

Marketing Statement

Old Malthouse, St Johns Road, Banbury

on behalf of Morrison Property Consultants Limited

Prepared by:

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October 2017

1.0 Introduction

- 1.1 The statement has been prepared to examine the need for the application site to be retained for employment development. This is in response to a request from the Council's case officer for the planning application that evidence is submitted regarding the potential future need for the employment site and also evidence regarding the marketing of the site for employment development and the level of interest generated. Such evidence would be weighed against the need for the site to be developed for housing.
- 1.2 The statement will first examine the planning policy background to the employment land need and supply; then it will make an assessment of the employment land supply over the next five years; it will then summarise the marketing exercise carried out for the site (the full details being provided as an appendix) and conclusions will be drawn.
- 1.3 The Old Maltings, formerly called the St. John's Works, lies on the south side of St. John's Road just to the south of the main town centre. Just to the east of the site is the South Bar. The site is located within walking distance to key facilities and shops. The site is located in southern Banbury, which is positioned at Junction 11 of the M40 London to Birmingham Motorway.
- 1.4 Access to the site is from St. John's Road, which provides access to both front and rear parking for the site. The proposal is sited in a well-established residential area and neighbourhood.

2.0 Planning Policy Context

2.1 Relevant planning policy is contained in the National Planning Policy Framework and the Development Plan. In this case the Development Plan comprises the saved policies from the Cherwell Local Plan 1996, the Cherwell Local Plan 2011-2031 (Part 1) and associated Supplementary Planning Documents ('SPDs'). The relevant policies will be discussed below.

National Planning Policy Framework

2.2 The National Planning Policy Framework (NPPF) sets out that the presumption in favour of sustainable development is a 'golden thread' running through planning policy making and decision taking. Proposals that accord with the development plan should be approved without delay. Where the development plan is absent, silent or relevant policies are out of date then planning permission should be granted unless, when assessed against the policies of the NPPF as a whole, the adverse effects of doing so significantly and demonstrably outweigh the benefits or specific policies in the NPPF indicate that development should be restricted.

2.3 In terms of employment land policy, the NPPF guides at paragraph 22 that planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

Cherwell Local Plan

2.4 Policy SLE1 of the Cherwell Local Plan Part 1 (2015) states that: In cases where planning permission is required existing employment sites should be retained for employment use unless the following criteria are met:

- the applicant can demonstrate that an employment use should not be retained, including showing the site has been marketed and has been vacant in the long term.
- the applicant can demonstrate that there are valid reasons why the use of the site for the existing or another employment use is not economically viable,
- the applicant can demonstrate that the proposal would not have the effect of limiting the amount of land available for employment.

2.5 Regard will be had to whether the location and nature of the present employment activity has an unacceptable adverse impact upon adjacent residential uses. Regard will be had to whether the applicant can demonstrate that there are other planning objectives that would outweigh the value of retaining the site in an employment use.

3.0 Site History and Context

- 3.1 This chapter provides an overview of the building and its marketing.
- 3.2 In 1991 the building was owned by Alcatel Business Systems Limited, and leased to Spare Parts Limited, on a 25 year lease. A copy of the lease is included in appendix 1).
- 3.3 In 2012/2013 Spare Parts vacated the building and the lease was taken over by WRAP the recycling charity.
- 3.4 In early 2016 WRAP notified Alcatel that it intended to vacate the building. WRAP moved their operations to Blenheim Court in Banbury. They vacated the building in March 2016.
- 3.5 The building has been vacant for over 18 months.
- 3.6 The owners appointed Banbury agents Whites, to market the property from July 2016. The building was offered to let as an office. A copy of the particulars is included in appendix 2.
- 3.7 In February 2017 Whites marketed the building for sale as an office or with potential for redevelopment. A copy of the particulars is included in appendix 3.

