property requirements on the South Coast, between Chichester and Poole.
- 1.2.3 With agency and valuation departments offering a comprehensive range of skills and knowledge, we have a strong track record and for the 11th consecutive year, have been awarded Most Active Agent in Hampshire by the national publication, Estate Gazette.
- 1.2.4 During 2017 LSH's South Coast team transacted approximately 1.76 million sq ft of business space in the region.

2.0 SOUTH COAST MARKET UPDATE

2.1 General

2.1.1 The South Coast market continues to enjoy strong performance, despite some uncertainty across the UK market in general, with an encouraging level of activity in the past 18 months.

2.1.2 This section of the report gives an update on the latest industrial and office markets' availability; take up, rent and capital values, and key deals. Commentary on changes in the rural and marine market is also included.

NB the South Coast market commentary includes statistics on the following areas; Southampton, Romsey, Eastleigh, Chandlers Ford, Eastleigh, Winchester, Fareham, Gosport, Portsmouth, Havant and Waterlooville.

2.2 Industrial Market Update

2.2.1 The last quarter of 2017 remained consistent with the end of 2016 and 2015, with strong demand from occupiers taking up prime stock from the market and continuing to push up rents.

2.2.2 With an increase in availability, due to completion of various speculative developments, we see 2018 being a key year for occupiers to take advantage of the new stock available in the market.

2.2.3 Availability

2.2.3.1 As a direct result of new speculative developments coming out of the ground, availability for the year increased, when compared with the four-year average. Total stock in the region at the end of Q4 2017 was 2,293,412 sq ft, denoting a small increase of 93,328 sq ft (4%) on the previous quarter, or an increase of 225,073 sq ft (12%) against Q4 2016 and 6% against Q4 2015.

2.2.3.2 Supply of prime stock increased during Q4 2017 to 709,904 sq ft, an uplift of 257,177 sq ft (56%) on the previous quarter and 300,290 sq ft (73%) against Q4 2016 and 399,403 sq ft against Q4 2015.

2.2.3.3 In contrast, supply of secondary stock decreased in Q4, by 163,849 sq ft (9%) on the previous quarter and 45,217 sq ft (2%) against Q4 2016 and 14% against Q4 2015.

2.2.3.4 In 2018, we expect to see the supply of prime stock continue to increase as the current pipeline of development schemes such as Merlin Park, Portsmouth (91,030 sq ft), come out of



the ground. As for secondary stock, we expect to continue to see a gradual decline in availability as tenants remain in their current premises.

2.2.4 Take-up

2.2.4.1 Annually take-up has reduced from 1,904,616 sq ft in 2015 to 1,888,705 sq ft in 2016 and to 1,750,576 sq ft (-7.31%) in 2017. Prime take-up in 2017 has increased from 2016 to 551,981 sq ft (65%). 2017 secondary take-up decreased from 2016 to 1,198,586 sq ft (-22%).

2.2.4.2 Total take-up in Q4 amounted to 394,005 sq ft, reflecting a decrease of 110,354 sq ft (-21%) from Q3. However, the uptake in Q3 can be accounted for by two significant transactions at Mountpark, Southampton totalling 160,660 sq ft. In comparison with Q4 2016, there was a minor decrease in total take-up of 45,485 sq ft (-10%) and only 1,171 (-0.3%) when compared with Q4 2015.

2.2.4.3 Prime take-up decreased by 84,560 sq ft from Q3, to 143,514 sq ft (-158%). Although, this again, is attributed to the significant transactions at Mountpark, Southampton in Q3. In contrast, however, prime take-up for the quarter was at 143,514 sq ft, 114,726 sq ft (49.8%) above that of Q4 2016, underlining the lack of supply in previous years. We expect to see this trend continue well into 2018.

2.2.4.4 Prime take-up steadily increasing over the past 5 years, aligns with the clear availability of new speculative developments along the South Coast.

2.2.4.5 When comparing secondary take-up in Q4 2017 to Q4 2016, it has fallen slightly by 160,211 sq ft (-39%), with a 25,794 sq ft (-9%) reduction on Q3 2017. In our opinion, this is due to an increase in prime take-up and tenants renewing their leases on existing premises.

2.2.5 Rent and Capital Values

2.2.5.1 During 2017 rental levels continually increased and are getting ever closer to the double digit number. We are continuing to see the gap between Prime and Secondary stock marginalised due to the lack of secondary stock available, you can see this illustrated in the table.

2.2.5.2 Freehold properties remain in hot demand and we and we anticipate that capital values will continue to increase across all size ranges and locations in 2018, as owner-occupiers, in particular, search for their own properties, rather than paying increasing rents.

