



Report to: Cabinet

Subject : Nottingham City Region Employment Land Study - 'consider for release' sites

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1.0 BACKGROUND

- 1.1 Roger Tym and Partners and Lambert Smith Hampton were commissioned by local authorities within Greater Nottingham on behalf of the Greater Nottingham Partnership in June 2006 to undertake an employment land study. The Nottingham City Region Employment Land Study (NCRELS) was published in January 2007 and now forms part of the evidence base to inform preparation of the Local Development Framework. The aims of the study was:-
- to assess if there was enough employment land to meet current and future employment needs to 2026;
 - to assess if more employment land was required; and
 - to see if identified employment allocations and existing sites should be transferred to other uses.
- 1.2 In addressing the first aim, the study concluded that there was a significant oversupply of industrial and warehouse land and that there was scope to release some land to other uses including residential and office use. This oversupply is strongest in the City and weakest in the west where demand is high. There should not be too much release to the east of the City, particularly of low cost sites, to accommodate businesses displaced from Nottingham's Regeneration Zones. If office allocations come forward and are not used for other purposes, supply is likely to be roughly in balance but the loss of existing office uses should be controlled. New office floorspace on surplus industrial sites should be considered.
- 1.3 In addressing the third aim, the study considered existing employment sites in Gedling Borough that are currently protected by Policy E3 of the Adopted Local

Plan and recommended whether they should either be retained for employment use or considered for release. (Sites within other Boroughs were identified for release – there are no such sites within Gedling Borough). Four sites within the Borough (identified on the plans attached as **Appendix A**) were put forward for consideration for release:-

- 1) Sherbrook Road (Daybrook)
- 2) Catton Road (Arnold)
- 3) Brookfield Road/Rolleston Drive (Arnold)
- 4) Mansfield Road (Daybrook)

- 1.3 The purpose of this report is to consider the NCRELS recommendations with regards to the above sites.

2.0 ASSESSMENT CRITERIA IN NCRELS

- 2.1 NCRELS assessed the demand for employment land under then existing and higher growth scenarios and concluded there was an oversupply of industrial and warehouse floorspace and that consideration should be given to other uses including offices and housing. The study used market appeal to rate sites, combining firstly, “site” criteria (i.e. accessibility by road and public transport, external environment and its compatibility with potential site use, internal environment and local market conditions) and secondly, “building” criteria (relating to the fitness for purpose of the existing buildings).

- 2.2 Together, a “market appeal” rating judged whether the site would be likely to be reoccupied if it became vacant. Under this scheme, Mansfield Rd scored “very poor”, Sherbrook Rd and Catton Road “poor” and Brookfield Rd/Rolleston Dr. “average”. The rating for the site had a greater weighting than the rating for the buildings, on the basis that the former is more fundamental, whereas the buildings can be improved or replaced. The NCRELS assessment for the 4 sites is attached as **Appendix B**.

3.0 ASSESSMENT OF ‘CONSIDER FOR RELEASE SITES’ BY GBC

- 3.1 In considering the conclusions of NCRELS, the Greater Nottingham local authorities agreed a common approach to ‘consider for release’ sites. This approach takes account of extra information. Extra site information comprised neighbouring uses, level of site importance regionally or locally, number of units, presence of other employment buildings detached from the main unit, number of vacant units, details of owner or agent and finally efforts to re-let vacant units or a consideration of alternative uses. Extra building information comprised the name and type of business, condition and number of buildings, presence of a car park, whether the unit was vacant and if so whether the unit was being re-let.
- 3.2 The four sites have been considered by officers on a number of occasions following the completion of NCRELS, not to revisit the work undertaken by the consultants but to take account of this extra information in order to come to a view as to whether the sites should be retained in employment use or released for an alternative use. In particular, consideration has been given to the

number of vacant units within each site, whether they had increased or decreased in number and if there had been much business turnover.

Site 1 - Sherbrook Road

- 3.3 NCRELS identified the site as “average” in building type and condition and “poor” as a site giving an overall “poor” rating. Whilst the site is close to the A60 Mansfield Rd, it is in a residential area with no adjacent industry and parking is partly on a residential street. However, up to 50 cars from site businesses use the car park in front of Doughty Engineering at the NW end of the site and the on street parking is at a time when residents cars are elsewhere. Access by lorries is difficult due to the lack of space.
- 3.4 Officer surveys of the site has identified that the buildings offer a range of units greater than that indicated by NCRELS, due to Sherbrook Rd being split into 3 sections, i.e. Daybrook Business Centre, Sherbrook Business Centre and Sherbrook Enterprise which has units as small as 150 sq.ft., not the 5000 ft.sq. shown in NCRELS. These are small offices. The range of sizes allows for internal expansion within the site and, as there are 56 businesses on a 1.5ha. site, there is scope for new start-up businesses. This probably explains the high turnover of firms at Sherbrook Rd – half the businesses in 2007 were not there in 2008. Turnover has not affected occupancy however. Take-up of units was described as “slow” in NCRELS, despite low rents and refurbishment, yet officer surveys have recorded a 10% increase in occupancy between 2007 and 2008 (to 80%) as a further 8 units were let.
- 3.5 **Conclusion** – Consideration of the NCRELS conclusions relating to the site and officer site visits have demonstrated that, despite perceived location and access problems, the site is proving increasingly attractive to local businesses and close enough to their markets. ***Retain as employment site.***

