



Report

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Employment Land Report & Market Overview

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1. Introduction

- 1.1 This report has been prepared by GVA on behalf of The Wynnstay Farming Company Limited. The report informs an outline planning application for the proposed development of land known as Ruabon Business Park situated to the south of the A539 & B5605. The application proposes the development of:

RESIDENTIAL; up to 300 dwellings (Class C3 use).

EMPLOYMENT; up to 139,000sqft (12,960m²) of Class B1 Offices and 50,000sqft (4,646m²) of B8 Warehousing.

FOOD RETAIL; up to 20,000sqft (1,858m²) of Class A1 food retail floor space with associated petrol filling station

HOTEL/PUB; 30,000sqft (2,787m²) 2/3 storey hotel /pub (Class A4 & C1)

SCHOOL: approximately 1.8 acres (0.73ha) of land reserved for primary school

EXTRA CARE: Potential for approximately 1.5acres (0.61ha) Extra Care (Class C2)

SITE ACCESS; two new site accesses to be provided. The first being a modification to the existing roundabout located on the A539 Llangollen Road to provide access to the food retail and residential areas. The second is the construction of a new 3 armed roundabout and initial internal access road to be located on the B5605 to separately serve the proposed employment use.

- 1.2 The scheme will also provide approximately 6.08ha of public open space (including the existing pond)

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- 1.3 The proposed development is a departure from the extant planning consent. This permitted up to approximately 535,500sqft (49,749m²) of B1 Business Park Use for high technology, manufacturing, research & development and development of prestige offices.
- 1.4 This report summarises the current employment land and commercial market positions to provide a qualitative and quantitative justification for change of use on the site in

the context of the existing UDP, and the Wrexham Borough Council Employment Sites Study 2007.

2. Application Site Context

- 2.1 The site benefits from an extant planning permission (P/2003/1484), approved 6 June 2005, for the development of the site for Business Park, B1 Use (high technology, manufacturing, research and development of prestige offices) of up to 49,749m² (535,500sqft approx).
- 2.2 A Lawful Development Certificate was issued on 16 September 2010 confirming P/2003/1484 was a grant of planning permission which was lawfully implemented prior to the expiry of the planning permission and is extant.
- 2.3 The site consists of approximately 23ha (57 acres) of agricultural land located to the south of Ruabon. The site is slightly undulating in topography with a wooded area forming the north western boundary with the B5605 and an adjacent caravan storage facility. The site is bounded to the north by the A539 & B5605 which provides links to the A483. The eastern boundary runs adjacent to the James Farm Caravan Park with farmland, under the ownership of the applicant, to the south. A wooded area with a large pond is situated at the centre of the site running to the northern boundary.
- 2.4 The immediate surrounds of the application site consist of a residential area to the north of the A539, which forms part of the village of Ruabon, a special landscape area to the south and a green barrier to the east and north west. Beyond the green barrier and railway line to the west of the site lies the Wynnstay Technology Park and the residential estate of Plas Madoc.

3. Planning Policy Framework

- 3.1 The Wrexham Unitary Development Plan (UDP) 1996 – 2011 (adopted February 2005) is currently the adopted statutory development plan for Wrexham County Borough. In addition to the adopted statutory development plan, the following documents should be given appropriate weight:

- [Planning Policy Wales \(Edition 5, November 2012\)](#)

- 3.2 The key points arising from the current statutory development plan and other planning guidance is summarised below.