2.2.5.3 In 2018 we also expect to see a continued rental growth especially in secondary stock across the region.

Under 5,000 sq ft	Prime capital value per sq ft	Prime headline rent per sq ft	Secondary capital value per sq ft	Secondary headline rent per sq ft
Eastleigh	£120.00 - £140.00	£10.00	£90.00 - £100.00	£9.50
Southampton	£120.00 - £140.00	£10.00	£90.00 - £100.00	£9.50
Winchester	£115.00 - £140.00	£11.00	£90.00 - £100.00	£8.00
Test Valley	£120.00 - £140.00	£9.50	£85.00 - £90.00	£8.50

5,000 – 20,000 sq ft	Prime capital value per sq ft	Prime headline rent per sq ft	Secondary capital value per sq ft	Secondary headline rent per sq ft
Eastleigh	£120.00 - £140.00	£9.50	£80.00 - £95.00	£8.75
Southampton	£120.00 - £140.00	£9.50	£80.00 - £95.00	£8.50
Winchester	£120.00 - £140.00	£8.75	£75.00 - £95.00	£7.75
Test Valley	£110.00 - £130.00	£8.50	£65.00 - £75.00	£8.00

Over 20,000 sq ft	Prime capital value per sq ft	Prime headline rent per sq ft	Secondary capital value per sq ft	Secondary headline rent per sq ft
Eastleigh	£115.00 - £140.00	£9.50	£55.00 - £65.00	£8.50
Southampton	£115.00 - £140.00	£9.50	£70.00 - £85.00	£8.50
Winchester	£120.00 - £140.00	£8.75	£75.00 - £95.00	£7.50
Test Valley	£110.00 - £130.00	£8.00	£60.00 - £70.00	£7.50

Table 1 – Industrial Headline rents and capital values across the region (Source: LSH February 2018)

2.2.6 Key industrial transactions across the region during last 18 months

Address	Occupier/Purchaser	Landlord/Vendor	Size (sq ft)	Tenure	Capital Value (per sq ft)
Unit B Moorside Road, Winchester	AEL Properties (Southern) Ltd	VDC Properties Ltd	20,039	Freehold	£85.00
Wessex Gate, Winnal Trading Estate	RBS Scaffolding Limited	Legal and General Assurance Society Limited	12,827	Freehold	£74.06

Table 2 Key Industrial Deals across the region (Source: LSH)

2.2.7 Industrial developments currently being completed include:

- Canmoor's speculative development of Merlin Park in Portsmouth is out of the ground and will provide 91,030 sq ft of prime industrial and logistics space across seven units. Construction of the scheme is due to complete in mid-2018.
- Fareham Borough Council has constructed six new business hangars on its scheme at Solent Airport, Daedalus, Lee-on-the-Solent. Three of the five club hangars are under offer.
- Construction of Bericote Properties' speculative scheme, Alpha Park at Chandlers Ford, funded by Blackrock, has completed. Unit 1 has been successfully pre-let to DX Network Services and there is significant interest in the remaining two units of 45,000 and 84,000 sq ft, respectively.
- At Peel Logistics' new development, South Central in Nursling, financed by Rockspring, John Lewis has taken a pre-let of Unit 3, with two units of 39,000 sq ft and 117,000 sq ft remaining. Completion is due for May 2018.
- Following the success of Phase 1, at Mountpark Logistics' scheme on the former Ford site at Wide Lane, Southampton, Mountpark has acquired 9.7 acres on the adjacent site. Phase 2 will comprise four units, ranging from 67,500 to 106,930 sq ft, and is due to complete in October 2018.
- The last remaining site at the highly successful Hamilton Business Park in Hedge End, Southampton, has been speculatively developed by Hargreaves Properties, resulting in a detached 24,760 sq ft high spec industrial/warehouse unit, available to rent.
- Salmon Developments has purchased the final plot at Harts Farm Way, Havant and will speculatively build four units, available freehold or leasehold.

2.2.8 Industrial Market Summary

- South Coast industrial overall market activity in 2017 has been consistent with 2016.
- Take up in 2017 was slightly down when compared to 2016 however this was primarily attributable to the lack of supply rather than enquiry levels.
- Prime stock take up for 2017 was 114,726 sq ft above 2016.
- There has been an increase in available stock on the South Coast due to new speculative developments under construction or that have completed.

2.2.8.1 The industrial sector along the South Coast continues to be 'hot property' with consistent levels of competition seen for all product types. Prime yields now stand at approximately 4.5%. With opportunities in the region being few and far between and investors attracted to the strong occupational market dynamics, the outlook over 2018 continues to look positive.

2.3 Office Market Update

2.3.1 Total Take-up for the South Coast office market in Q4 2017 was 101,063 sq ft. Total take-up for 2017 finished at 295,577 sq ft, which was 14% below the 10 year average take-up figure. The out of town market (M27/A27 corridor) saw the greatest take-up. The most active sectors were Technology, Media & Telecoms (47%) and Finance, Banking & Insurance (37%).

2.3.2 Enquiry levels were 36% higher than those received in Q3 2017. 83% of all Q4 enquiries were for space less than 10,000 sq ft.

