



EMPLOYMENT LAND STATEMENT

In support of a Full Planning Application for Development of Site for a Warehouse (Class B8 use) with ancillary offices, associated means of access, car parking, servicing and infrastructure, landscaping, ecological mitigation zone and ancillary works

On behalf of FI Real Estate Management Limited

Located at Site 5, Clywedog Road South, Wrexham Industrial Estate

JULY 2022

DOCUMENT REFERENCE: FI002-02v2



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1 SUMMARY

- 1.1 Wrexham Industrial Estate is a strategically important employment area and location accessible to Wrexham and the wider North East Wales market region. It provides considerable, on-going potential as a focus for investment for provision of employment floorspace and employment opportunities.
- 1.2 Wrexham County Borough has an acknowledged need for more employment sites and developments to encourage new businesses and enterprises. This requires the expansion of provision of suitable, modern industrial units that are fit for purpose to flexibly accommodate a range of enterprises to support growth of businesses and business sectors.
- 1.3 Wrexham Industrial Estate is no exception as a location to provide such development, indeed it is imperative that investment is made to ensure there is a supply of job opportunities in growing industrial sectors.
- 1.4 The site location provides potential for redevelopment for commercial, industrial, warehouse and distribution uses (Use Classes B1, B2 and B8) for which there is strongest demand at for warehouse / distribution units within the estate which this development is targeted toward.
- 1.5 The proposed development will improve and contribute a significant, large new unit to the overall supply of warehouse and distribution units serving the local and sub-regional markets, meeting related demand.



2 INTRODUCTION

- 2.1 Plan Red and FI Real Estate Management Ltd (“FIREM”) has prepared this Statement in support of FIREM’s planning application to Wrexham Council for its proposed development of a large warehouse and distribution unit with ancillary offices at land known as Site 5, Clywedog Road South, Wrexham Industrial Estate.
- 2.2 The statement is to be read in conjunction with the drawings pack by MCAU depicting the proposed development and supporting documents dealing with planning and land use topics, the most relevant of which are the Planning Statement by Plan Red and Design and Access Statement by MCAU.
- 2.3 The scope of the statement is as follows:
- Section 3 sets out background on the provision and availability of employment land and premises in the district and Wrexham Industrial Estate.
 - Section 4 sets out information on local market consideration.
 - Section 5 sets out key drivers and current employment floorspace/unit needs in the district and Wrexham Industrial describes the application site and its immediate vicinity.
 - Section 6 sets out conclusions on the matters addressed by the statement

3 OVERVIEW OF EMPLOYMENT LAND, PREMISES AND TRENDS

- 3.1 This review is informed by review of ONS data presented by Welsh Government, evidence prepared by the Council to its Local Plan review including referenced Employment Land Review and associated Topic Paper prepared across 2015 and 2016, and work by FIREM's in-house commercial team and its commercial advisors.

Local context

- 3.2 Wrexham County Borough's economy has been transformed in the past twenty years from one dominated by heavy and traditional industry into a major high tech manufacturing technology and services hub.
- 3.3 Wrexham's location, just 45 minutes' drive from major airports in Manchester and Liverpool and 90 minutes from Birmingham makes it well connected to most of the UK, through road and rail links, including train services direct to and from London.
- 3.4 The Bidston railway corridor provides a sustainable link between Wrexham and Deeside and also provides connections with the Wirral and the wider Liverpool city. Wrexham General also provides a direct train link to Cardiff and Chester, with the Chester Station linking to Manchester and London.
- 3.5 Wrexham County Borough is part of the Mersey Dee Alliance ("MDA"), a partnership which supports strategic economic activity within the North East Wales, West Cheshire and Wirral areas. Wrexham is therefore well placed to tap into economic opportunities in both Wales and North West England.

