



**Lambert
Smith
Hampton**

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Employment Land Study Addendum Report

covering

Test Valley

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 of 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 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 Test Valley 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 (498%) 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	Rent/Capital Value (per sq ft)
Unit 5 The Quadrangle, Abbey Park Industrial Estate, Romsey	RedLux Ltd	Confidential	13,921	Sub-lease to 2020	£7.75
Unit 3, 8 Macadam Way, West Portway Business Park, Andover, SP10 3LF	Confidential	Confidential	40,180	Long leasehold	Quoting £39.82
Unit 51 Central Way, Andover, SP10 5AN	Treloar Tanks LLP	Confidential	33,588	Long leasehold	£19.35
Plot 66 South Way, Andover, SP10 5AF	MRT Casting Limited	DHL Express (UK) Limited	9,857	Long Leasehold	£40.07

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 are 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)
Plot 2, Benham Campus, Southampton Science Park	Promega UK	Southampton Science Park	18,000	Long Leasehold	Confidential
Hampshire Corporate Park, Eastleigh	Daisy Wholesale	London & Scottish Investments	10,199	10 years	£19.75
Hampshire Corporate Park, Eastleigh	Utilita Energy	London & Scottish Investments	10,199	10 years	£19.75

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 TEST VALLEY BOROUGH SITES

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

- Andover Business Park (TV1)
- Walworth Business Park (TV2)
- Walworth Business Park Extension (TV3)
- East Portway (TV4)
- West Portway (TV5)
- Adanac Park (TV15)
- South of Brownhill Way (TV18)

3.1 Andover Business Park

3.1.1 This business park is in a key location adjacent to the A303, and offers a range of industrial unit sizes.

3.1.2 Centric 341 is a newly constructed logistics/ industrial unit of 341,871 sq ft located on the Andover Business Park. This grade A scheme is adding to the attractiveness of the location and improving the choice industrial stock in the area.

3.1.2 The scoring of this site remains unchanged; B – above average.

3.2 Walworth Business Park

3.2.1 The existing units attract occupiers seeking cheaper rents than the competing estates in locations such as Basingstoke.

3.2.2 The planned improvements to J9 of the M3 are anticipated to improve its connectivity and enhance its market appeal. Works are planned from 2021 to 2023 with a preferred route being announced later in 2018.

3.2.3 The plots that are currently being marketed include:

- Kier developments has built a 51,626 sq ft headquarters unit; Evolution 50, which is currently actively being marketed for sale or to let and comprises a high bay warehouse/ industrial unit;
- Columbus Quarter (Plot 73) is a proposed retail warehouse opportunity with interest from occupiers including Starbucks and Lidl. Planning application 17/02995/FULLN



for Erection of foodstore (use class A1), drive through cafe (use class A3) and two additional units Shops/Food and Drink/Hot Food and Takeaway (use classes A1/A3/A5), with associated access, parking and landscaping is currently under consideration;

- Plot 35, also known as Blueprint is a proposed mixed use development including a trade counter scheme;
- Unit 27 is currently being marketed following a comprehensive refurbishment totalling 18,439 sq ft.

3.2.4 The scoring of this site remains unchanged; C – average.

3.3 Walworth Business Park Extension

3.3.1 In September 2017, Kier Property Developments and Test Valley Borough Council were granted outline planning consent for the development of an eastern extension to the Walworth Business Park comprising up to 45,300 square metre (gross) floorspace for general industrial and storage/distribution uses and associated infrastructure. This site is also known as Plot 90.

3.3.2 Known as Logistics City, the site of 2.733 acres is now being marketed for sale/ to let. It is a design to suit scheme with bespoke industrial units ranging from 62,433 sq ft to 487,605 sq ft.

3.3.3 The scoring of this site remains unchanged; D – below average.

3.4 West and East Portway Business Parks

3.4.1 Adjacent to Portway Business Parks on the opposite side of the A303, Centric 341 is a newly constructed industrial/ logistics facility of 341,871 sq ft. To the north east of the site the Co-op operate a large logistics facility. The site is currently being marketed.

3.4.2 The development of new grade A industrial/ logistics floorspace adds to the attractiveness and development of the Portway Business Parks.