Marketing

- 3.8 The building has been marketed since July 2016 by Whites Commercial agents, who are one of the most prominent agents in Banbury and the local market.
- 3.9 The market campaign included mailshots to interest parties, display board on the building. Adverts on key websites including:

- Estates Gazette Property Link
- Rightmove Commercial
- Showcase
- Primelocation
- Realta
- Whites own website.

3.10 Examples of the website marketing is illustrated below

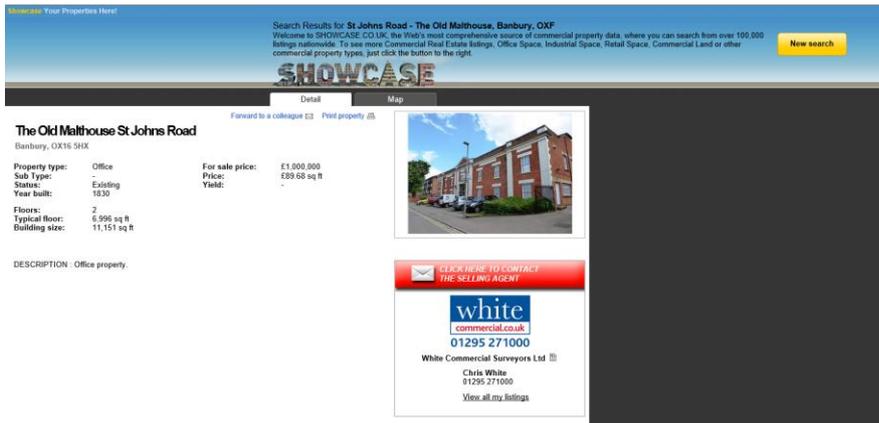
Prime location

The screenshot shows a PrimeLocation website listing for an office for sale. The header includes the PrimeLocation logo and navigation links such as 'For sale', 'To rent', 'Sold prices', 'New homes', 'International', 'Find agents', and 'Advice'. The main content area features the property title 'Office for sale in St Johns Road, Banbury OX16' and the price 'Offers over £1,000,000 (£109.17/sq. ft)'. A 'Sold STC' banner is visible above a large photograph of the brick building. To the right, there is a 'Marketed by' section for 'white commercial.co.uk' and contact information for White Commercial, including a phone number '01295 590628' and an 'Email agent' button. A 'Baratt' advertisement for a new home is also visible on the right side.

White

The screenshot shows a White Commercial website listing for an office for sale. The browser address bar displays the URL 'https://whitecommercial.co.uk/property/the-old-malthouse-st-johns-road-banbury-ox16-5hw/'. The website header features the White Commercial logo and the text 'COMMERCIAL PROPERTY CONSULTANTS'. Below the header is a large photograph of the brick building, identical to the one in the PrimeLocation listing.

Showcase.co.uk



- 3.11 Within the period of marketing to let there were a number of enquires and three site viewings. However, none of these progressed to offers as parties felt that the layout and quality of the building didn't meet their requirements. The building is in a poor condition compared to other buildings on the market in the local area. The building failed to meet the current requirement of open plan offices which allow for staff integration and easier management.
- 3.12 During the period of marketing for purchase, again there was little interest in the building. The predominant interest in the building was for conversion to residential. In September 2017 the building was purchase by the applicant of this application.
- 3.13 With regard to the decision for WRAP to vacate the building the facilities manager stated:
- "From commencement, it never felt good. The building was deep plan and could not be adapted to efficient office space due to the location of supports and historic elements. The cost of heating is almost double our new modern offices on ft2 basis. It was impossible to make any improvements due to its Grade 2 listing. We were all very happy to move into 'fit for purpose' accommodation"
- 3.14 The below photographs provide an overview of the internal conditions of the buildings.



- 3.15 Within the current market in Banbury there is considerable alternative commercial space which is fit for purpose and has been developed in recent years close to the M40 and on commercial business parks which is most desirable to prospective leases

and purchases. A search of the respective websites and industrial website Costar demonstrates considerable supply in Banbury.