2.3.3 Availability

2.3.3.1 Supply continued its downward trend and fell below 1,000,000 sq ft (988,344 sq ft) for the first time in over a decade. A contributing factor to the falling supply has been driven by conversion of secondary stock to alternative uses including residential, student and hotel accommodation. The PRS / Build to Rent sectors is growing on the South Coast as office conversions to student accommodation are slowing.

2.3.3.2 The lack of grade A stock along the South Coast continues which is maintaining the trend of rising rents and reducing incentives as previously reported. Overall availability at the end of 2017 was 24% down when compared to the end of 2016, and down 25% when compared to the end of 2015. The greatest decline in availability is in Southampton city centre which has seen a 30% fall with out of town stock falling 19% by comparison. Grade A supply at the end of 2017 stands at 275,545 sq ft (28%). This compares to 181,090 sq ft (14%) at the end of 2016. This increase is exclusively as a result of refurbishments of existing office stock. There were no new offices built throughout the whole of 2017 (there will be 20,850 sq ft completed at Chilcomb Park, Winchester in 2018).

2.3.4 Take up

2.3.4.1 Overall 2017 take-up for the South Coast office market recovered following positive figures for Q4, in which 101,063 sq ft was transacted across 16 deals. This represented a 42% increase from Q3 2017 and an increase of 11% from Q4 2016.

2.3.4.2 The out of town market (M27/A27 corridor) saw the greatest take-up (67%) with the main hotspot being around J9 M27 accounting for six out of the sixteen transactions in Q4. The



most active sectors were Technology, Media & Telecoms (47%) and Finance, Banking & Insurance (37%).

2.3.4.3 Total take-up for 2017 finished at 295,577 sq ft. Despite the strong finish to the year, this represented a 14% fall below the 10 year average take-up figure (2008-2017) of 337,801 sq ft and was down 10% on the 329,389 sq ft transacted in 2016 and down 42% on the 507,610 sq ft transacted in 2015.

2.3.4.4 Technology and agile working is encouraging a reduction in take-up volumes and occupiers are increasingly embracing agile working and occupying space more efficiently. In turn, this is translating into a reduction in the “staff:space” ratio as employees take advantage of improved technology to adopt mobile working practices.

2.3.5 Rents and capital values

2.3.5.1 New headline rents were achieved in a number of markets across the South Coast region during 2017. The highest achieved rent in Southampton city centre was £22 per sq ft at White Building. For the out of town office market 1000 Lakeside, Portsmouth achieved £21.50 per sq ft. Southampton Science Park achieved £25 per sq ft at its new build office on the Benham Campus. Trafalgar House in Winchester city centre set a new headline rent for the city achieving £29.25 per sq ft, subject to a comprehensive refurbishment including Cat B works.

Under 5,000 sq ft	Prime capital value per sq ft	Prime headline rent per sq ft	Secondary capital value per sq ft	Secondary headline rent per sq ft
Eastleigh	£250.00	£21.00	£140.00- £190.00	£12.00-16.00
Southampton	£250.00	£22.00	£140.00-£190.00	£14.00-16.00
Winchester	£375.00	£25.00	£200.00- £250.00	£12.00-£19.00
Test Valley	£325.00	£25.00	£130.00	£12.00

Table 3 –Office Headline rents and capital values across the region (Source: LSH February 2018)

2.3.6 Key office transactions across the region during last 18 months

Address	Occupier/Purchaser	Landlord/Vendor	Size (sq ft)	Tenure	Rent (per sq ft)
Trafalgar House, Winchester	Skanska	Gentian	15,114	20 years	£29.50
St Andrews House, Solent Business Park	Leadstream	Private Individuals	9,006	5 years	£15.00

Table 4 - Key Office Deals across the region (Source: LSH)

2.3.7 Office Market Summary

- South Coast office availability is at its lowest level in over a decade with permitted development being a significant contributor.
- Demand for office space is primarily at the smaller end of the market with new agile working practices being one of the driving forces.
- Dwindling supply coupled with almost no new development on the South Coast (with the exception of Southampton Science Park) has seen a wave of high spec office refurbishments taking place and new headline rents being achieved.
- Investment activity saw around £25m of office assets transacted on the South Coast in Q4 2017, with continued activity from Local Authorities. The sector (and particularly 'out of town'), is being viewed more cautiously and carefully than others sectors, although there remains robust interest for assets providing long and secure income.

2.4 Marine Market Update

2.4.1 The UK has the largest marine sector in Europe and its associated industries are a valuable asset to the country employing more than 360,000 people and contributing £19 billion gross value added, (according to Invest in Hampshire).

2.4.2 The South Coast remains one of the leading marine clusters in the UK with its coastal location, business base and educational strengths. The marine sector continues to be one of the largest and most productive sectors in the region providing 40,000 jobs locally and supporting more than 3,000 businesses (According to Solent LEP). With sustained strength in this sector it will be important to protect and retain sites that have the special features and characteristics that are unique and particularly important to occupiers in this sector.