Economic Activity

- 3.6 Like most urban centres Wrexham has suffered from UK wide recessions and changing shopping habits resulting from internet and 'click and collect' shopping options. It has also suffered from impacts of Covid. Footfall in the town centre like all centres across Wales remains below pre-Covid levels, circa 16% below at May 2022, having plateaued since a sharper recover to August 2021 when many restrictions on retailing were lifted¹. Vacancy rates in the town centre are circa 20% at December 2021 which is higher than

¹ Source: Welsh Retail Consortium, June 2022



the national average 14.5% and a reversal of the situation from December 2019 pre-pandemic when vacancy rates were circa 10% and better than average².

- 3.7 The County Borough is characterised by fairly high levels of economic activity, 77.1% only slightly lower than 78.7% recorded for East Wales, and significantly higher than 74.9% for the whole of Wales³. Unemployment as a percentage of the area's economically active population (age 16 to 64) is 3.3% compared to 4.1% for East Wales and 4.4% for the whole of Wales⁴. In part this is due to the existence of, and the range of employment opportunities offered at locally at Wrexham Industrial Estate, as well as connections to other opportunities in North Wales, Cheshire and Merseyside.
- 3.8 It is FIREM's experience that demand for good quality, reasonably priced, well profiled and modern employment units for Use Classes B1, B2 and B8, available on traditional and flexible lease arrangements at WIE remains very strong and if anything is likely to grow.

Types of Jobs

- 3.9 The highest proportion of jobs within Wrexham County are within Manufacturing 18.3% and Human Health and Social Work also at 18.3%, with the third highest Administrative and Support Services at 13.3 %, the fourth being Wholesale and Retail, Motor repair, etc at 11.7% respectively. At 18.3% manufacturing jobs are very important to the borough and substantially higher than average 11.2% for Wales and 7.9% in Great Britain. This reflects the substantial proportion that are located at WIE. Surprisingly given its connectivity to the national road network transport and storage makes only 2.9% of employment in the borough, lower than Welsh and Great Britain averages of 3.7% and 5.1% respectively.

Premises

- 3.10 The current structure of the availability of premises is strongly geared towards industrial, with the bulk of this stock being located at Wrexham and Llay Industrial Estates.

² Source: British Retail Consortium, January 2022

³ Source: ONS Annual Population Survey / Local Labour Force Survey: Summary of economic activity, 31/3/22 – Welsh Government

⁴ Source: ONS Annual Population Survey / Local Labour Force Survey: Summary of economic activity, 31/3/22 – Welsh Government

- 3.11 WIE is the UK's second largest industrial estate in the UK and among the largest in Europe. It provides a good range of industrial units and many, including a number owned by FIREM, have been created through the redevelopment of older, first generation units, so as to provide more modern and fit for purpose units. By more modern and fit for purpose we mean units with more generous floor to ceiling clearances, large secure gates/doors, dedicated service yards and car parking, unencumbered operational areas, (some with integral offices), and clad portal steel frame buildings which are easier and lower cost to maintain. Older first generation stock is becoming less popular with tenants and rentals have and will continue to fall given the generally poor quality of the accommodation provided and limitations as to how it can be used.
- 3.12 The remainder of the industrial estates in the County Borough are located around the A483 corridor to the west of the town.
- 3.13 Wrexham Town also has a significant supply of offices, which are focused in the north west from the town centre up to the Garden Village neighbourhood and include most of Glyndŵr University and Coleg Cambria. There is also a focus in the south west of the town, which includes Wrexham Technology Park.

Where the Local Workforce Works

- 3.14 Figures from 2012 (Welsh Government statistics), now dated but used to support the evidence base of the WLDP, showed that 29% of workers commuted out of Wrexham – comparable to the North Wales average. The highest percentage of commuter outflows were to Cheshire West and Chester of 9.8% (6,200). Similarly, the highest number of in-commuter flows were from CWAC at 7% (4,200) closely followed by Flintshire 6.5% (3,900) and Shropshire 5.8% (3,500). A substantial proportion of those of working age living in Wrexham are employed by businesses based on WIE.