4.0 Conclusion

- 4.1 This statement has demonstrated that there is a large supply of good quality employment sites in the Cherwell Borough. A number of sites offer greater opportunity for employment development than the application site, both due to their condition and location.
- 4.2 Given the lack of take-up of the application site for employment purposes, despite extensive and lengthy marketing, it is considered that the site is not suitable to meet the needs of the market in this context. The property has been marketed for over 16 months and been vacant for a year – with no interest in using the building for commercial purposes.
- 4.3 Feedback from the agents, previous tenants and the speculative viewers, is that the building is no longer fit for current employment demands due to its shape and quality. The cost of the necessary improvements would be substantial and would be limited by the listing on the building.
- 4.4 The proposals would comply with Policy SRP1 of the Local Plan since consideration has been given to the employment land supply; the suitability of the site for employment use and the demand for the proposed use has been demonstrated.
- 4.5 In accordance with the presumption in favour of sustainable development in the NPPF and adopted development plan, planning permission should be granted for housing proposals unless the adverse impacts significantly and demonstrably outweigh the benefits. In this balancing exercise, it is considered that the weight attached to the retention of the site for employment purposes is limited. It is far outweighed by the substantial and urgent need to deliver housing in the borough.

Appendix 1: Lease agreement

Title Number : ON146650

This title is dealt with by HM Land Registry, Gloucester Office.

The following extract contains information taken from the register of the above title number. A full copy of the register accompanies this document and you should read that in order to be sure that these brief details are complete.

Neither this extract nor the full copy is an 'Official Copy' of the register. An official copy of the register is admissible in evidence in a court to the same extent as the original. A person is entitled to be indemnified by the registrar if he or she suffers loss by reason of a mistake in an official copy.

This extract shows information current on 15 SEP 2017 at 18:03:11 and so does not take account of any application made after that time even if pending in HM Land Registry when this extract was issued.

REGISTER EXTRACT

Title Number	: ON146650
Address of Property	: The Old Malt House, St Johns Road, Banbury (OX16 5HX)
Price Stated	: Not Available
Registered Owner(s)	: ALCATEL BUSINESS SYSTEMS LIMITED (Co.Regn No.2650571) of Frimley Business Park, Camberley, Surrey, GU16 5SG.
Lender(s)	: None

Title number ON146650

This is a copy of the register of the title number set out immediately below, showing the entries in the register on 15 SEP 2017 at 18:03:11. This copy does not take account of any application made after that time even if still pending in HM Land Registry when this copy was issued.

This copy is not an 'Official Copy' of the register. An official copy of the register is admissible in evidence in a court to the same extent as the original. A person is entitled to be indemnified by the registrar if he or she suffers loss by reason of a mistake in an official copy. If you want to obtain an official copy, the HM Land Registry web site explains how to do this.

A: Property Register

This register describes the land and estate comprised in the title. Except as mentioned below, the title includes any legal easements granted by the registered lease but is subject to any rights that it reserves, so far as those easements and rights exist and benefit or affect the registered land.

OXFORDSHIRE : CHERWELL

- 1 (23.12.1991) The Leasehold land shown edged with red on the plan of the above Title filed at the Registry and being The Old Malt House, St Johns Road, Banbury (OX16 5HX).
- 2 (23.12.1991) Short particulars of the lease(s) (or under-lease(s)) under which the land is held:
Date : 14 November 1991
Term : 25 years from 21 October 1991
Rent : £135,000 and insurance rent subject to review
Parties : (1) Rarespares Limited
(2) Alcatel Business Systems Limited
- 3 (23.12.1991) There are excepted from the effect of registration all estates, rights, interests, powers and remedies arising upon, or by reason of, any dealing made in breach of the prohibition or restriction against dealings therewith inter vivos contained in the Lease.
- 4 Unless otherwise mentioned the title includes any legal easements granted by the registered lease(s) but is subject to any rights that it reserves, so far as those easements and rights exist and benefit or affect the registered land.