Adopted Unitary Development Plan

- 3.3 The application site lies outside the settlement boundary as defined within the UDP Proposal Map. However the site is listed within the UDP, Appendix II, as land with planning permission for employment use as of 1 April 2001 and as such forms part of the 254ha of land identified to meet the County Borough's employment land requirement for the plan period.
- 3.4 Policy E1 states that all new employment development will be directed to the identified employment allocations and those sites listed as land with planning permission for employment use.
- 3.5 Policy E1 also states that the identified sites must be converted into development and job opportunities through a programme of infrastructure provision and promotion by public and private sector agencies.
- 3.6 Paragraph 7.6 of Policy E1 that storage and wholesale warehousing (Use Class B8) make an important contribution to job creation and local economic diversification. It highlights that warehousing activities generally involve the movement of goods in bulk and typically require the use of heavy based vehicles and only those sites directly accessible from main roads where any detrimental effects on residential amenity can be minimised are suitable for this use.
- 3.7 Paragraph 7.6 further states that High Quality sites identified on Policy E2 (High Quality Sites for Manufacturing/Office/Research Uses) are not suitable for Wholesale Warehousing uses.
- 3.8 Policy E2 Identifies land at Wrexham Technology Park and land at Ruthin Road Development Area as being suitable for high quality employment development

comprising high technology, manufacturing, research and development, and prestige offices and that development will be restricted to Business Class use as defined by Class B1 of the Town and Country Planning (Use Classes) Order 1987.

- 3.9 While the application site is not specifically listed within Policy E2 its extant consent limits the use of the site as defined within this policy.
- 3.10 Policy S8 (Shopping Development within Defined Employment Areas) states that development for retail or other uses on land allocated for employment use will only be permitted where it can be demonstrated that the loss of employment land would not result in limiting the range and quality of available employment sites.

Planning Policy Wales (Edition 5 December 2012)

Chapter 7 Economic Development

- 3.11 The Welsh Government defines economic development as development of land and buildings for activities that generate wealth, jobs and incomes. Economic land uses include the traditional employment land uses (offices, research and development, industry and warehousing), as well as uses such as retail, tourism and public services.
- 3.12 Chapter 7 of PPW states that It is essential that the planning system considers and makes provision for the needs of the entire economy and not just those uses defined parts B1-B8 and that the system should support economic and employment growth alongside social and environmental considerations within the context of sustainable development and should aim to facilitate the provision of sufficient land required by the market.
- 3.13 It also states that local planning authorities should seek to guide and control economic development to facilitate regeneration and promote social and environmental sustainability by;
- Co-ordinating development with infrastructure provision;
 - Support national, regional and local economic policies and strategies
 - Align jobs and services with housing, wherever possible, so as to reduce the need for travel, especially by car. (This is further highlighted in Chapter 9 Housing, Para 9.1.2 where it states that local planning authorities should promote mixed use development so communities have good access to employment, retail and other services)

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- Promote the re-use of previously developed, vacant and underused land, and
 - Deliver physical regeneration and employment opportunities to disadvantaged communities
- 3.14 Paragraph 7.2.1 states that plans and decisions should also be based on up to date and locally specific evidence which demonstrates the suitability of existing employment land supply in relation to the locational and development requirements of business.
- 3.15 Paragraph 7.2.4 states that mixed used development should be promoted in and adjoining existing settlements and policies and supplementary planning guidance should support mixed use development, including flexible workplace/dwellings and commercial premises, where appropriate.
- 3.16 Paragraph 7.61 states that planning authorities should adopt a positive and constructive approach to applications for economic development and should take into account the likely economic benefits of the development based on robust evidence with key factors including;
- The numbers and types of jobs expected to be created or retained on the site
 - Whether and how far the development will help redress economic disadvantage or support regeneration priorities, for example by enhancing employment opportunities or upgrading the environment;
 - A consideration of the contribution to wider spatial strategies, for example for the growth of regeneration of certain areas.

4. Wrexham Employment Sites Study

- 4.1 The Wrexham Employment Sites Study was prepared by GVA on behalf of the County Borough Council in August 2007 (hereafter 'the ESS'). Given that the ESS is the most up to date review of the employment land provision within the Borough we provide a summary of the study in specific relation to the application site as well as the wider borough area.
- 4.2 The ESS identifies the historic take up levels of employment land with the Borough as follows;
- The last 10 years preceding 2007, take up of employment land in Wrexham failed to reach the levels of 20ha per annum as identified in the UDP.
 - The ten year average annual take up was 6.87ha
 - the five year average annual take up was 4.54ha
- 4.3 In order to project future demand for employment land three scenarios were developed.
- Scenario 1 - Historical Take Up
 - Scenario 2 - Economical Baseline
 - Scenario 3 - Market Testing/ Economic Aspiration
- 4.4 Scenario 1 uses the five year take up figure of 4.54ha to provide a projected land requirement 68.1ha over the 15 years from 2006.
- 4.5 Scenario 2 suggests that the level of demand will be significantly lower than historical trends and provides a figure of 24.3ha over the 15 year period. This is the minimum level of employment land required.
- 4.6 Scenario 3 does not provide a figure but expresses that there needs to be a supply of quality employment land to create demand.