2.5 Rural Market Update

2.5.1 These sites still play an important role in the hierarchy of available employment accommodation in the region; whether that is for locational or economic reasons. They often provide appropriate space for non-conforming and unneighbourly uses in rural locations away from residential areas or space at a more affordable level for small local businesses or start-ups.

2.5.2 It is clear that sites that fall within this category are an important part of the property supply in the region and provide appropriate accommodation, which is suitably priced on flexible terms for many businesses.

3.0 WINCHESTER SITES

In reviewing the site assessments six sites in Winchester were considered to have significant change to justify updating in this report:

- W1 Easton Lane
- W2 Moorside Road
- W3 Winnall Valley Road
- W4 Nickel Close, St Martins, South Winnall Estates
- W7 Station Approach Area
- W10 Abbey Mill

3.1 Easton Lane, Moorside Road, Winnall Valley Road, and Nickel Close, St Martins South Winnall Estates

3.1.1 The LEP (Solent and Enterprise M3) plans to work with Highways to invest in improvements to M3 junction 9. Highways England has just completed a consultation on the route of these improvements which is due to be confirmed later in 2018. The improvements works to the junction are due to take place between 2021 to 2023, with £50-100m of funding for the project. The project aims to improve safety, reduce congestion and improve reliability on the road network and junction, and support sub-regional economic growth, unlocking road capacity for jobs, businesses and new homes.

3.1.2 The changes to this junction on the M3 will have significant effects for the industrial sites located nearby, including those listed above. The improvement to access could have a positive effect on the attractiveness of the location and demand for the employment sites in the area.

3.2 Station Approach Area

3.2.1 The station approach site has been identified as a significant opportunity to address the shortfall of quality office space in the city centre. The regeneration of the site will include public realm improvements, and the delivery of approximately 140,000 sq ft of grade A development space along with residential and retail space.

3.2.2 The project has been awarded £5m from the Growth Deal towards public realm improvements. This is a fraction of the estimated project cost with the remaining finance possibly being funded through a joint venture. The project is due to start in 2019.



3.3 Abbey Mill

- 3.3.1 This site has had a mixed history of possible uses, but is protected under employment policy CP9, which resists the loss of employment land. The market appraisal from June 2016 on this site concluded that it was a below average site (site score D) and was unlikely to be considered in its entirety for employment use in the current market climate due to value considerations.
- 3.3.2 It is understood that a deal has recently been agreed on this site for the potential to bring forward a care/ retirement use on the site. This is subject to planning and therefore the site score remains unchanged – D – below average.



Appendix 1: Updated Site Assessments



Site Name: Easton Lane, Winnall Industrial Estate			
Site Ref:	W1		
Borough:	Winchester City Council	Size (ha)	
Description of Site and Location:	Part of a wider Winnall Industrial Estate (map to be provided) in Winchester.		
Market Attractiveness Criteria:			
1.1: Has the site been formally identified for employment for at least 10 years?		Yes	
1.2: Has there been any recent development activity, within the last 5 years?		Yes	
1.3: Is the site being actively marketed as an employment site?		Yes, however predominantly retail and sui generis uses	
1.4: Is the site owned by a developer or another agency known to undertake employment development?		In multi-ownership	
1.5: Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?		Yes	
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?		Yes	
1.7: Is the site immediately available?		No	
Market Appraisal	<p>The site occupies a strategic location, adjacent to J9 of the M3 motorway and the A34, and at the northern edge of Winchester City, including its mainline railway station. Communications at a macro level are excellent. However, Easton Lane is a known congestion hotspot, which is an ongoing issue restricting occupier demand. Easton Lane is the main arterial route from the north into Winchester. It benefits from high volumes of passing traffic and as such, the majority of users within the site include retail (including supermarket and bulky goods), hotel, car dealership, student accommodation and the new Winchester Fire Station. It forms part of the Winnall Industrial Estate area.</p> <p>The LEP (Solent and Enterprise M3) plans to work with Highways to invest in improvements to M3 junction 9. Highways England has just completed a consultation on the route of these improvements which is due to be confirmed later in 2018. The improvements works to the junction are due to take place between 2021 to 2023, with £50-100m of funding for the project. The project aims to improve safety, reduce congestion and improve reliability on the road network and junction, and support sub-regional economic growth, unlocking road capacity for jobs, businesses and new homes.</p>		
Adjacent land use and conflicts	Bounded by industrial estates to the north and south; the M3 to the east and water meadows to the west. There is an area of residential properties to the south east.		