B: Proprietorship Register

This register specifies the class of title and identifies the owner. It contains any entries that affect the right of disposal.

Title absolute

- 1 (25.02.1993) PROPRIETOR: ALCATEL BUSINESS SYSTEMS LIMITED (Co.Regn No.2650571) of Frimley Business Park, Camberley, Surrey, GU16 5SG.

End of register

Appendix 2: July 2016 Particulars

The Old Malthouse St Johns Road, Banbury OX16 5HX



- **Quality Office Accommodation**
- **995 sq ft – 9,160 sq ft**
- **Grade II Listed Building**
- **29 Car Parking Spaces (20 spaces provided in the covered area to the rear of the ground floor)**

WHITE COMMERCIAL SURVEYORS LTD

Charter Court, 49 Castle Street
Banbury, Oxfordshire, OX16 5NU

01295 271000

whitecommercial.co.uk

white
commercial.co.uk

LOCATION

Banbury is conveniently positioned at Junction 11 on the M40 London to Birmingham Motorway.

Strategically situated close to the inner relief road and to the town centre, The Old Malt House affords excellent access to the retail centre and the established professional areas of South Bar and West Bar.

DESCRIPTION

The Old Malt House, a Grade II listed building was built by the Austin Brewery Company as a malting house in 1850. Behind its attractive façade has been created a spacious office building finished to a very high standard. The interior of the development is of modern design and can provide up to six self-contained prestige office suites which can be let as single units in combinations or as a whole. Each unit has its own fitted kitchen and male/female WC facilities.

The premises are unique within the town in the creation of good modern office space whilst retaining much of the character of The Old Malt House features.

Twenty-nine car parking spaces are provided with the unit, 20 of which are in the covered area to the rear of the ground floor.

ACCOMMODATION AND TERMS

We have measured the property in accordance with the RICS code of practice and calculate that the net internal area as follows:

Floor	(Suite)	Sq ft	Sq M
Ground	1	690	64.1
Ground	2	1,000	92.9
First	3	1,785	165.8
First	4	2,100	195.1
First	5	2,354	218.7
Second	6	1,216	113.0
TOTAL		9,160	850.9

The premises are available on an effective full repairing and insuring lease at £100,760 per annum exclusive plus VAT which is payable in addition at the standard rate.

Alternatively, parts of the building could be made available in suites.

SPECIFICATION & PLANS

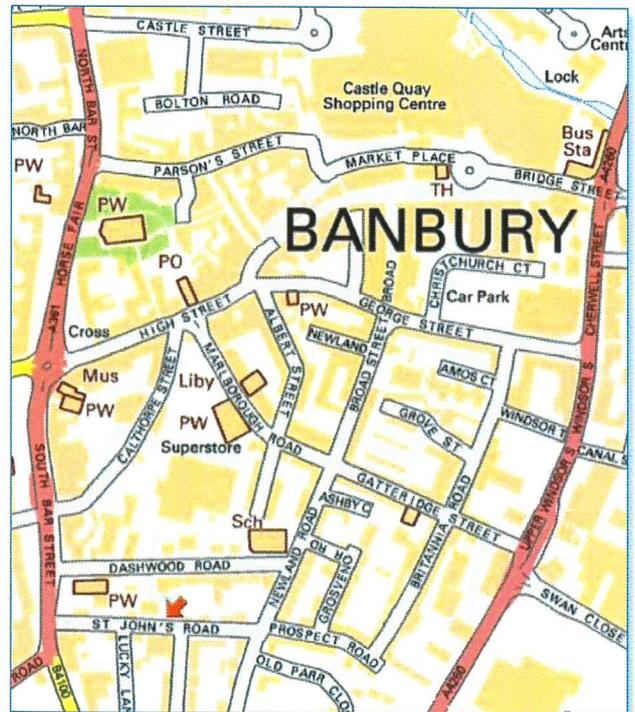
Planning permission was granted for the use of the building as offices on 13th July 1989.