Supply & Availability

- 4.7 Approximately 259ha of employment land was analysed as part of the ESS with 157ha being allocated land and 102ha identified as land suitable for employment. 114ha of the allocated land and 96ha of the identified land remained available as of March 2007 providing a total of 210ha of available employment land.

- 4.8 The ESS identifies 25.71ha for de-allocation due to the sites being of poor quality, highly constrained or being least attractive to the market.
- 4.9 This resulted in approximately 185ha of land being recommended for allocation with approximately 83.5ha not previously allocated within the UDP. The application site formed 24.6ha of the recommended allocation.
- 4.10 The ESS states that, in terms of quantum, there is an oversupply of employment land within Wrexham but goes on to clarify that there is an undersupply of low constrained land available to meet all specific use type scenario requirements.
- 4.11 Particular reference is made to limitations in the availability of quality land for distribution/large warehousing uses, high quality premium business park accommodation, R&D space, and incubator & managed workspace.

Application Site Specific

- 4.12 The application site is identified within the ESS as a site that could be suitable for high quality business park development, and equates to over half the land identified as being suitable for this classification. The total amount of land identified as high quality business park is 41.48ha.
- 4.13 Another site identified as being suitable for high quality business park is Western Gateway, Wrexham Technology Park Phase III (12ha).
- 4.14 However the deliverability and overall market suitability of the application site for this specific use is questioned within the report and indicates that additional/alternative locations should be sought to meet potential future requirements for a high quality business park as follows;
- **(Page 75 Para 5.55)** *There are two significant 'high quality business park' sites remaining available for development; at Ruabon Business Park and the Western Gateway, Wrexham Technology Park Phase III. These sites are both subject to masterplanning, although there are some questions over the viability of Ruabon Business Park, given the protracted nature of the development process.*

- **(Page 102 Para 5.137)** Critically there appears to be a potential shortfall of 'high quality business parks' and/or research and technology parks' should the Western Gateway, Wrexham technology Park Phase III be developed out within the plan period, given the assessment of key success criteria offered by market consultation, and the fact that Ruabon fails to meet much of these criteria.
- **(Page 102 Para 5.136)** Should Wrexham seek to attract institutional investors/premium occupiers into the area, then a new development would have to be speculatively built most likely on a site located of a junction to the west and north of Wrexham town, along the A483.
- **(Page 110 Para 6.40)** The only existing site within the database which is targeted towards delivering this goal (that being the identification, but not allocation of an additional site to accommodate further business park development once Wrexham Technology Park Phase III had reached a certain 'tipping point' of development) is the site at Ruabon. However, despite a planning permission existing on this site for some time; actual development has not started. Concern regarding its location, in terms of developer appeal and sustainability, means that this site is viewed unfavourably and as such was not allocated in the previous UDP, and was also removed from the settlement boundary.
- **(Page 110 Para 6.41)** Therefore should demand exist further to that to be committed to the Western Gateway, Wrexham Technology Park Phase III, then it would require an alternative site of the same quality in terms of constraint position and location as the Western Gateway. Should this be the case, there is potential for a natural extension to the Western Gateway to the south of the existing site.
- **(Page 112 Para 6.50)** It is also apparent that there remains, within current allocated and identified land, a very short supply of premium high quality development sites that would facilitate a business park development of sufficient calibre to attract international occupiers (with high covenant strength) and associated premium regional rents (i.e. to compete with Chester Business Park). Whilst existing land within the Western Gateway, Wrexham Technology Park Phase falls within this category, it is considered that there are no further lands assessed within the study database that otherwise do.
- **(Page 112 Para 6.51)** Extensive consultation with agents, developers and Council officers has highlighted that should demand exist for such a site, then it would need to be located off a major junction of the A483, in particular to the west and north of Wrexham between junctions 4 and 7. The experience of Ruabon Business Park is evidence of this manifest requirement for sites 'on the Chester side of Wrexham', closest to the major road, rail and airport networks available in the north of Wales and north west of England.