<p>Known constraints and infrastructure requirements</p>	<p>The Easton Lane suffers from congestion at peak times, with access to and from Moorside Road and Winnall Manor Road providing particular bottlenecks. This issue has a known impact on occupier demand. Some road improvements have been made, however, further improvements are required.</p>
<p>Strategic Planning Factors</p>	
<p>2.1: Is the site within an area identified as of strategic importance.</p>	<p>No</p>
<p>2.2: Is the site identified or likely to be required for a specific user or specialist use?</p>	<p>No</p>
<p>2.3: Is the site part of a comprehensive or long term development or regeneration proposal?</p>	<p>No</p>
<p>2.4: Is there public funding committed (or likely to be provided) sufficient to overcome infrastructure or on-site constraints to make employment development viable?</p>	<p>N/A</p>
<p>Strategic Planning and Access</p>	<p>Employment land/buildings are protected under policy CP9 which states:</p> <p>In order to retain a mix of employment land and premises in the District, the Local Planning Authority will resist the loss of existing or allocated employment land and floor space within Use Classes B1, B2 or B8. Losses will only be permitted where retaining a business use would not be reasonable having regard to the following:</p> <ul style="list-style-type: none"> • the redevelopment potential for other employment uses or a mix of uses including the scope for intensifying or providing an effective use of the site or building, and the potential to improve and extend the range of modern employment floor space; • whether the building or use meets or could meet a specific local requirement, such as providing low cost start up accommodation; • the environmental impact of business use on neighbouring uses; • the access arrangements for the site/buildings, by road and public transport; • strength of local demand for the type of accommodation; • the benefits of the proposed use compared to the benefits of retaining the existing use. <p>The sites fall within the area covered by the Winnall Planning Framework. The objective of the framework is to inform the Local Plan Part 2 and to help enhance community life and business performance in Winnall. Part of the proposals in the Winnall Planning Framework include enhancing and improving the quality of the employment area, reducing congestion (particularly along Easton Lane) creating a civic boulevard along Easton Lane, and improving the connection to and the junction on the M3 motorway.</p>
<p>Recommendation</p>	<p>Site score: B – above average</p> <p>Given its profile, the site is attractive to high value 'employment' uses such as roadside/retail operators, hotels and car dealerships. We anticipate the site should be asset managed retaining a mixture of these uses.</p>

Site Name: Moorside Road, Winnall Industrial Estate			
Site Ref:	W2		
Borough:	Winchester City Council	Size (ha)	
Description of Site and Location:	Part of a wider Winnall Industrial Estate (map to be provided) in Winchester.		
Market Attractiveness Criteria:			
1.1: Has the site been formally identified for employment for at least 10 years?	Yes		
1.2: Has there been any recent development activity, within the last 5 years?	No		
1.3: Is the site being actively marketed as an employment site?	Yes		
1.4: Is the site owned by a developer or another agency known to undertake employment development?	Yes		
1.5: Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?	Yes		
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?	Yes		
1.7: Is the site immediately available?	No		
Market Appraisal	<p>The site occupies a strategic location, adjacent to J9 of the M3 motorway and the A34, and at the northern edge of Winchester City, including its mainline railway station. Communications at a macro level are excellent. However, Easton Lane is a known congestion hotspot, which is an ongoing issue restricting occupier demand. Easton Lane is the main arterial route from the north into Winchester.</p> <p>The site comprises a mixture of industrial and business units of a range of sizes and ages from 1980s through to 2000s. It is recognised as the main industrial area for Winchester and forms part of the Winnall Industrial Estate. There are likely to be refurbishment/redevelopment opportunities as older buildings become available.</p> <p>The southern end of the estate lies adjacent to Easton Lane/Moorside Road junction and benefits from profile to Easton Lane and has proved popular with trade counter operators.</p> <p>The LEP (Solent and Enterprise M3) plans to work with Highways to invest in improvements to M3 junction 9. Highways England has just completed a consultation on the route of these improvements which is due to be confirmed later in 2018. The improvements works to the junction are due to take place between 2021 to 2023, with £50-100m of funding for the project. The project aims to improve safety, reduce congestion and improve reliability on the road network and junction, and support sub-regional economic growth, unlocking road capacity for jobs, businesses and new homes.</p>		
Adjacent land use and conflicts	Bounded by the A34 and M3 to the north and east as well as some retail warehousing. To the south is student accommodation and to the west are meadows.		