SERVICE CHARGE

An accountable service charge for the maintenance of common areas, electricity, heating etc would be payable in the event of part lettings.

LEGAL COSTS

Both parties are able to pay their own legal costs in the transaction with both parties sharing any landlord's legal costs.



RATEABLE VALUE

We understand from the Valuation Office 2010 Rating List that the rateable value for the whole of the property is £58,500. Further information regarding rates payable is available from White Commercial Surveyors.

VAT

All prices and rents quoted exclude any VAT that may be chargeable. VAT is charged on rent.

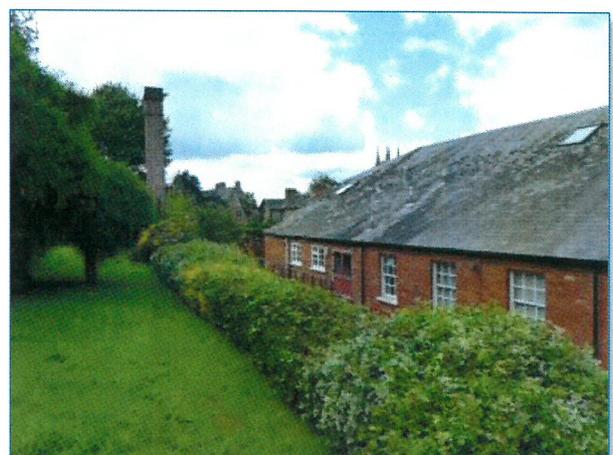
VIEWING & FURTHER INFORMATION

Viewing strictly by prior appointment with White Commercial Surveyors.

Contact: Chris White BSc, MRICS, MCI (Arb)

Email: chris@whitecommercial.co.uk

Tel: **01295 271000**



W773

VIEWING AND FURTHER INFORMATION

Viewing strictly by prior appointment with White Commercial Surveyors.

These particulars are intended as a guide and must not be relied upon as statement of fact. They are not intended to constitute part of any offer or contract. July 2016

white
commercial.co.uk

01295 271000

Appendix 3: February 2017 Particulars

**Prominent Office Building with Potential Residential Conversion Opportunities
Including Site with Planning Permission for Three Bed House
The Old Malthouse, St Johns Road, Banbury, OX16 5HX**



**FOR SALE - Offers invited in excess of £1 Million
c. 11,151 sq ft GIA Office Building (Whole Site - 0.46 acres)**

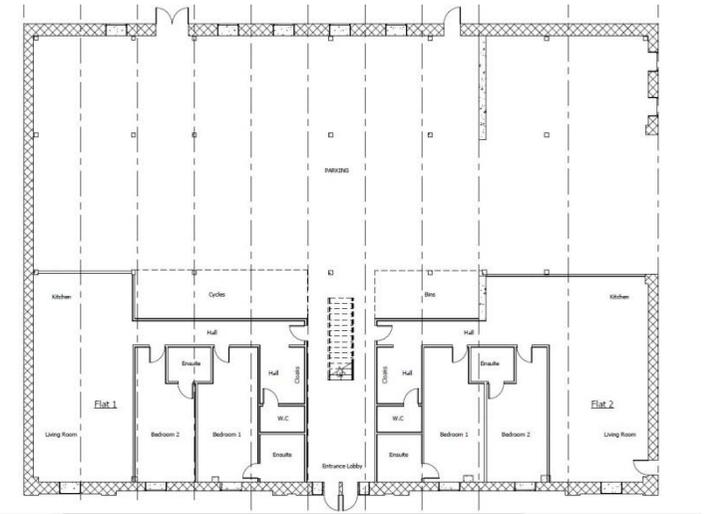
WHITE COMMERCIAL SURVEYORS LTD

01295 271000

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white
commercial.co.uk

Proposed plans in respect of redevelopment of The Old Malthouse to Flats (14 Flat scheme)



① 3D 1st floor 1

② 3D 1st floor 2

Full floor layout plans available upon request

VIEWING AND FURTHER INFORMATION

Viewing strictly by prior appointment with the agents.