Land Requirement and Demand

- 3.15 The Joint Employment Land Review 2015 (“ELR”)⁵ found the existing supply strongly focussed on the WIE with over two-thirds of land located on the Estate (141.07 ha of the total 204.91 ha).

⁵ Source: WBC EBE01 Joint Employment Local Plan Review Final Report (Oct 2015)

- 3.16 However, the net supply figure on the Estate reduces to 56.04 hectares once sites with constraints or reserved for business expansion are taken into account. Regarding constraints, many of these are linked to the perceived ecological value of parts of the Estate.
- 3.17 Wrexham Town and the Technology Park are the primary office market locations with Wrexham and have the greatest supply of vacant office space (52% of available floorspace), across a wide range of accommodation sizes.
- 3.18 The employment land supply is monitored by the Council on an annual basis. The Economy and Employment Topic Paper⁶ summarises the supply information updated to a 1st April 2015 base date (Table 1 extract below).

Table1

	Supply as at 31/3/14 (ELR)		Supply as at 1/4/2015	
	Gross Supply	Net Supply	Gross Supply	Net Supply
WIE	141.07h	56.04h	141.72h	56.69h
Other	63.84h	24.61h	63.84h	19.51h
Total	204.91h	80.05h	205.56h	76.2h

- 3.19 The availability of an existing employment land supply was not therefore identified as a major issue in Wrexham in the ELR for the purposes of setting an employment land requirement through the emerging WLDP. The supply envisaged some 53% of the net supply able to be brought forward within a 5 year period, and some 23.75 hectares were immediately available.
- 3.20 However, the ELR did identify that while in theory the County Borough as a whole has sufficient land to meet its needs, qualitative research undertaken indicates a growing land supply shortfall, relating to identified land on the Wrexham Industrial Estate.
- 3.21 The review found a continuing strong demand for sites on the Estate and a shortfall of readily available land on which to create an offer for the future marketing of the Estate to inward investors or existing businesses.

⁶ Source: WBC Local Plan Examination TP02 Economy and Employment Topic Paper (Feb 2016)



- 3.22 Furthermore, the development of the North Wales prison on the Estate has had the effect of boosting market demand at the Estate as supply chain and affiliated companies seek to locate/ expand close to the facility.
- 3.23 The above is certainly the experience of FIREM. In its experience there is not only a shortage of readily available land but there is also a shortage of good quality modern industrial units that fall within the small to medium floorspace range, and which are available on flexible lease term arrangements. FIREM is already seeking to meet this demand in its recent proposals for redevelopment of Bridgeway Centre, but there remains demand unmet for larger, single occupier units too which this application reflects.
- 3.24 It is also FIREM's experience and that of its agents that there is an increasing general shortage of undeveloped/greenfield land at WIE for employment development that falls into the categories of medium to large scale units which offer potential to accommodate larger businesses enterprises, such as this site.
- 3.25 Regarding the increasing shortage of new development land at WIE, the ELR therefore recommended (para.11.11) that consideration be given to identifying additional land at the Estate, and a related need to allocate a further 20-30 hectares in the LDP at WIE (net of any ecological constraints). This was in order to provide sites which can meet both the needs of larger existing businesses that have outgrown their existing units and for land to be marketed to future investors with demand for larger units/sites. This would take the overall employment land requirement proposed in the ELR and for promotion through the LDP to between 50.9 and 60.9 hectares. These figures therefore are generally consistent with the employment land requirement figure of 52.9 hectares derived from Welsh Government projections.



