

[REDACTED]  
Rother District Council  
Town Hall  
Bexhill on Sea East Sussex  
TN39 3JX

Our Ref: Sh/hc/166p  
Contact: [REDACTED]  
Date: 2<sup>nd</sup> November 2017

Dear [REDACTED]

**Your reference – Beckley DaSA  
Land at the former Manroy Engineering Works, Hobbs Lane**



I am writing in response to your letter addressed to my clients [REDACTED] dated 9<sup>th</sup> October 2017.

I have been instructed on behalf of the owners to reply on their behalf.

Please find attached a copy letter addressed to my clients for your attention.

I trust the information contained is sufficient to assist you in assessing the suitability of the site for residential housing but should you have any questions then please do not hesitate to contact me.

With kind regards

Yours sincerely

[REDACTED]  
Simon Hunt  
Director  
E: [REDACTED]

Our Ref: Sh/hc/166p  
Contact: [REDACTED]  
Date: 1<sup>st</sup> November 2017

[REDACTED]

By email only: [REDACTED]

Dear [REDACTED]

**RE: Former Manroy Engineering Works, Hobbs Lane**

Thank you for confirming your approval of our fee quote and instructions to proceed with the report in response to the letter from Rother District Council dated 9<sup>th</sup> October 2017 from [REDACTED]

You have asked us to provide a report to support the site's consideration under the proposed future land usage for residential housing supply that is currently under review by Rother District Council.

I am pleased to report my views as detailed below for your information.

#### **The Site**

The site comprises an industrial premises measuring approximately 640 sq m over ground and first floor and is largely made up of bespoke cellular manufacturing and testing on the ground floor with first floor offices and mezzanine storage.

Externally the property offers hard standing/parking to the front, side and rear with a limited loading bay area.

We understand the premises benefit from 3 phase electricity, gas and has mains water supply but does not benefit from mains waste.

The premises have been vacant since the business was sold in 2011 despite marketing efforts from several agents to find an occupier.

#### **Condition**

Whilst my report is not to comment on the structural condition of the premises it is noted that the building is somewhat tired reflecting the fact the property has not had any form of investment for several decades and that the premises have been empty for the last 6 years. The building is in a

dilapidated state and requires substantial investment in order to bring it into a condition fit for purpose.

The letter from Rother Council raises specific points and I have covered these in my responses below.

***Could the site/ building be viably reused for business use?***

In our opinion the building is no longer fit for purpose. The building has undergone major alterations over its history to the point it is too bespoke in its lay out specific to the military based industrial production business previously in occupation. The cost of stripping out and making good the unit would not be financially viable.

The current market rent for the premises in our opinion is capped at £3 per sq ft for the ground floor and £2 per sq ft for the first floor which is consistent with the Valuation Office rateable value published on their website, reflecting the age, amenities and location of the premises.

The location of the premises is considered remote. There is limited staff work pool availability within the immediate area and public transport links to the site are poor. Employees would be wholly dependent on private vehicle transportation.

A salary for basic manual labour in factories is often at the minimum wage level making it difficult to recruit and sustain a workforce with commuting costs so high.

The premises offer accommodation over several ground floor split levels making flow line production difficult to acquire. The building also suffers from other poor amenities that include limited eaves height and a high first floor mezzanine office area further restricting height clearance.

The accommodation is located towards the end of an established residential lane. Due to the close proximity of residential, employment generating uses would be limited in the type and hours of use.

The condition of the property given its age reflects a need for substantial reinvestment making it unviable for its continued employment generating uses.

***Viable redevelopment for alternative business uses (i.e. demolition of existing and construction of new business units subject to planning)***

We would consider redevelopment of the site for continued business use not to be financially viable given the cost of demolition and the cap on rental and capital values realistically achievable given the size and location of the site.

Whilst the quality of the accommodation would be greatly improved to modern standards its location and limited public transport access make it difficult to recruit/retain staff. Access to the site is rather limited due to the width of the lane which will deter larger occupiers and suppliers from considering the premises given the need for regular articulated lorry loads.

The vehicular and noise impact on the residents would be unacceptable

***Viability to redevelop for mixed use subject to planning (part residential part commercial or community use)***

Community uses tend to operate on a limited budget and are often run by volunteers given the lack of sufficient capital to cover operational and employment costs.

The area has a low scattered residential population and so one would question the need for a facility in such a remote location.

***Mix of residential and commercial development***

We consider that the site is not sufficient in terms of size to create the critical economic scale to produce sufficient profits to cover the losses made in constructing commercial units. As previously mentioned, the site's remote location, lack of demand and thus low rental/capital values bring me to the conclusion that a mixed scheme is not a feasible option moving forward.

***Redevelopment for affordable housing***

There are number of points to consider here the first of which is whether the location of the site is suitable for affordable housing. Occupiers of affordable housing presumably will be on limited income and would prefer locations where employment, public transport and urban amenities are easily accessible. I therefore question the suitability of such a remote location for affordable housing.

The value of the site is somewhat diminished for redevelopment for wholly affordable housing to an extent that it would be below that of the value of the existing buildings. A land owner will not sell a site for less than the existing use value despite the lack of demand. This would leave the site in a state of limbo, missing the opportunity to bring forward a sustainable development with the existing buildings deteriorating further.

***Details of marketing undertaken in the past***

We have not been involved in the marketing of the site however Hunt Commercial have over 70 years experience exclusively within the commercial property sector offering a range of services from traditional agency to development consultancy, building surveying and planning.

We note that the site was marketed by several local agents in the past although such information is now lost as files were closed following lack of interest.

The vast majority of business operators require close proximity to main A roads on established business park estates, good public transport links and densely populated residential areas in order to provide sufficient work force.

Sites that satisfy the above requirements are able to command rental and capital values sufficiently high enough to support development providing much needed quality employment space.

However rural locations lack these essential amenities which make it impossible to speculatively build business units due to lack of demand as poor rental and capital values.

Even in areas where that are densely populated with good public transport, the question of financial viability is still uncertain as proven by the Swallows Business Park, Lower Dicker, north of Hailsham in East Sussex and Eastside Business Park in Newhaven.

Both schemes have been subject to a LEP grant funding to the tune of circa £1.5 million each to make the schemes financially viable to build. Without this essential funding from government these schemes would remain un-built with subsequent loss of job creation opportunities.

It is our considered opinion that the site is only viable for redevelopment for housing under the normal quotas for private housing. Any deviation from this would bring in to question the viability of the scheme leaving the site remaining redundant and unutilised.

I trust the above report is sufficient for purpose but should you have further questions then please do not hesitate to contact me.

Finally I have pleasure to enclose my fee invoice for your kind attention.

With kind regards

Yours sincerely



Director

E: 