

MARKETING STATEMENT

ON BEHALF OF MNRE

Ref: 16/0267/OUT

In connection with the submission of an Outline Planning Application for Demolition of existing buildings and mixed-use redevelopment of employment (including Light Industrial/Office B1 & B2 Uses/Retail A1, A3 & A4 (Incl. convenience store and Public House), A5/C1 Hotel/Sui Generis Uses), C2/D1 (Institutional Uses), C3 Residential Uses (Elderly Care, Market & Affordable) including approximately 3,730 Sq.m business development and No. 200 housing units and associated car parking, landscaping and roads/links.

Part Change of Use From B1, B2 & B8 Employment to C3 Residential Land, Retail A1, A3 & A4, A5/C1 Hotel/Sui Generis Uses), community facilities and C2/D1 (Institutional Uses).

COMMERCIAL IN CONFIDENCE

Former Welton Manufacturing Site (SSV4)

06/04/2016

LPA Ref: 16/02607/OUT
Our Ref: documents/apr2016PS/ behalf of MNRE.docX
Submission Date: 06 04 2016

Introduction

This submission is made on behalf of MNRE in respect of their land interest at Station Road, Midsomer Norton (*FWMS Site SSV 4, Vol 4 Somer Valley*).

MNRE are freehold owners of the whole of the site identified in Appendix 1.

This statement is provided in support of the current outline planning application to Bath & North East Somerset Council on this site (B&NES Ref No.16/02607/OUT).

This statement outlines the marketing conducted to date on the former Welton Bibby and Baron Manufacturing site at Station Road Welton by its former owners (Welton Bibby & Baron/WB&B). It also highlights ongoing marketing by its current owners (Midsomer Norton Retail Estates/MNRE)

The following sections also provide a summary of the perceived limitations of the existing business premises based upon expressed market feedback to date. These comments are provided to explain current 'state of play' of the ongoing exercise.

Ongoing specialist comments over future marketing and demand are also summarised.

Chronology

Dialogue regarding the sale and reuse of this site commenced following WB&B's decision to consider either potentially vacating the site given its physical limitations or conducting out a partial redevelopment of the site. This followed serious concerns over the physical condition of the onsite buildings and associated commercial requirements to find larger purpose-built premises which allowed for improved processed flow. These were overriding factors in the eventual relocation.

A variety of relocation options and site option scenarios were however considered. A review of alternative potential commercial sites was undertaken including available premises in the vicinity of Midsomer Norton.

Prior to decision taking discussions were undertaken with B&NES Council representatives over WB&B's strategic workspace review of their future requirements in 2010. The site was formally identified in the adopted B&NES Local Plan as a mixed-use site (GDS.1/NR14 See Appendix 3)). The availability of the site was first reported in writing as part of the call for sites.

Both WB&B & MNRE representatives have worked closely with B&NES Council representatives (Economic Development/Planning Policy/Major Projects) over the last six years to ensure that future redevelopment opportunities on the site are fully considered.

Changes in manufacturing requirements meant that areas of the operational site were independently marketed prior to 2000. In addition offsite options for storage and manufacturing were considered. Onsite surplus sites were considered and marketed in conjunction with a partial redevelopment options but these disposal options were dismissed given the physical limitations of the site and specific market feedback.

Following the decision to relocate and the selection of option sites, initial marketing discussions focused upon a mix of potential uses including retail given the location of the site on the edge of the town centre. The key initial interest was food retail. Direct meetings were held with retailers including Sainsburys Lidl/Aldi and Morrisons and prospective developers of the retail site (Terence Hill). Following retail advice initial pre-application discussions took place with the local planning authority via Terence Hill when specific proposals were tabled and comments provided. Formal written representations were also made to the B&NES Placemaking Plan,

Discussions with a prospective developers of the site also took place in mid 2012. Formal representations on behalf of WB&B were made at the launch stage of the Placemaking Plan document (Terrace Hill Midsomer, September 2013) and the Options Stage (MNRE January 2015) .

A number of national multiples showed interest in taking part of the site for a joint food retail store combined with other A & B Class Uses. B&NES Council then indicated that they had their own retail interests at Midsomer Norton and

that a town centre alternative site may be available to cater for major food retail needs. Questions were raised over the sequential suitability of various sites in Midsomer Norton.

An update of the existing B&NES commissioned retail study (NL 2014) was also undertaken to examine retail options at Midsomer Norton. Employment uses were subsequently reviewed within the A & B Landuse categories. The Council's retail study identified market demand for large-scale retail options in the town centre (South Road Car Park). Feedback from the council's study indicated however the potential suitability of the site for mid range retail opportunities linked with alternative uses on the former WB&B site.

MNRE representatives have worked closely with local agents and B&NES Council representatives (Economic Development/Planning Policy/Major Projects) over the last ten years to fully consider the ensure that future redevelopment opportunities on the site are fully considered. The marketing strategy has been tailored accordingly.

Feedback

Market interest in the former Welton Bibby & Baron site has been forthcoming although all potential interest has involved specific feedback over the physical state of the site and the removal of the existing industrial units.

As previously mentioned retail interest in the premises has been extensive with parties either expressing interest in the creation of purpose built retail accommodation of varying form and specification. All positive feedback over the reuse and site suitability has been based upon new build following detailed site inspection (See Feedback).