4 LOCAL MARKET CONDITIONS

4.1 Based on work undertaken by FIREM and its agents; reflecting on FIREM's experiences as a developer and landlord nationwide, including at Wrexham Industrial Estate; and also reflecting on approaches to both by businesses and enterprises wishing to take new floorspace/units, FIREM's view of the local employment land and premises market along with local demand is as follows:

- There continues to be a steady flow of enquiries for modern and fit for purpose industrial units at WIE
- Modern and fit for purpose industrial units are defined as follows:
 - Unencumbered operational floorspace
 - High floor to ceiling clearances (12-14 metres) suitable for warehouse / distribution and high bay racking systems
 - Multiple loading bay access
 - 24-hour operable premises
 - Dedicated yard/service areas
 - Dedicated car parking
 - Integral offices
- The types of leases that occupiers generally want for the proposed scale of unit is 10-15 years, with incentives after 5 and 10 years are as follows:
- Demand for new larger units but delivered through bespoke new build on undeveloped land

5 KEY DRIVERS AND CURRENT FLOORSPACE / LAND NEEDS

5.1 As identified through the Topic Paper⁷ and reflecting the experiences and hopes of FIREM and its agents regarding the need for additional land and more modern and flexible industrial floorspace and units at WIE, the following key points and drivers are identified as of relevance to and supporting the proposed development proposed under the planning application:

- Wrexham is a key settlement of national importance and in regional terms and one that through WIE offers considerable potential as a continuing focus for investment in future employment floorspace and units.
- The County Borough, reflecting its history and primary industries that dominated in previous years, continues to be over-represented in declining economic sectors such as heavy engineering and related manufacturing. It needs more sites and developments that can accommodate new businesses and enterprises in those sectors that will buck historic trends and sectors including transportation and storage, i.e. logistics.
- The quality and diversity of the town's employment offer, including that at WIE, needs expanding and improving, including through the provision of a range of modern, fit for purpose industrial units, including units that can be taken on flexible lease terms.
- The council needs to provide targets on land provision for employment uses to ensure that the County Borough continues to provide the right type of employment land, in the right location to enable new businesses to locate in Wrexham and take advantage of its strategically accessible location within the wider North East Wales and North West England market region. This includes at WIE which is a nationally and regionally important industrial zone.
- Encourage and try to ensure that there is a supply of jobs to support a growing industrial sector.
- Assist the current and growing workforce in the County Borough and surrounding area by providing economic development opportunities at key locations and site like

⁷ Source: WBC Local Plan Examination TP02 Economy and Employment Topic Paper (Feb 2016)



WIE to allow existing businesses to expand and grow and for new enterprises to take units to facilitate growth and expansion.

- Protect existing employment sites and encourage site development of allocated land.
- Make sure that those parts of the County Borough that experience elevated levels of multiple deprivation, which includes parts of Wrexham, have good access to employment land and units and that there are opportunities for growth.
- Support economic and employment growth alongside social and environmental considerations.
- Facilitate regeneration and promote social and environmental sustainability by co-ordinating development with employment opportunities to disadvantaged communities.
- Focus investment to attract funding / partnerships to deliver improvements on links between the wider Wrexham conurbation and WIE, including consideration of multi-modal freight links and walking / cycling infrastructure as a means of commuting for workers.



6 CONCLUSIONS

- 6.1 Wrexham is a key settlement of national importance and regionally as a focus for economic activity. Wrexham Industrial Estate is a strategically important employment area and location accessible to Wrexham and the wider North East Wales market region. It provides considerable, on-going potential as a focus for investment for provision of employment floorspace and employment opportunities.
- 6.2 Wrexham County Borough has an acknowledged need for more employment sites and developments to encourage new businesses and enterprises, and to diversify away from historic heavy industrial and manufacturing activities. This requires the expansion of provision of suitable, modern industrial units that are fit for purpose to accommodate a range of enterprises to support growth of businesses and business sectors, and for this proposal at scale for warehouse and distribution use.
- 6.3 Wrexham Industrial Estate needs expanding and improvement through new investment because of its strategic economic importance. Indeed it is imperative that investment is made to ensure there is a supply of job opportunities. This serves wider planning policy objectives to protect existing employment sites and allocations and bring sites forward for suitable new employment uses.
- 6.4 The proposed development will improve and contribute significantly to the supply of modern industrial units in WIE serving the local and sub-regional area and meet related demand.