<p>Known constraints and infrastructure requirements</p>	<p>The Easton Lane suffers from congestion at peak times, with access to and from Moorside Road being a bottleneck. This issue has a known impact on occupier demand. Some road improvements have been made, however, further improvements are required.</p>
<p>Strategic Planning Factors</p>	
<p>2.1: Is the site within an area identified as of strategic importance.</p>	<p>No</p>
<p>2.2: Is the site identified or likely to be required for a specific user or specialist use?</p>	<p>No</p>
<p>2.3: Is the site part of a comprehensive or long term development or regeneration proposal?</p>	<p>No</p>
<p>2.4: Is there public funding committed (or likely to be provided) sufficient to overcome infrastructure or on-site constraints to make employment development viable?</p>	<p>N/A</p>
<p>Strategic Planning and Access</p>	<p>Employment land/buildings are protected under policy CP9 which states:</p> <p>In order to retain a mix of employment land and premises in the District, the Local Planning Authority will resist the loss of existing or allocated employment land and floor space within Use Classes B1, B2 or B8. Losses will only be permitted where retaining a business use would not be reasonable having regard to the following:</p> <ul style="list-style-type: none"> • the redevelopment potential for other employment uses or a mix of uses including the scope for intensifying or providing an effective use of the site or building, and the potential to improve and extend the range of modern employment floor space; • whether the building or use meets or could meet a specific local requirement, such as providing low cost start up accommodation; • the environmental impact of business use on neighbouring uses; • the access arrangements for the site/buildings, by road and public transport; • strength of local demand for the type of accommodation; • the benefits of the proposed use compared to the benefits of retaining the existing use. <p>The sites fall within the area covered by the Winnall Planning Framework. The objective of the framework is to inform the Local Plan Part 2 and to help enhance community life and business performance in Winnall. Part of the proposals in the Winnall Planning Framework include enhancing and improving the quality of the employment area, reducing congestion (particularly along Easton Lane) creating a civic boulevard along Easton Lane, and improving the connection to and the junction on the M3 motorway.</p>
<p>Recommendation</p>	<p>Site score: C – average</p> <p>It is a good location for employment related uses and should be retained for such. However, improvements to the immediate local road infrastructure are required to mitigate congestion issues.</p>

Site Name: Winnall Valley Road, Winnall Industrial Estate			
Site Ref:	W3		
Borough:	Winchester City Council	Size (ha)	
Description of Site and Location:	Part of a wider Winnall Industrial Estate (map to be provided) in Winchester.		
Market Attractiveness Criteria:			
1.1: Has the site been formally identified for employment for at least 10 years?	Yes		
1.2: Has there been any recent development activity, within the last 5 years?	Yes		
1.3: Is the site being actively marketed as an employment site?	Yes		
1.4: Is the site owned by a developer or another agency known to undertake employment development?	Yes		
1.5: Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?	Yes		
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?	Yes		
1.7: Is the site immediately available?	No		
Market Appraisal	<p>The site occupies a strategic location, close to J9 of the M3 motorway and the A34, and at the northern edge of Winchester City, including its mainline railway station. Communications at a macro level are excellent. However, Easton Lane is a known congestion hotspot, which is an ongoing issue restricting occupier demand. Easton Lane is the main arterial route from the north into Winchester. Winnall Manor Road provides a local link between Easton Lane and Alresford Road, which in turn links with the A272. Both Alresford Road and A272 are arterial roads into the city. The site forms part of the Winnall Industrial Estate area.</p> <p>The site comprises older style, traditional industrial buildings of varying sizes and age. On the southern point of the site, there is a relatively new Basepoint serviced office facility. On the western aspect of the site, some social housing has been developed. Also on this part of the site are serviced offices.</p> <p>The LEP (Solent and Enterprise M3) plans to work with Highways to invest in improvements to M3 junction 9. Highways England has just completed a consultation on the route of these improvements which is due to be confirmed later in 2018. The improvements works to the junction are due to take place between 2021 to 2023, with £50-100m of funding for the project. The project aims to improve safety, reduce congestion and improve reliability on the road network and junction, and support sub-regional economic growth, unlocking road capacity for jobs, businesses and new homes.</p>		
Adjacent land use and conflicts	To the south of the site are residential properties, including high-rise flats and, to the north and west is Winnall Industrial Estate, which includes the fire station, hotel and industrial/trade counter units.		

<p>Known constraints and infrastructure requirements</p>	<p>The Easton Lane suffers from congestion at peak times, with access to and from Moorside Road and Winnall Manor Road providing particular bottlenecks. This issue has a known impact on occupier demand. Some road improvements have been made, however, further improvements are required.</p>
<p>Strategic Planning Factors</p>	
<p>2.1: Is the site within an area identified as of strategic importance.</p>	<p>No</p>
<p>2.2: Is the site identified or likely to be required for a specific user or specialist use?</p>	<p>No</p>
<p>2.3: Is the site part of a comprehensive or long term development or regeneration proposal?</p>	<p>No</p>
<p>2.4: Is there public funding committed (or likely to be provided) sufficient to overcome infrastructure or on-site constraints to make employment development viable?</p>	<p>N/A</p>
<p>Strategic Planning and Access</p>	<p>Employment land/buildings are protected under policy CP9 which states:</p> <p>In order to retain a mix of employment land and premises in the District, the Local Planning Authority will resist the loss of existing or allocated employment land and floor space within Use Classes B1, B2 or B8. Losses will only be permitted where retaining a business use would not be reasonable having regard to the following:</p> <ul style="list-style-type: none"> • the redevelopment potential for other employment uses or a mix of uses including the scope for intensifying or providing an effective use of the site or building, and the potential to improve and extend the range of modern employment floor space; • whether the building or use meets or could meet a specific local requirement, such as providing low cost start up accommodation; • the environmental impact of business use on neighbouring uses; • the access arrangements for the site/buildings, by road and public transport; • strength of local demand for the type of accommodation; • the benefits of the proposed use compared to the benefits of retaining the existing use. <p>The sites fall within the area covered by the Winnall Planning Framework. The objective of the framework is to inform the Local Plan Part 2 and to help enhance community life and business performance in Winnall. Part of the proposals in the Winnall Planning Framework include enhancing and improving the quality of the employment area, reducing congestion (particularly along Easton Lane) creating a civic boulevard along Easton Lane, and improving the connection to and the junction on the M3 motorway.</p>
<p>Recommendation</p>	<p>Site score: D – below average</p> <p>Given its proximity to the A34 and M3 motorway, it is a good location for employment related uses and should be retained for such. However, improvements to the immediate local road infrastructure are required to mitigate congestion issues.</p>