3.4.3 The scoring of the business parks remains unchanged; C – average.

3.5 Adanac Park

3.5.1 Adanac park already benefits from an outline planning consent for up to 20,583 sq m of B1a, B1b, and B1c development on the west of Adanac Park (Oceanic Gateway) known as plot AP6. Plot AP5, Yew Tree Farm, also has detailed planning consent for the conversion of the listed farmhouse to B1 offices and three new self-contained detached B1 office buildings to provide up to 31,785 sq ft of space. In addition Plot AP4, located immediately to the north of



Odnance Survey, also has outline planning permission for B1 office, research & development and light industrial uses of up to 10,840 sq m

3.5.2 A detailed planning consent is anticipated to be submitted on the southern part of the site, known as 'Oceanic Gateway'. The detailed planning application is for a multi-unit development of 120,210 sq ft (11,168 sqm) of floorspace. The current indicative drawings show 8 units of varying sizes.

3.5.3 The site is a good employment location and is allocated as such in the Local Plan. The site score remains unchanged as B – above average.

3.6 South of Brownhill Way

3.6.1 In November 2013 planning consent was granted for the demolition of 6 residential properties and erection of a regional distribution centre (42,820 m2 gross area), 186 associated car parking spaces, HGV hardstanding, two sprinkler tanks and pump room and new peripheral landscaping - including the stopping up of Lower Redbridge Lane and diversion of a public footpath. This has now been implemented and completed in November 2016.

3.6.2 The site is now a Lidl distribution centre. The EMA report June 2016 assessed this site as being an important employment location. The site assessment remains unchanged - A – high.

Appendix 1: Updated Site Assessments



Site Name: Andover Business Park (aka Andover Commercial Park or Andover Airfield)			
Site Ref:	TV1		
Borough:	Test Valley Borough Council	Size (ha)	44.9
Description of Site and Location:	Andover Business Park is located 2.4 miles from the town centre and benefits from direct access to the A303 dual carriage way. It provides industrial and warehouse units from 25,000-600,000 sq ft.		
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?	No		
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 owned by Goodman's, who are a logistics developer and comprises 44.9 acres in total of which a small section was sold to Stannah some years ago. 32.5 acres was pre-let to The Co-op for a 467,000 sq ft unit. A further plot has been speculatively developed (336,000 sq ft unit). In addition, there are roadside plots at the front, which have been developed in parts as hotel, care home and public house. A further 3.5 acres is undeveloped and available for uses such as drive through, self storage, nursery, car showroom, trade units, builder's merchants, leisure, petrol station, convenience store, gym and retail uses.</p> <p>The site is situated in a key location as adjacent to A303, which provides excellent connections to the motorway network.</p> <p>Centric 341 is a newly constructed logistics/ industrial unit of 341,871 sq ft located to the south of the Portway Business Parks on the opposite side of the A303. This grade A scheme is adding to the attractiveness of the location and improving the choice industrial stock in the area.</p>		
Adjacent land use and conflicts	A303 to the north; agricultural to the west; Armies Families Federation to the south		
Known constraints and infrastructure requirements	None.		

Strategic Planning Factors	
2.1: Is the site within an area identified as of strategic importance.	Policy LE9 of the Borough Local Plan identifies the site for employment uses
2.2: Is the site identified or likely to be required for a specific user or specialist use?	Planning permission has been granted for a hotel and a manufacturing unit and warehouse
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	The site is earmarked for development. Policy LE19 identifies appropriate uses for the site; i.e. B1, B2 and B8.
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?	Public funding in the form of s106 monies has been secured to deliver road infrastructure improvements to local highways in the vicinity of the site.
Strategic Planning and Access	A transport mitigation package has been secured in the form of s106 to address local highways issues.
Recommendation	Site score: B – above average This site is ripe for development, pending occupier demand and funding. This site should be proactively managed.