- **(Page 112 Para 6.53)** *It would appear that if Wrexham is seeking to attract such occupiers through the creation of a high quality premium business development, a major site will have to be allocated off one of these junctions. Whilst there may be constraint issues to overcome (e.g. flood risk) on a number of potential sites, it is likely that projected higher rents may overcome a number of these by increasing gross development value to a point that development becomes viable.*

- 4.15 Therefore it is clear that while the subject site, does appear to present an opportunity for redevelopment for a high quality business park, due to its size and being relatively physically unconstrained, however on closer scrutiny its limited attractiveness to that particular sector of the market due to its locality indicate that alternative sites should be sought to accommodate high quality business park users within the borough.
- 4.16 The identified location for such alternative sites, as stated in paragraph 6.51 of the ESS, is off a major junction of the A483, in particular to the west and north of Wrexham between junctions 4 and 7, i.e. on the Chester side of Wrexham.
- 4.17 Furthermore, we note that the other site identified within the ESS as being suitable for high quality business park use, Western Gateway, Wrexham Technology Park Phase III (12ha) has yet to be developed since the report was written in 2007 and understand that initial infrastructure works were completed in March 2013 with another £9.2million required to complete the primary infrastructure required to open up the site for development.
- 4.18 We understand that this second phase of infrastructure works are on hold until the emerging local plan is adopted as there is further land to the south of the Western Gateway site which is being considered for allocation for further employment use.
- 4.19 The subject site is also identified within the ESS as being the only site potentially suitable for Warehouse/Distribution Park, however since the report was produced we are aware of 45 acres located at the Former Owens Fibre Glass Site (now known as Kingmoor Park) which has recently obtained planning permission for a 400,000sqft warehouse and is currently available.
- 4.20 Therefore due to the locational constraints of the subject site it would appear that a development on the scale of the existing planning consent is unrealistic however due to the lack of alternative available opportunities for business park use and warehouse

and distribution within the Wrexham area the subject site may attract a limited number of occupiers who are not so tightly restrained in terms of locational requirements and therefore a reduced provision could be supported assuming that the deliverability of any proposed space was improved from its current state, i.e. through the provision of initial infrastructure.

5. Site Specific Appraisal

Locational Context

- 5.1 Ruabon sits approximately 4 miles to the south of Wrexham, with the key employment locations within the surrounding locality being the Vauxhall Industrial Estate and the Wynnstay Technology Park. Access to the A483 drives the occupier demand in the locality but is still considered a secondary location in comparison to the established employment areas of Wrexham and Chester which benefit from being more accessible to the workforce catchment area.
- 5.2 The borough is poorly positioned in terms of a strategic employment location due to the distance from the M6 motorway via the M53 in comparison to other established commercial hubs such as Deeside, Chester, Warrington, Wigan and Stoke-on-Trent. The key economic driver for employment land users in the North East of Wales/North West of England is access to the A55, M6 and the national motorway network.
- 5.3 In this context, the subject site is 39 miles via the M53 / M56 from Junction 20 of the M6 (South Warrington) and some 36 miles from Junction 16 of M6 (North Warrington) via the A534 and A500
- 5.4 In commercial market terms, Ruabon is not well positioned in comparison to other industrial / commercial locations elsewhere within Wrexham, which benefit from easier access to M6, A55. Consequently, it is not sustainable, from a modern commercial perspective, in terms of accessibility to and from core markets both regionally and nationally.
- 5.5 In the wider context therefore, the subject site is isolated from other employment areas within the borough (and beyond) and more importantly the strategic motorway networks. Ruabon itself is located outside of the prime (regional) market area (based on the M6 and A55 corridors)
- 5.6 However as evidenced at Vauxhall Industrial Estate and the Wynnstay Technology Park, Ruabon does attract a relatively healthy amount of operators to the area which suggests a considered amount of general B1/B8 space could be accommodated at the subject site, to cater to this particular market.

