

SOUTH WILTSHIRE

CORE STRATEGY

PUBLIC EXAMINATION

**HS/Anthony Hawkins
Bell Cornwell/808/14.2**

12th March 2010

On behalf of

**ST MODWEN PROPERTIES
PLC**

Job No. 4763

1ST February 2010



Bell Cornwell

CHARTERED TOWN PLANNERS

Bell Cornwell LLP
Oakview House, Station Road,
Hook, Hampshire, RG27 9TP
T : 01256 766673 F : 01256 768490

Also at

1 Emperor Way, Exeter, Devon EX1 3QS
T : 01392 314041 F : 01392 314001

St Mary's Court, The Broadway,
Amersham, Buckinghamshire, HP7 0UT
T : 01494 618444 F : 01494 582020

bcp@bell-cornwell.co.uk
www.bell-cornwell.co.uk

Contents

1	INTRODUCTION	1
2	SUMMARY OF CASE	2
3	RESPONSE TO INSPECTOR'S QUESTION	6

Appendices

- 1 Letter from BCP to South Wiltshire Council, 20th January 2010
- 2 Letter from BCP to South Wiltshire Council, 1st December 2009
- 3 Annotated Site Photograph
- 4 Interior Photograph of Roofs

1 INTRODUCTION

- 1.1 These representations are submitted on behalf of St Modwen Properties plc in respect of its interests in the Station Works site in Tisbury.
- 1.2 The points have been set out in detail in our extensive representations to the Pre-Submission Core Strategy. This document accordingly has two main purposes:
 - in view of the complexities to summarise the main points for the benefit of the Inspector and the Council; and
 - to address the question asked by the Inspector in respect of Matter 14.2.
- 1.3 The other main purpose of attending the examination is to provide us with the opportunity to respond as necessary to the Council's response to our own very detailed and up-to-date evidence – a response which we have not seen and which we will not have seen until after this document has been submitted.
- 1.4 In this context we sent a letter to the Council on 20th January as appended at Appendix 1. We have not received a reply to this letter but understand that the Council does not consider it appropriate to remove paragraph 11.11.

Appendix 1 - Letter from BCP to South Wiltshire Council, 20th January 2010

2 SUMMARY OF CASE

- 2.1 Our concern is with paragraph 11.11 of the Core Strategy which in our view is a quasi-site specific policy. This raises two fundamental issues; firstly such an approach is not appropriate to a core strategy and secondly, we believe the policy is based on erroneous and incomplete evidence. We have provided a significant amount of evidence to support this view in our representation to the council dated 30th September 2009. Even if the Council's evidence was accepted as being relevant and accurate at the time of its gathering back in April 2007 – which the representors do not - much has changed since then both in terms of the national and regional economies and also in terms of the site itself. It is accordingly unsound to base the future development potential of the site on such an insubstantial foundation.
- 2.2 The main policy issues are set out in the Bell Cornwell Pre-Submission Statement.
- 2.3 The main points of the commercial and market evidence supplied by St Modwen are:
1. St Modwen operates on a nation-wide basis and has unrivalled experience in brownfield land regeneration on sites such as this.
 2. The evidence in the Employment Land Review is considered to be inaccurate in a number of respects as set out in detail in Appendix 3 of the St Modwen paper.
 3. The buildings were originally constructed in the 1950s designed for and used by Parmiter, manufacturers of agricultural machinery. Parmiter left the site approximately six years ago.
 4. Since then St Modwen has tried to let the buildings on the site but has managed to secure only short term lets to businesses of very poor financial standing looking for economic advantage and flexibility from the poor condition and location of the site / buildings. Stronger, more established businesses will go to better quality buildings in more accessible locations where affordability is not the determining factor.
 5. Despite actively marketing the site it is only part occupied to a tenant on a rolling monthly licence and we expect the site to become fully vacant shortly and to remain so for the foreseeable future.

6. There is very limited demand for leasehold industrial premises in the Tisbury area arising largely from the fact that, in business terms, Tisbury is a remote location with difficult and compromised road access for commercial vehicles and therefore larger companies will not locate there as there are better alternatives elsewhere.
7. The buildings are beyond their economic useful life and continuing to deteriorate and it is not viable to refurbish them to modern standards without securing long term tenants paying a level of commercial rent. The site does not lend itself to economic subdivision into smaller potentially more marketable units as the cost of the internal partition changes, splitting of services and refurbishing the internal / exterior of the building is not cost effective. Even then, inferior quality space in inefficient form is not in demand in the market place.
8. The point has now been reached where running costs exceed the ability to generate revenue and therefore the most viable economic option is for the buildings to be demolished and the site redeveloped.
9. Potentially there is scope for a very limited development for B1 uses but the long term local market rents are such that this could not be done on a commercially viable basis in isolation without a substantial subsidy towards capital costs through part development of the site for residential use.