Site Name: Nickel Close / St Martins / South Winnall Estates			
Site Ref:	W4		
Borough:	Winchester City Council	Size (ha)	
Description of Site and Location:	Part of a wider Winnall Industrial Estate (map to be provided) in Winchester.		
Market Attractiveness Criteria:			
1.1: Has the site been formally identified for employment for at least 10 years?		Yes	
1.2: Has there been any recent development activity, within the last 5 years?		No	
1.3: Is the site being actively marketed as an employment site?		Yes	
1.4: Is the site owned by a developer or another agency known to undertake employment development?		Yes	
1.5: Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?		Yes	
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?		Yes	
1.7: Is the site immediately available?		No	
Market Appraisal	<p>The site is located at the southern end of Easton Lane, close to J9 of the M3 motorway and the A34, and at the northern edge of Winchester City, including its mainline railway station. Communications at a macro level are excellent. However, Easton Lane is a known congestion hotspot, which is an ongoing issue restricting occupier demand. Easton Lane is the main arterial route from the north into Winchester.</p> <p>The site is divided by Easton Lane and comprises older style trade counter units on the northern side and a car dealership on the southern part.</p> <p>The LEP (Solent and Enterprise M3) plans to work with Highways to invest in improvements to M3 junction 9. Highways England has just completed a consultation on the route of these improvements which is due to be confirmed later in 2018. The improvements works to the junction are due to take place between 2021 to 2023, with £50-100m of funding for the project. The project aims to improve safety, reduce congestion and improve reliability on the road network and junction, and support sub-regional economic growth, unlocking road capacity for jobs, businesses and new homes.</p>		
Adjacent land use and conflicts	The majority of the site is surrounded by housing, including affordable housing.		
Known constraints and infrastructure requirements	<p>The Easton Lane suffers from congestion at peak times, with access to and from Moorside Road being a bottleneck. This issue has a known impact on occupier demand. Some road improvements have been made however, further improvements are required.</p> <p>To the northwest of the site, bounded by the River Itchen, with the resulting potential for flooding.</p>		

Strategic Planning Factors	
2.1: Is the site within an area identified as of strategic importance.	No
2.2: Is the site identified or likely to be required for a specific user or specialist use?	No
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	No
2.4: Is there public funding committed (or likely to be provided) sufficient to overcome infrastructure or on-site constraints to make employment development viable?	N/A
Strategic Planning and Access	<p>Employment land/buildings are protected under policy CP9 which states:</p> <p>In order to retain a mix of employment land and premises in the District, the Local Planning Authority will resist the loss of existing or allocated employment land and floor space within Use Classes B1, B2 or B8. Losses will only be permitted where retaining a business use would not be reasonable having regard to the following:</p> <ul style="list-style-type: none"> • the redevelopment potential for other employment uses or a mix of uses including the scope for intensifying or providing an effective use of the site or building, and the potential to improve and extend the range of modern employment floor space; • whether the building or use meets or could meet a specific local requirement, such as providing low cost start up accommodation; • the environmental impact of business use on neighbouring uses; • the access arrangements for the site/buildings, by road and public transport; • strength of local demand for the type of accommodation; • the benefits of the proposed use compared to the benefits of retaining the existing use. <p>The sites fall within the area covered by the Winnall Planning Framework. The objective of the framework is to inform the Local Plan Part 2 and to help enhance community life and business performance in Winnall. Part of the proposals in the Winnall Planning Framework include enhancing and improving the quality of the employment area, reducing congestion (particularly along Easton Lane) creating a civic boulevard along Easton Lane, and improving the connection to and the junction on the M3 motorway.</p>
Recommendation	<p>Site score: C – average</p> <p>Whilst the site occupies a good location for employment related uses, close to the A34 and M3 motorway, and should be retained for such wherever possible, there is potential for alternative uses such as residential, given the recent developments on the adjoining site. However, improvements to the immediate local road infrastructure are required to mitigate congestion issues.</p>