6. Drivers of Demand

Local Occupational Market Trends

- 6.1 Demand for employment sites is primarily a function of the occupational market and the banks propensity to lend. Given that the banks are currently exhibiting a limited appetite for lending for development purposes, developer demand for employment sites has largely evaporated. Furthermore, this situation has worsened due to:

Reluctance of developers to risk speculative development

There is virtually no prospect of speculative development until all the new build stock is occupied and, more importantly, until the banks are prepared to start lending again to the sector on sensible terms and loan to value ratios. In reality speculative development throughout the North Wales region and beyond on any substantive scale is several years away.

Profitability

Historically, speculative office developments are initially appraised to show a 20% return on cost. This allows scope for negative yield shifts and void periods allowing typical profits of 10% - 15%. In the present climate it remains, almost without exception, impossible to produce a profit as tenants generally don't offer 100% quality covenants. This impacts negatively on yield which in turn drives the rents up, which in turn prospective tenants won't pay and because of this the banks won't lend. This is generally true for schemes with or without the benefit of grant aid. The result is a perfect storm and a moribund development market. The same dynamics afflict the industrial development market.

Supply of good quality employment sites.

In the modern economy there is a strong preference for high quality sites with prominence, proximity to market, labour force, amenities, and good motorway, rail and airport connections. The subject site scores poorly in a micro context when measured against Wrexham Industrial Estate and Wrexham Technology Park. It also scores equally poorly in access to markets and the national motorway network given its remote distance from the M6 motorway.

- 6.2 At a local level, which is where the subject site sits, activity within the employment market can generally be categorised into four sources:

- (1) Requirements for small start-up units;
- (2) Requirements from smaller firms expanding;
- (3) Requirements for land on which to construct;
- (4) Requirements for vacant premises by investors who will speculate on lettings.

- 6.3 Sources 1 & 2 provide the vital seed corn for a flexible, vibrant economy but do not offer the covenant strength to support speculative development. Source 3 can be provided for by the provision of serviced plots either for self build or more commonly through developer packages. The problem for source 3 enquiries is that cost currently exceeds value by a substantial margin and this generally precludes development for all but the cash rich buyer who needs a business tool more than a property asset.
- 6.4 Source 4 enquiries typically represent the property company sector, where again financial liquidity and bank lending remains the overarching problem even at distressed values, with the number of cash buyers being very limited.
- 6.5 In the current economic climate, coupled with the banks' aversion to lending in the commercial property sector, occupational demand has decreased by about 50% since 2007 and whilst this has improved in the past two year demand levels remain approximately 40% down on 2007 levels and at distressed prices/rents.

7. Commercial Context

Strategic Economic Context and Viability

- 7.1 The banking crisis and deep economic recession has had a far-reaching effect on confidence in the property sector and as a secondary regional location, Wrexham will continue to feel the full force of the effects for a sustained period.
- 7.2 Bank lending loan to value ratios are at best 50%-60% for anything other than 100% location and Grade A covenants. Furthermore they are unlikely to return to 2007 levels within a decade if robust financial regulations of international standing are put in place.
- 7.3 In turn this means that the prospects for speculative commercial development remain poor for the foreseeable future. The only commercial development will be pre-lets / pre-sales where the combination of a prime location, a prime covenant and fundable lease terms or an agreement to purchase, will converge to ensure sensible loan support.
- 7.4 There is a natural and established hierarchy of values pertaining to all employment land and premises throughout the UK. This is based on prime, secondary and tertiary locations combined with prime, secondary and tertiary quality buildings and in the case of investments, prime, secondary and tertiary covenant strength being offered on sensible residual lease terms by the occupying company.
- 7.5 In the current climate it is virtually impossible to secure commercial development finance unless every aspect of the transaction is considered to be prime. This will not change for the foreseeable future and as the banks continue to unload their toxic property holdings, there will inevitably be further downward pressure on values as most of the purchase monies will have to be raised through existing cash resources.
- 7.6 Therefore, there are few sites in the North Wales/North West where investment will be supported. The prime sites are at key motorway intersections or established mainstream locations such as Warrington and Trafford Park, Manchester. From a development finance perspective, Wrexham borough is generally viewed as a secondary or tertiary area. It will not therefore be considered by investors in the prevailing market conditions, except perhaps where demand from a quality covenant exists or operators seeking freehold development opportunities whereby