Site 2 - Catton Road

- 3.6 NCRELS also rated the Catton Road site as “average” in building type and condition and “poor” as a site giving an overall “poor” rating. It is a smaller site, 1ha. and has 21 businesses present with a far lower density of occupation i.e. 23 units/ha. The NCRELS study only identified 6-7 units, a considerable underestimate. The sloping site is off Coppice Road and is mostly surrounded by housing. NCRELS points out that the location is congested with little parking, leading to parking on the highway.
- 3.7 Officer surveys of the sites have indicated that the units do possess forecourts which were little occupied at the time of survey. However, these negative market criteria have not affected present occupation which has risen to nearly 90% in 2008 with only 3 of the 23 units vacant. Businesses have remained constant since 2007 with all occupied units except one still used by the same businesses in 2008. Two of the vacant units were vacant in 2007 and there seems to be an issue with filling them. Whether the economic situation leads to further vacant units and problems with re-letting remains to be seen.

- 3.8 **Conclusion** – Consideration of the NCRELS conclusions relating to the site and officer site visits have demonstrated that, despite perceived location and access problems, the site is proving increasingly attractive to local businesses and close enough to their markets. ***Retain as employment site.***

Site 3 - Brookfield Road/Rolleston Drive

- 3.9 NCRELS rates the market appeal of the site as “average” but is still a “consider for release” site. The site is considered in two parts. The so-called Ashtenne or Arnold Business Centre in the Woolitas Building, is recommended for retention as it’s “reasonably well let”. This listed building used to be the Victorian Allen and Solly factory and much of the rest of this part of the site SW of Brookfield Road is similar in nature. NCRELS by contrast recommends releasing the Rolleston Drive units.
- 3.10 The units off Rolleston Drive form a complex owned by the County Council comprising offices, training centre, stores and workshops which officers understand the County Council wish to dispose of. Surveys have shown that this portion is spread out and one unit is boarded up. Across Rolleston Drive are 11 mostly large units, 5 of which are vacant, some for a long time. Both sites are in a residential area. There are none of the congestion concerns at Rolleston Drive, it being a wide road, but being busy with residential traffic presents some access problems. The Brookfield Road portion contains the fairly new, large John Lewis warehouse and smaller, modern units on Eagle Close, as well as older units in the Victorian Courtyard area by the Woolitas building. Despite using such older buildings, occupation is very high, reaching 98% of available units and suites in the Arnold Business Centre. There are 59 businesses and one vacant unit. On Rolleston Drive, occupation has decreased to less than 60%, with 5 of the 12 units vacant, a decline from nearly 70% in 2007 and over 80% in 2006 according to NCRELS.
- 3.11 **Conclusion** – In light of the above comments, it is concluded that the two parts of the site should be considered separately. ***Brookfield Road and the John Lewis warehouse should be retained as an employment site. The County Council owned land and the Rolleston Drive sites should be released for non-employment uses.***

Site 4 - Mansfield Road

- 3.12 NCRELS stated that this was the least attractive of the 4 sites, ranking it as “very poor”. The site is long and thin with little room to expand to the rear where there are residential properties, and only a small forecourt or pavement separating properties from the A60. This allows for little or no off-street parking. The site incorporates 5 three storey terraced houses, 8 vacant business units (all bar one to the south opposite Nottingham Rd), and the remaining 17 are either retail or other service providers. Unlike the other three sites, there are few employment uses within the Mansfield Road site, other than a plumbing and heating training centre. The businesses are mostly in three storey converted Victorian houses, the upper floors mainly used for storage or

residential, though the attractive Coronation Buildings and the Skoda garage are notable exceptions.

- 3.13 Officer surveys of the site have noted that occupancy has declined, from nearly 70% of units (including residential) in 2007 to about 50% in 2008. Of the business units, occupancy fell from 85% in 2007 to just over 60% in 2008, with vacancies rising to more than a third of the 22 business units.
- 3.14 **Conclusion** – In light of the above comments, it is concluded that the site should be ***released for non-employment uses***.

Alternative Uses

- 3.15 Removing the employment protection from the 2 sites as suggested (ie Rolleston Drive and County Council land and the Mansfield Road site) would result in future development proposals being decided on their merits, as there would be no specific policy protection relating to the sites. The loss of employment land would accord with the conclusions of NCRELS on supply, as set out in paragraph 1.2 above.
- 3.16 In terms of alternative uses, use of the sites for office use would still be permitted under Policy E11 of the Adopted Local Plan. The suitability of the sites for residential use would be considered through the ongoing Strategic Housing Land Availability Assessment process and therefore reported on in due course.

4.0 Recommendations

- 4.1 It is recommended that the four sites identified in NCRELS for consideration for release from their existing protected employment status should be taken forward as follows:-

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| Sherbrook Road | Retain as protected employment site, under Policy E3 of the Gedling Borough Replacement Local Plan. |
| Catton Road | Retain as protected employment site, under Policy E3 of the Gedling Borough Replacement Local Plan. |
| Brookfield Road and John Lewis site | Retain as protected employment site, under Policy E3 of the Gedling Borough Replacement Local Plan. |
| County Council land and Rolleston Drive site | Remove employment protection. |
| Mansfield Road | Remove employment protection. |