Site Name: Station Approach Area			
Site Ref:	W7		
Borough:	Winchester City Council	Size (ha)	
Description of Site and Location:	Employment-led regeneration area (see draft LPP2 policy WIN5). Carfax and Cattlemarket areas being developed by WCC, focus on remainder in Winchester Town Centre.		
Market Attractiveness Criteria:			
1.1: Has the site been formally identified for employment for at least 10 years?		Yes	
1.2: Has there been any recent development activity, within the last 5 years?		No	
1.3: Is the site being actively marketed as an employment site?		Yes	
1.4: Is the site owned by a developer or another agency known to undertake employment development?		Yes	
1.5: Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?		Yes	
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?		Yes	
1.7: Is the site immediately available?		Yes	
Market Appraisal	<p>The site is located in an excellent, strategic position within Winchester city centre being a communications hub. There is direct line access to London within 1 hour. It is at the confluence of a number of the city's road routes and is well located for the city's retail, restaurant and leisure facilities.</p> <p>The site offers a prime opportunity for redevelopment. Currently developed to a low level density, including multiple surface level car parks and with existing buildings used for low-value uses that are at an age when redevelopment is a viable option.</p> <p>The redevelopment of Station Approach has been awarded £5m from the Growth Deal fund, towards public realm improvements and the wider regeneration of the site/ area.</p>		
Adjacent land use and conflicts	The site is bounded by residential properties.		
Known constraints and infrastructure requirements	None, as far as we are aware.		
Strategic Planning Factors			
2.1: Is the site within an area identified as of strategic importance.		Yes	
2.2: Is the site identified or likely to be required for a specific user or specialist use?		No	
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?		Yes	

<p>2.4: Is there public funding committed (or likely to be provided) sufficient to overcome infrastructure or on-site constraints to make employment development viable?</p>	<p>No</p>
<p>Strategic Planning and Access</p>	<p>Site is allocated for an employment-led development comprising offices, car parking, open spaces, and leisure or small-scale retail on the ground floor with offices or residential above. Student housing would be permitted should suitable sites become available and favourable consideration would be given to provision of a hotel as part of a mixed use development.</p>
<p>Recommendation</p>	<p>Site score: B – above average</p> <p>The site is already the subject of a detailed appraisal by Winchester City Council for redevelopment. It is our recommendation that the site is a prime redevelopment opportunity, given its size and location it would suit a significant mixed-use scheme, which should incorporate Grade A office accommodation.</p>

Site Name: Abbey Mill			
Site Ref:	W10		
Borough:	Winchester City Council	Size (ha)	
Description of Site and Location:	Former Industrial area		
Market Attractiveness Criteria:			
1.1: Has the site been formally identified for employment for at least 10 years?		No	
1.2: Has there been any recent development activity, within the last 5 years?		No	
1.3: Is the site being actively marketed as an employment site?		No	
1.4: Is the site owned by a developer or another agency known to undertake employment development?		No	
1.5: Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?		No	
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?		No	
1.7: Is the site immediately available?		Not known	
Market Appraisal	<p>The site lies to the northwest of Bishops Waltham, accessed from the B2177, Winchester Road, being the main arterial road connecting Bishops Waltham with conurbations to the west. The site is a fringe location, lying outside of the main town centre.</p> <p>Public transport is limited to bus services, as the nearest railway stations are at Botley and Hedge End, approximately 4 miles to the south west.</p> <p>Any employment development at the site would need to be small in scale to meet the demands of local occupiers, however, we believe that there is some prospect of proposals coming forward for residential development, as the site previously had a residential consent prior to the retail consent.</p> <p>It is understood that a deal has recently been agreed on this site for a care/ retirement use.</p>		
Adjacent land use and conflicts	Adjacent listed buildings; lake and watercourse.		
Known constraints and infrastructure requirements	As above.		
Strategic Planning Factors			
2.1: Is the site within an area identified as of strategic importance.		No	
2.2: Is the site identified or likely to be required for a specific user or specialist use?		No	

2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	No
2.4: Is there public funding committed (or likely to be provided) sufficient to overcome infrastructure or on-site constraints to make employment development viable?	N/A
Strategic Planning and Access	<p>Employment land/buildings are protected under policy CP9 which states:</p> <p>In order to retain a mix of employment land and premises in the District, the Local Planning Authority will resist the loss of existing or allocated employment land and floor space within Use Classes B1, B2 or B8. Losses will only be permitted where retaining a business use would not be reasonable having regard to the following:</p> <ul style="list-style-type: none"> • the redevelopment potential for other employment uses or a mix of uses including the scope for intensifying or providing an effective use of the site or building, and the potential to improve and extend the range of modern employment floor space; • whether the building or use meets or could meet a specific local requirement, such as providing low cost start up accommodation; • the environmental impact of business use on neighbouring uses; • the access arrangements for the site/buildings, by road and public transport; • strength of local demand for the type of accommodation; • the benefits of the proposed use compared to the benefits of retaining the existing use.
Recommendation	<p>Site score: D – below average</p> <p>Unlikely to be considered in its entirety for employment use in the current market.</p> <p>This is due to value considerations.</p>