the purchase of land and construction of space is not viewed as a property investment in the general sense but as a function of their specific operation. Therefore meaning the parameters such as a developers profit, rent and covenant strength are not a factor.

- 7.7 Even in prime locations there is a general issue with the rental levels, and yields needed to make development viable. This is due to the usual factors of land price; build cost; rent; lease term; covenant, yield and most importantly sentiment. This therefore makes investors/developers unable or at best reluctant to develop property even assuming there are pre lets or pre sales agreed. In simple terms rental levels required can be up to 50% greater than the market rent and freehold values 30 – 40% higher than current vacant possession market values..
- 7.8 This means that even in prime locations development is not viable unless there is a mixture of a long term lease and a tenant of good covenant, thereby enabling funding to be obtained. There is currently a total lack of interest from potential sources of funding throughout the UK (both banks and pension funds) for development that does not satisfy this criteria.
- 7.9 Build costs for prestige offices on high quality business park units as per the existing planning consent are currently around £100 - £125 per sq ft. Add in land value, planning fees, professional fees associated with construction, contingency, agents and solicitors, letting/sale/funding fees, developer's margin of 20% to allow for yield variations, rent free incentives, development finance, void period finance, business rates and total development costs will be in excess of £150 per sq ft. With freehold, vacant possession values for prime locations within the region achieving £120 - £130 per sq ft and rental levels at a minimum of £16.00 per sq ft schemes are unviable without cross-subsidy and/or public sector funding.
- 7.10 This highlights the scope of the problem and renders development all but impossible except on a build to suit basis for cash rich purchasers with specific requirements who are few and far between and can generally choose from a variety of sites across a wide region.
- 7.11 When this is applied to the subject site there is little immediate prospect of development, as per the existing planning permission, being viable due to its secondary location, the type of occupiers that will be attracted, the need to provided initial infrastructure to make the site developable and competition from other locations within the broader region.

- 7.12 The site however could be suitable for SMEs and indigenous businesses looking to expand, who generally serve the local region, or businesses that are not restrained by specific locational requirements. However this means tenants will tend to be the smaller local companies of mixed covenant strength who are probably only looking to commit to 3 – 5 year leases or to purchase and place into their own pension plan. This strategy will not produce the values required to make development viable when considering the site as a whole for this use and the infrastructure required to deliver the development opportunity. The only potential way this could be fundable is if any development is cross subsidised by higher value uses, in order to open up the site for development.

Local Property Market

Industrial Market

- 7.13 Due to the on-going poor market conditions, occupier demand within Wrexham remains weak, with low levels of transactions taking place due to a continuing lack of occupier confidence and lack of finance.
- 7.14 In line with the wider market context, industrial rents in the area have suffered during the past five years. Headline rents within Wrexham are typically £4.50 per sq ft depending on the quality, age and location of the accommodation. Smaller new build properties can command higher rental levels, however these are generally a function of the size of the units, with increased term flexibility for the tenant.
- 7.15 There is a lack of new build availability in the market for comparison purposes, however within the broader region headline capital values are currently at £60 per sq ft, however, actual achieved current values for modern new good quality industrial accommodation are between £45 - £50 per sq ft, with second hand stock struggling to command values over £30 per sq ft.
- 7.16 Occupiers within Wrexham and throughout the region are extremely "cost driven" in the current market and as a result the majority of Landlords have reduced their quoting rents in an attempt to secure lettings. We have provided below the current levels of inducement that a tenant may expect to receive in the current market:
- 3 year term certain - 9-12 months' rent free package
 - 5 year term certain - 15-18 months' rent free package