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white
commercial.co.uk

01295 271000



LOCATION

Banbury is conveniently positioned at Junction 11 of the M40 London to Birmingham Motorway.

Strategically situated within an established residential area close to the inner relief road and to Banbury town centre, The Old Malthouse affords excellent access to Banbury Town and the established professional areas of South Bar and West Bar.

DESCRIPTION

The Old Malthouse is a Grade II listed building which was built by the Austin Brewery Company as a malting house in c. 1830 and converted to offices in the 1990's.

Twenty-nine car parking spaces are currently provided with the unit, twenty of which are in the covered area to the rear of the ground floor where there is also a storage area.

SERVICES

All main services are provided to the property, excluding gas. None of the above services have been tested by the agents.

DEVELOPMENT POTENTIAL

Plans have been drawn up for the conversion of the main Old Malthouse to either 10 (11,894 sq ft) or 14 flats (13,229 sq ft). Full plans are available from White Commercial.

PLANNING FOR 3 BEDROOM HOUSE

Planning permission was granted in 2015 for a three bedroom house to be built at the rear of the premises. For more information please visit Cherwell District Council planning portal re. Application No. **15/01389/F**.

TERMS

The premises are available on a freehold basis and unconditional offers in excess of £1,000,000 are invited.

VAT

All values quoted exclude VAT which is payable in addition.

LEGAL COSTS

Each party to be responsible for their own legal costs incurred in the transaction.

ACCOMMODATION

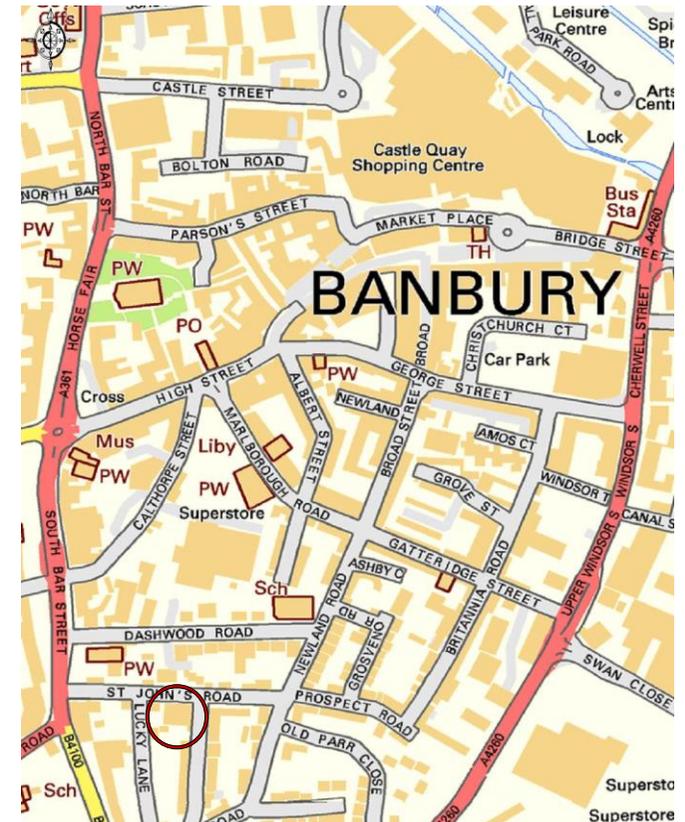
The sum of the individual office suites is circa 9,160 sq ft and the whole site area measures 0.46 acres (including the site for the 3 bedroom house).

VIEWING & FURTHER INFORMATION

Viewing strictly by prior appointment with White Commercial Surveyors.