Matters Arising Since Submission of Representations to Pre-Submission Draft

- 2.4 It is even more important that the policy issues be considered in the light of current circumstances.
- 2.5 On 1st December 2009 Bell Cornwell (BCP) sent a letter to South Wiltshire Council advising as to changes in current circumstances. This is appended at Appendix 2.

Appendix 2 - Letter from BCP to South Wiltshire Council, 1st December 2009

- 2.6 Following the failure of an earlier tenant MP Drewett whose business failed 2 years into a 5 year lease, the latest tenant (Store More 4 Less) has gone into administration only 1 year after signing a new 5 year lease. In a bid to keep the site occupied and to minimise void outgoings in January 2009 St Modwen granted them a lease for the whole site. Even at a very low rent of 74p per sq ft the tenant was unable to run a profitable business from the site and the tenant went into administration and the lease was surrendered back on 7th December 2009 with significant outstanding rental arrears.
- 2.7 The buildings have recently been inspected by St Modwen's health and safety team who have reported that given the ongoing deterioration of the building fabric and the presence of asbestos in the majority of the buildings have become dangerous and are not lettable in their current condition. The photograph appended at Appendix 3 shows the site layout and the buildings on site.

Appendix 3 - Annotated Site Photograph

- 2.8 There are a number of holes in the apex of the asbestos roof in buildings 1, 2 & 4. These can be seen on the photographs appended at Appendix 4. The repairs will require informing the HSE and the removal / repair will need to be carried out by qualified personnel.

Appendix 4 - Interior Photographs of Roofs

- 2.9 Refurbishment is not an economic option and in the absence of any tenant, or tenants, who might take a large proportion of the space, demolition of the buildings and possible re-use of the site for open storage becomes a more financially attractive option. Demolition and site clearance would cost approx £500,000 and would leave no residual rates or service charge liability whilst retaining the prospect of attracting income.

- 2.10 The premises are still being actively marketed by Chesterton Humberts and to date no interest has been shown by tenants looking to operate from this site. Building 3 has been let on a tenancy at will (rolling with one months break at anytime) to an existing sub-tenant of the previous tenant. They are paying a very low rent but have indicated this will only be for 2/3 months, vacating by April 2010. They have raised a number of concerns about remaining on site including on site and building security, leaks caused by the condition of the building and poor access while there are better alternatives in the locality.
- 2.11 In our opinion the current buildings are now obsolete and incapable of being brought back into economic repair and therefore redevelopment is the only realistic option. The prevailing commercial demand in the area remains extremely weak. In our and in our agents' considered view only a limited commercial development is required to meet potential demands. This would be on a phased basis with the creation of 5 units in the range of 500-1,500 sq ft to support local businesses. If there was a reasonable take up a further phase of a similar size could be built. However in the prevailing economic climate such a development is unlikely to proceed speculatively in the short term.
- 2.12 In terms of the residential market in Tisbury, the Core Strategy Report refers to 440 new dwellings being required in the locality over the next 20 years. There is planning consent for 90 dwellings on the Hindon Lane site and proposals for a further 130 dwellings. The station works site could well make a contribution towards the requisite provision for the shortfall of further dwellings. It is suitable for residential development which would assist in enabling its future viable and sustainable use as part of a mixed used scheme.

3 RESPONSE TO INSPECTOR'S QUESTION

3.1 The Inspector has posed the following question:

"The Council intends to prepare a Site Allocations DPD. What policy context does the CS provide for this document? Does the CS strike the right balance between, on the one hand, making clear spatial choices about where development should go and, on the other hand avoid being too prescriptive about the type and location of development?"

3.2 So far as the Station Works site is concerned, there is no dispute that it should continue in some form of active and beneficial use given its brownfield status and its sustainable location adjacent to the railway station and the village of Tisbury. There is therefore no need for the Core Strategy to provide any spatial guidance. So far as the type of use is concerned, the import of paragraph 11.11, if carried through as drafted into the adopted Core Strategy, is that any site specific policy would be based on outdated and erroneous economic information rather than current commercial realities and market evidence.

3.3 In addition, the physical site constraints and characteristics empirical of the site (including shape, access, and proximity to railway lines) are such that it would be very difficult to prepare such a policy in the absence of the level of detail which would be required to support a planning application in any event.

3.4 Taking the above points above into consideration we see no reason or justification for a site-specific policy in the forthcoming Site Allocations DPD. Both the emerging Regional Spatial Strategy for the South West (should it continue in existence) and Core Strategy Policy 5 as drafted provide perfectly adequate and appropriate criteria against which to assess any development proposals. The best mechanism for assessing future development proposals is through the planning application process with primary reference to Core Policy 5. All the relevant considerations can be properly taken into account at the appropriate level of detail at that stage. This process will not be possible if paragraph 11.11 is retained in the adopted Core Strategy.

3.5 In this case therefore the Core Strategy is too prescriptive about the type of development. Paragraph 11.11 should be deleted.