- 10 year term certain - 30-42 months' rent free package

- 7.17 The level of inducement will be dependent on the size of the letting, tenant covenant strength, lease length and headline rental agreed. The above inducement level ranges are indicative of what is currently being agreed within the industrial market.
- 7.18 According to Focus take up for all industrial space across the borough during the last 10 years (Nov 2003 to Nov 2013) is approximately 3,000,000sqft, of this approximately 320,000sqft was new or refurbished space, with 200,000sqft attributed to one single occupier. This represents an annual take up of new/refurbished space of 32,000 sqft pa within the borough of Wrexham.
- 7.19 According to Focus, there is currently no new or refurbished space immediately available within the borough, with opportunities being generally limited to second hand stock and development land on which to construct.
- 7.20 Focusing more closely on Ruabon itself, there is currently 127,000sqft (approx.) of warehousing space available within the locality, which consist of two units located at Vauxhall Industrial Estate of 77,000sqft and 17,500sqft and one unit available at Coppi Industrial Estate or approximately 32,000sqft.
- 7.21 The current available space does not cater for the SME market and therefore the provision of such would complement the offering in the area.

Office Market

- 7.22 The main office locations within the Wrexham Borough are focused towards the centre of Wrexham or on Wrexham Technology Park.
- 7.23 Wrexham is not a traditional office location and therefore suffers from a distinct lack of demand from office occupiers who concentrate their efforts on purpose built business parks within Chester, Liverpool, Manchester and Warrington which provide better communications to the national motorway links.
- 7.24 Occupier demand within Wrexham remains weak and although there has been an increase in enquiries and take up in other sub regional office locations, this has not filtered through to the Wrexham.
- 7.25 Ruabon as a prestige office location is considered totally unviable in the sort term due to lack of large office occupiers being located within the area coupled with its position within Wrexham which is not as accessible to the national motorway network.

- 7.26 Ruabon is dominated by residential dwellings and historic manufacturing businesses and has no history of office activity. However due to the lack of availability of ready to go sites within the borough, with the delivery of Wrexham Technology Park Phase III subject to a substantial requirement of public sector funding, there will be an opportunity for the subject site offer an alternative location to accommodate such requirements albeit on a limited scale.
- 7.27 There is no prospect of speculative office development in Ruabon due to the disparity between total development costs and achievable values. However by providing the initial infrastructure to enable serviced plots to be available to the market interest may be able to be generated if certainty of delivery could be improved.
- 7.28 According to Focus take up for all office space across the borough during the last 10 years (Nov 2003 to Nov 2013) is approximately 425,000sqft, of this approximately 107,000sqft was new or refurbished space. This represents an annual take up of new/refurbished space of 10,700 sq ft pa within the borough of Wrexham.
- 7.29 As of November 2013 there was currently 46,000sqft of new or refurbished office space available for immediate occupation within the borough, of this 32,500sqft was available for both leasehold or freehold purchase.

8. Site Specific Conclusions

- 8.1 Drawing together the planning policy overview and evidence base assessment presented in the previous sections, it is considered that there is overriding support for the proposed development based on the mix of uses as described in Section 1 on the site. This is provided for on the following basis:

Statutory Development Plan

- 8.2 The existing UDP was adopted in February 2005 and the subject site is simply identified as being a site with planning permission for employment use and despite its extant consent at the time for B1 Business Park (High technology, manufacturing, R&D and development of Prestige Offices) only, it is not listed within Policy E2 as being suitable for this particular use.
- 8.3 Policy E1 states that identified sites must be converted into development and job opportunities through a programme of infrastructure provision and promotion by public and private sector agencies, at the current climate public sector funding is limited and private sector investment is being concentrated on the core regional areas, as such the only way the required infrastructure can be provided in order to make the subject deliverable for any scale of employment use with classes B1,B2, B8 is by cross subsidy from higher value uses.
- 8.4 Policy S8 (Shopping Development within Defined Employment Areas) states that development for retail or other uses on land allocated for employment will only be permitted where it can be demonstrated that the loss of employment land would not result in limiting the range and quality of available employment space.
- 8.5 The existing extant consent is undeliverable in the current market with the subject site consent since 1995. The proposed development as described in Section 1, will provide the opportunity for part of the site to come forward for pure employment uses, more akin to the locality, through potential cross- subsidy by provision of a foodstore and by creating a sustainable location for employers and employees through the delivery of housing, which is an opportunity that does not currently exist.

Planning Policy Wales

- 8.6 Chapter 7, Economic Development of PPW states that local planning authorities should seek to guide and control economic development to facilitate regeneration and promote social and environmental sustainability by aligning jobs and services

with housing to reduce the need for travel, especially by car. This is further highlighted in Chapter 9 Housing, where it states that local planning authorities should promote mixed use development so communities have good access to employment, retail and other services.

- 8.7 It is clear that the proposed development adheres and supports Planning Policy Wales as it offers a range of services and employment opportunities alongside housing.
- 8.8 Planning Policy Wales also states that planning authorities should adopt a positive approach to applications for economic development and its likely economic benefits with key factors being the numbers and types of jobs expected to be created and the enhancement of employment opportunities. The proposed development has the potential to create in the region of 1,200 jobs (not including construction jobs or taking into account potential displacement of existing jobs) across a wide range of employment opportunities from B1/B2 to retail, leisure, care and school.

Wrexham Employment Sites Study

- 8.9 The Wrexham Employment Sites Study was produced in 2007, before the economic downturn, and a vast majority of the sites identified as being available are still available today due to the lack of development undertaken during the last 5 years.
- 8.10 The subject site is identified as being potentially suitable for high quality business park use and also warehousing and distribution. However it is clear that its deliverability as a high quality business park is questioned throughout the document based on its location to the south of Wrexham being unable to attract the quality of occupiers required to deliver such a scheme and is recommended that alternative sites are sought.
- 8.11 However the site scores well on a number of other constraint issues and there may be an opportunity to capture a limited amount of demand due to the lack of other available sites.

Market and Commercial Context

- 8.12 As evidenced in Sections 6 and 7 the subject site is not situated in a prime location able to attract high quality office occupiers or strategic industrial operators due to its distance from the core regional hubs and national motorway network. The site is more suitable for the delivery of business space to indigenous local businesses and Small to Medium Enterprises as seen at Vauxhall Industrial Estate with demand coming from

existing companies within the area and also potential start-up businesses created by a new demographic as a result of new housing provision.

- 8.13 While the potential for the site to attract higher end or more established office occupiers is difficult to assess, as they will be opportunity driven, there may be interest from this sector due to the lack of available opportunities in the wider area and the potential of a new housing scheme providing a larger workforce catchment will improve this possibility.
- 8.14 The proposed scheme provides up to 139,000 sqft of B1 space, which could come forward as a mix of office and light industrial space and up to 50,000sqft of B8 space. Assuming all proposed B1 space comes forward as offices this would provide a potential 4.34 years' of supply based on average annual take up of new build office space of 32,500sqft pa across the whole borough.
- 8.15 With regards to B8 space, 50,000sqft would equate to approximate 1.5 years supply based upon an average take up rate of 32,000sqft pa across Wrexham as a whole. However we note that there are a number of sites in particular Kingmoor Park with planning permission for in excess of 500,000sqft of warehouse/distribution space and therefore believe that the provision of B8 space should reflect the locally driven demand as the site is not located within easy reach of the core distribution networks required by national large scale operators.
- 8.16 We therefore conclude that the proposed development provides the greatest opportunity to deliver a wider range of employment uses, including those outside of the core employment classes, on the subject site and the wider economic benefits, as described in Planning Policy Wales, of the proposed development are not currently achievable based upon the sites current extant consent.

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