Contact: Chris White BSc, MRICS, MCI (Arb)

Email: chris@whitecommercial.co.uk



VIEWING AND FURTHER INFORMATION

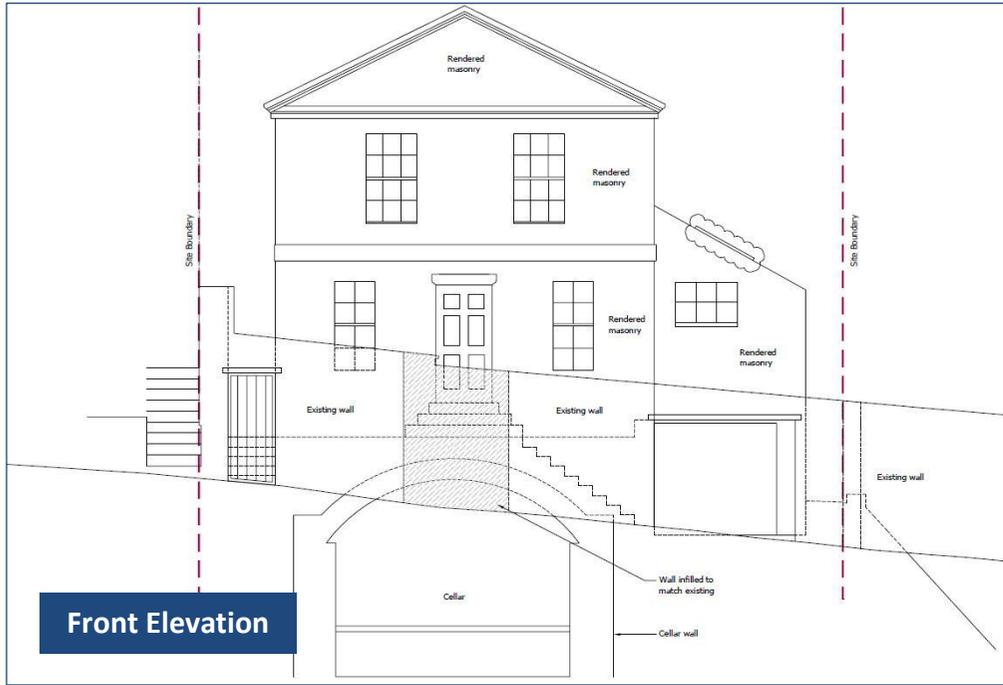
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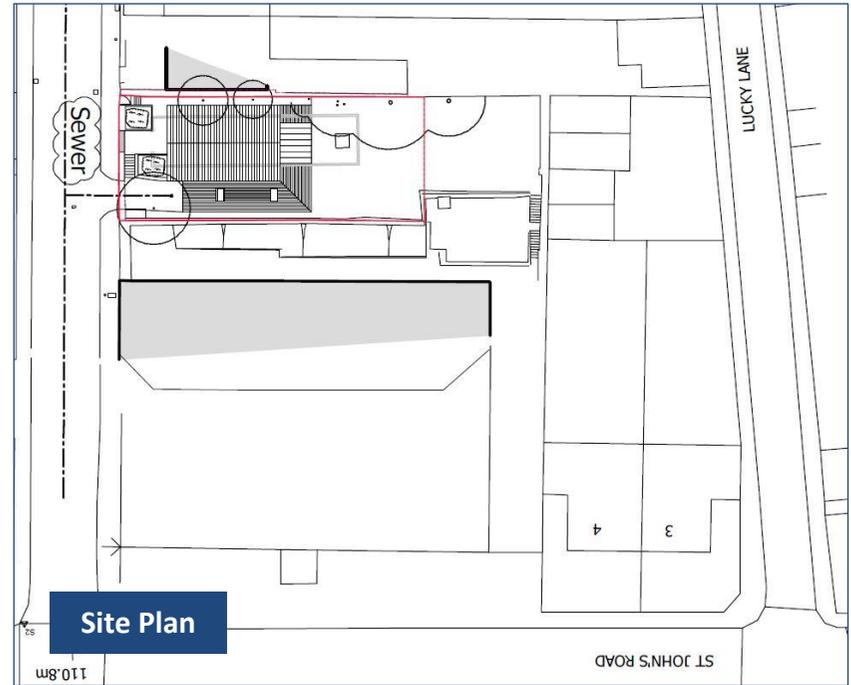
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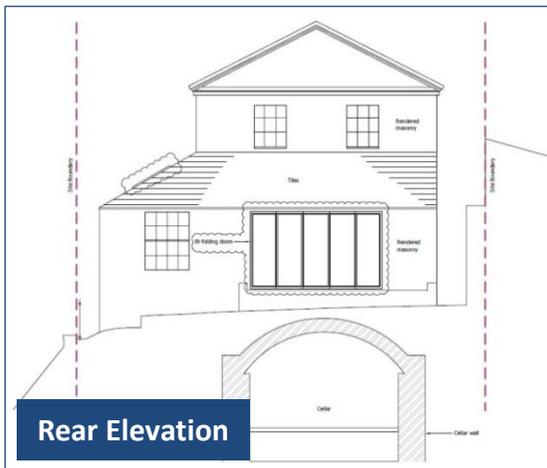
Plans in respect of Planning Application no. 15/01389/F - Three Bedroom House in the grounds