Site Name: Walworth Business Park			
Site Ref:	TV2		
Borough:	Test Valley Borough Council	Size (ha)	83.3
Description of Site and Location:	Walworth Business Park lies adjacent to the A303 on the eastern side of Andover close to the town ring road. The business park is located close to the M3 motorway and the A34 trunk road providing good road communications to London and the midlands, as well as Southampton and its busy port and international airport to the south.		
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?		JV between Kier & TVBC	
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?		Individual plots available	
Market Appraisal	<p>The freehold of the estate is owned by TBVC with individual plots owned LLH by institutional investors, property companies and local business occupiers.</p> <p>Walworth Business Park is a popular estate on the periphery of Andover. It comprises a mix of B1, B2 and B8 properties, which range in size and age, from small start-up units to much larger ones. Older properties are generally refurbished and upgraded as they become vacant.</p> <p>There has been refurbishment of individual plots, following void periods.</p> <p>The existing units attract occupiers seeking cheaper rents than the competing estates in locations such as Basingstoke.</p> <p>The planned improvements to J9 of the M3 are anticipated to improve its connectivity and enhance its market appeal.</p> <p>The plots that are currently being marketed include:</p> <ul style="list-style-type: none"> - Kier developments has built a 51,626 sq ft headquarters unit; Evolution 50, which is currently actively being marketed for sale or to let and comprises a high bay warehouse/industrial unit totaling 51,626 sq ft. - Logistics City is a design to suit scheme with outline consent to provide up to 487,605 sq ft of B2 and B8 uses. The bespoke industrial units will range from 62,433 sq ft to 487,605 sq ft. - Columbus Quarter (Plot 73) is a proposed retail warehouse opportunity with interest from occupiers including Starbucks and Lidl. 		

Adjacent land use and conflicts	Residential to the west; agricultural and railway lines to the north, playing fields to the east.
Known constraints and infrastructure requirements	None.
Strategic Planning Factors	
2.1: Is the site within an area identified as of strategic importance.	The site comprises the largest consolidation of employment uses in the Borough
2.2: Is the site identified or likely to be required for a specific user or specialist use?	Due to the proximity of the strategic road network; employment uses in particular storage and logistics would benefit from the site's accessible location.
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	A public-private partnership has been established to deliver the long-term proposals to regenerate the site
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?	Currently there is not sufficient capacity in the electricity network to meet future requirements. Private investment by the utility supplier is required to upgrade the infrastructure in the Andover area.
Strategic Planning and Access	The current identified constraint concerns the capacity of the electrical network in the area as set out in the Infrastructure Delivery DPD.
Recommendation	Site score: C – average Walworth is a strategic employment site with ongoing refurbishment and redevelopment programme. It should be protected for continued employment uses.

Site Name: Walworth Business Park Extension			
Site Ref:	TV3		
Borough:	Test Valley Borough Council	Size (ha)	11.1
Description of Site and Location:	Walworth Business Park extension lies adjacent to the A303 on the eastern side of Andover close to the town ring road. The site is situated east of the business park, which is located close to the M3 motorway and the A34 trunk road providing good road communications to London and the midlands, as well as Southampton and its busy port and international airport to the south.		
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?		South plot is North plot no	
1.4: Is the site owned by a developer or another agency known to undertake employment development?		South plot – yes North plot – no	
1.5: Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?		South plot – yes North plot - no	
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?		South plot – yes North plot - no	
Market Appraisal	<p>The site adjoins Walworth Business Park to the west and is an extension to the joint venture between Kier Property and TVBC. Kier Property and TBVC own the southern plot, which is currently being marketed by LSH and JLL for a B1 or B8 development.</p> <p>In September 2017 planning consent was granted for the development of an eastern extension to the Walworth Business Park comprising up to 45,300 square metre (gross) floorspace for general industrial and storage/distribution uses and associated infrastructure.</p> <p>The northern plot is owned by a farmer and it is therefore, unlikely that it will be brought forward for development in the foreseeable future.</p>		
Adjacent land use and conflicts	Business Park to the west; residential to the east; agricultural to the north and south.		
Known constraints and infrastructure requirements	The site is currently used as playing fields and is between an established Business Park and new residential development so there may be constraints on development from the adjoining residential however, 24/7 use will be key to prospective occupiers to bring forward new development. Road improvements to Walworth Road may be required and no right turn for HGV use restriction		
Strategic Planning Factors			
2.1: Is the site within an area identified as of strategic importance.		A Strategic Site Allocation in the Local Plan	
2.2: Is the site identified or likely to be required for a specific user or specialist use?		Due to the proximity to the strategic road	

	network, employment uses in particular storage and logistics would benefit from the site's location.
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	Formal planning guidance has been issued for the site.
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?	Not known
Strategic Planning and Access	The Infrastructure Delivery Plan DPD, identifies a potential constraint to the expansion of Walworth Business Park; in terms of the capacity of the electrical network in the area.
Recommendation	<p>Site score: D – below average</p> <p>The site is an extension of Walworth Business Park and there is a current planning application for outline planning permission for B1 & B8 use on this site.</p>

