

[REDACTED]

Rother District Council
Town Hall
Bexhill on Sea East Sussex
TN39 3JXOur Ref: Sh/hc/166p
Your Ref: Beckley DaSA
Contact: [REDACTED]
Date: 17th January 2018

By email only [REDACTED]

Dear [REDACTED]

Land at the former Manroy Engineering Works, Hobbs Lane

Further to recent correspondence concerning the above site, I am writing to provide further commentary specifically regarding the council's economic development manager's queries concerning the marketing of this site and the financial viability calculations.

I have spoken with the vendor, [REDACTED] who confirmed [REDACTED] Head of Commercial Agency at Meridian Surveyors based in Battle was instructed to market the premises in the hope of finding a suitable tenant.

We are advised that the premises were marketed for a period of in excess of 12 months using primarily online marketing mediums given these are proven to be the most effective forms of marketing. A number of generic industrial enquiries were received and the site was offered along with other factories matching the requirements which did not result in any offers being submitted. This was due to a number of reasons that include:-

- The location of the premises is considered too remote from built up residential staffing pools making the recruitment of low paid staff difficult given the commuting costs and lack of good public transport
- The layout of the building is bespoke to the original occupier needs with the ground floor split over several levels and is heavily sub divided which collectively makes the space very inflexible.
- Access – Applicants voice concerns regarding the lanes ability to accommodate regular heavy goods vehicle access and turning space.

- Loading bay. The loading door faces the lane and the loading bay is very narrow resulting in HGV loading difficult without blocking half the lane, severely impacting access for neighbouring residential properties and applicants were concerned that residents would subsequently complain to the local authority adversely affecting the business operational needs.
- The condition of the property is very dated having not benefitted from any major investment/refurbishment for several decades. Applicants prefer modern energy efficient premises.

In terms of calculations to establish the viability element we have not been instructed to provide a formal valuation and therefore I cannot produce a report to this extent.

However in broad terms the buildings would require in the region of £40-£50 per sq ft invested in them to bring them back into a lettable condition. With current rental levels at £3 for the ground floor and £2 for the first floor, recouping the capital expenditure would take in the region of 16 years assuming the premises were fully occupied during this time. This of course ignores the fact there would be no income from the property also during this period.

Taking into account the lack of demand and the long void periods in finding tenants simply makes the possibility of refurbishment financially not viable.


If one were to consider a change of use to other commercial uses such as offices we believe there is insufficient parking onsite to accommodate such a use first and foremost. There is a distinct lack of demand for offices for the last decade within the Sussex area. This is also confirmed by virtue of the fact that the government's national policy on permitted development rights went from being a 3 year temporary policy to permanent policy.

There is insufficient demand for retail uses and I suspect the council would object to a retail use in this location. Retailers will only consider locations either on busy main roads with easy parking or densely populated areas.

I trust the above comments are sufficient for purpose and look forward to hearing from you in due course.

With kind regards

Yours sincerely



Director

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