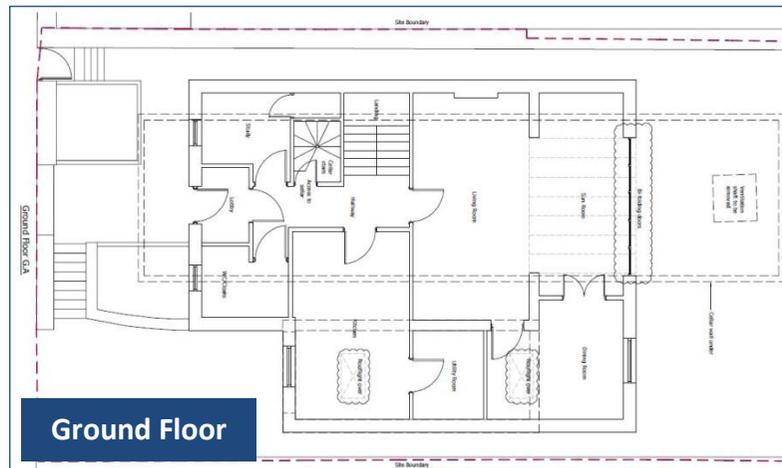
Front Elevation



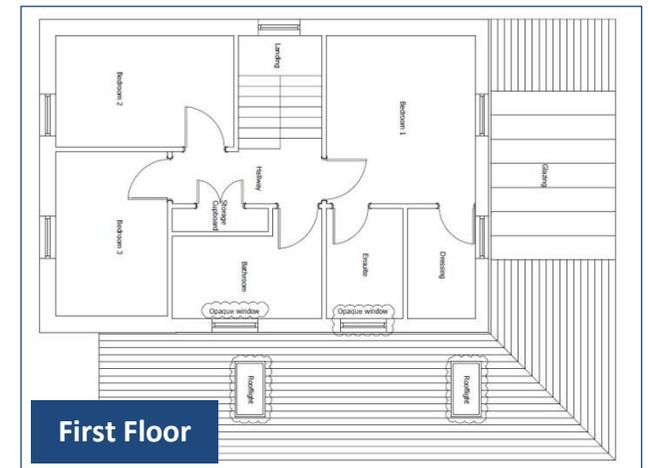
Site Plan



Rear Elevation



Ground Floor



First Floor

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VIEWING AND FURTHER INFORMATION

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