Site Name: East Portway Business Park			
Site Ref:	TV4		
Borough:	Test Valley Borough Council	Size (ha)	26.2
Description of Site and Location:	East Portway Business Park is situated on the western side of Andover and is located 5 mins from the A303 trunk road. The A303 links directly to the M3 at J8, approx. 20 miles to the east. The Business Park covers an area of some 75 hectares and accommodates nearly 200 units.		
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>East Portway is understood to be owned by the Local Authority, Test Valley Borough Council. The majority of sites/units are therefore, held on LLH interests with geared ground leases. There is a mix of employment related uses on the estate. Properties on the estate are predominately 1970s/1980s built and are either let by institutional/property companies or owner-occupied.</p> <p>There is reasonably good access to the estate from the A303.</p> <p>Centric 341 is a newly constructed logistics/ industrial unit of 341,871 sq ft located to the south of the Portway Business Parks on the opposite side of the A303. This grade A scheme is adding to the attractiveness of the location and improving the choice industrial stock in the area.</p>		
Adjacent land use and conflicts	Residential on the perimeter of the site. Freehold of site is held by Test Valley Council, therefore any redevelopment of the area would be subject to the lease terms and Test Valley Borough Council's approval.		
Known constraints and infrastructure requirements	None, so far as aware.		
Strategic Planning Factors			
2.1: Is the site within an area identified as of strategic importance.		The site is an allocated strategic employment site.	
2.2: Is the site identified or likely to be required for a specific user or specialist use?		General employment use/ warehousing and	

	distribution
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	Unaware of specific development proposals for the regeneration of the site.
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?	It is unclear if there is public funding committed. A public/private partnership would be an appropriate vehicle to overcome any constraints that may arise in the future.
Strategic Planning and Access	The site contributes significantly to the economic performance of the Borough.
Recommendation	Site score: C – average As mentioned above, the site plays a significant part in the economic performance of the Borough and should therefore, continue to be managed as an employment estate.

Site Name: West Portway Business Park			
Site Ref:	TV5		
Borough:	Test Valley Borough Council	Size (ha)	49.7
Description of Site and Location:	West Portway Business Park is situated on the western side of Andover and is located 5 mins from the A303 trunk road. The A303 links directly to the M3 at J8, approx. 20 miles to the east.		
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>West Portway is understood to be owned by the Local Authority, Test Valley Borough Council. The majority of sites/units are therefore, held on LLH interests with geared ground leases. There is a mix of employment related uses on the estate. Properties on the estate are predominately 1970s/1980s built and are either let by institutions/property companies or owner-occupied.</p> <p>There is reasonably good access to the estate from the A303.</p> <p>Centric 341 is a newly constructed logistics/ industrial unit of 341,871 sq ft located to the south of the Portway Business Parks on the opposite side of the A303. This grade A scheme is adding to the attractiveness of the location and improving the choice industrial stock in the area.</p>		
Adjacent land use and conflicts	Freehold of site is held by Test Valley Borough Council, therefore any redevelopment of the area would be subject to the lease terms and Test Valley Borough Council's approval.		
Known constraints and infrastructure requirements	None, so far as aware.		
Strategic Planning Factors			
2.1: Is the site within an area identified as of strategic importance.		A designated strategic employment site.	
2.2: Is the site identified or likely to be required for a specific user or specialist use?		Given the site's close proximity to the strategic road	

	network, the site would suit warehouse and distribution firms.
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	Not known
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?	Not known
Strategic Planning and Access	The site provides a significant quantum of employment floor space and contributes to the borough's floor space provision.
Recommendation	<p>Site score: C – average</p> <p>As mentioned above, the site plays a significant part in the economic performance of the Borough and should therefore, continue to be managed as an employment estate.</p>

Site Name: Adanac Park			
Site Ref:	TV15		
Borough:	Test Valley Borough Council	Size (ha)	33.5
Description of Site and Location:	Adanac Park is located next to the M271/M27 Junction 3 interchange at Nursling on the Western border of Southampton.		
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?			No
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?			N/A
1.7: Is the site immediately available?			Yes
Market Appraisal	<p>Site has been identified as an employment site in the Local Plan. An office building occupied by Ordnance Survey in 2011, and hotel has been delivered to date.</p> <p>There is also a nursery and restaurant.</p> <p>The southern part of the site is being marketed as 'Oceanic Gateway' with various units available for lease. This is Plot AP6.</p> <p>A detailed planning application is due to be submitted for a multi-unit development of 120,210 sq ft (11,168 sqft).</p>		
Adjacent land use and conflicts	The site lies adjacent to the east of the M271, between the Nursling Estate and the residential areas of Nursling and Lordshill. The new Lidl regional distribution centre is to the south (site TV18).		
Known constraints and infrastructure requirements	None		
Strategic Planning Factors			
2.1: Is the site within an area identified as of strategic importance.			A designated strategic employment site in the Local Plan.
2.2: Is the site identified or likely to be required for a specific user or specialist use?			A proposed employment allocation in the short-term, B1 office use identified. Under Policy LE6,

	the following uses are promoted office/research/manufacturing Class B1.
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?	A strategic employment allocation identified in the Local Plan to meet future employment floor space requirements.
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?	Unaware of any infrastructure/on site constraints
Strategic Planning and Access	A strategic employment allocation identified in the Local Plan that contributes a significant quantum of employment floor space. The site benefits from an extant planning permission up to 75,000 sq m of employment floor space for Class B1 use (i.e. offices, research & development and manufacturing). With the exception of the Ordnance Survey headquarters, the site remains undeveloped with the owners stating that the permission for large scale users has failed to attract developer interest. The large scale user restriction has been removed from the permission by the council which will assist with stimulating interest in the site.
Recommendation	Site score: B – above average Site is considered to be suitable for further employment development, the type of which should be determined by market demand.

Site Name: South of Brownhill Way			
Site Ref:	TV18		
Borough:	Test Valley Borough Council	Size (ha)	10.4
Description of Site and Location:	The site South of Brownhill Way is located in Nursling/Southampton (mainly between TVBC and SCC), and lies adjacent to J1 of the M271, to the south of J3 of the M27 motorway.		
Market Attractiveness Criteria:			
1.1: Has the site been formally identified for employment for at least 10 years?	Not known		
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?	No		
1.6: Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?	Not known		
1.7: Is the site immediately available?	Being developed		
Market Appraisal	The site is operated by Lidl for a 460,000 sq ft regional distribution facility. Construction was completed in November 2016.		
Adjacent land use and conflicts	M271 motorway to the west.		
Known constraints and infrastructure requirements	Improvements are currently being made as part of the development to the local road network.		
Strategic Planning Factors			
2.1: Is the site within an area identified as of strategic importance.	An allocated strategic employment site.		
2.2: Is the site identified or likely to be required for a specific user or specialist use?			
2.3: Is the site part of a comprehensive or long term development or regeneration proposal?			
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?	Policy LE4 identifies the following infrastructure requirements: new vehicular access and pedestrian and cycle access to Brownhill Way. Public funding in the		

	<p>form of S106 agreement has been secured towards highways infrastructure improvements including; dualling of Brownhill Way and Brownhill Way crossing and pedestrian/cycle-way to Lower Brownhill Road.</p>
<p>Strategic Planning and Access</p>	<p>Improvements to local road infrastructure is identified in the local plan and contributions towards these improvements have been in part secured via section 106 agreement and the Government’s Pinch Point Programme (PPP).</p> <p>The site is a strategic employment allocation identified in the Local Plan and currently contributes to the employment floor space targets set out in PUSH.</p>
<p>Recommendation</p>	<p>Site score: A – high</p> <p>As this site has now been developed for employment related uses it should remain as this.</p>