Specific market interest in the site has also been received from national providers in other sectors including care home, hotel/leisure and residential following discussions with B&NES representatives over potentially broader site redevelopment options. These approaches have followed marketing based around the expressed ambition by the owners to achieve a potential mixed-use redevelopment option if this was financially viable.

WB&B and MNRE have conducted specific marketing in these sectors directly via appointed agent/s. This has involved the dissemination of site-specific material and specific discussions with providers in the current marketplace.

The general marketing response across certain sectors has been positive (Hotel/leisure office, carehome and residential operators) and enabled a specific redevelopment package/s to be formulated for financial evaluation.

Specific residential options for portions of the site have been discussed with national operators including care home providers. These have involved detailed discussion of accessing and layout options.

Discussions with specific prospective occupiers are ongoing in the context of the current outline planning application. These have confirmed specific site requirements in terms of floorspace, likely land values and project viability etc..

A current outline application has been submitted to B&NES Council. This is based upon a specific template for future development redevelopment on individual sectors of the overall site. It has also involved tandem discussions with adjacent landowners although no third party land is included in the formal planning submission.

Specific details over the market feedback are commercially sensitive and not provided here. However the following sections provide a summary of responses received to illustrate the type of site-specific market feedback received.

Reuse of Buildings

Key concerns have however been raised which have centred upon the viability of reuse options following site inspection. Most fundamentally to the

project serious concerns have been raised over the viability of reuse of the No.3 former Brewery Buildings given their structural integrity and the related shortfall on return (See Appendix 7).

In the light of this an appraisal of the costs of conversion to an alternative use has been undertaken to review costs. This has concluded that the costs of conversion of the three buildings would be inhibitive to the overall project (See Viability Report RL 2016).

The three interlinked former brewery buildings form part of a stepped terrace running parallel with Station Road and retain a section of the highway along Station Road.



Aerial view of FWMS Site SSV 4, Vol 4 Somer Valley

Market feedback has revealed that all of the former brewery buildings are constructed of load bearing rubble stonework with limestone dressings around window openings. The 3 storey building has steel columns and beams on ground and first floors only. Metal framed windows are set within openings, most of which are supported by brick arch lintels. Many of these have been blocked up in the past with concrete blockwork. Two large arched openings are provided on the ground floor front elevation, dressed with large rock faced sandstone pennants. Roofs are of pitched design and were originally finished with clay pantiles some of which still remain on the front plane but the majority of the planes are now clad with a profiled metal sheet.

The former brewery buildings have, during the use of the premises for manufacturing, been incorporated into a cluster of older buildings. The other buildings within this cluster have been constructed at different stages and include a variety of structural design and materials. Roof types include a flat roof, saw tooth and multi gabled. Water ingress is an issue to all of the buildings within this cluster.

It has been highlighted that the brewery buildings have been empty for at least 15 years and were out of use prior to the factory's relocation. Many of the windows have been blocked up from the outside and remaining windows have been boarded. There has been extensive water penetration and whilst attempts have been made to rectify this by overcladding the existing roof with profiled metal sheeting, a lot of damage has taken place resulting in large

parts of the structure failing or being rendered unsafe. Access is no longer possible to the first and second floors due to failure of the floor structure.

Externally there is evidence of stepped fractures in the stonework particularly on the gable ends, erosion of the stonework's mortar jointing and movement on the front elevation suggests that timber lintels are beginning to fail as demonstrated by the dropped sections of stonework above window openings.

A high volume of asbestos containing materials has been incorporated into the construction and finishes of the buildings, including inside the former brewery buildings. The condition and friability of these products will continue to deteriorate and a number of the buildings are already deemed unsafe to enter as it is suspected that fibres have been released. Of particular concern is the deterioration of the amosite containing insulating ceiling panels.

Heritage.

The wording of the emerging or current Placemaking plan policy (SSV4) refers to retention of specific former brewery buildings on the site. In the light of this policy a detailed heritage appraisal of related buildings was undertaken by Cotswold Archaeology in November 2015. This concluded that the removal and replacement of the current buildings would be anticipated to have a beneficial effect on the heritage significance of the Midsomer Norton Conservation Area, by removing the current negative influence resulting from the appearance of the former factory.

It also confirmed that owing to the positive heritage benefits to the Conservation Area offered by removal of the industrial units, it is likely that a redevelopment scheme can offset any limited harm arising from change to the less significant elements of the former brewery building.

In terms of conserving the former buildings 'in a manner appropriate to its significance' and 'minimising harm to its heritage values' it concluded that retention of the key eastern façade in the redevelopment scheme would be consistent with these objectives.

Written representations have therefore been to the examination of the Placemaking Plan to have the wording of the policy altered accordingly.

Operational Viability

Concerns have been raised by potential commercial operators regarding the suitability of the buildings highlighted for retention for serviced office or workshop use. It has been highlighted that the large-scale floor plates would not meet current demand for operational space. Conversion costs and related conversion costs to meet relevant standards further erode financial viability. In addition topographical level changes prevent opportunities for an integrated working. These were thought to involve a requirement for lifts to the second and third floor areas. The associated costs

Hotel Reuse

An indicative appraisal of converting the former Brewery buildings to hotel use shows a shortfall in excess of £1.2 million. Residential conversion would produce a similar shortfall and office or other employment uses are likely to produce a greater shortfall.

Retail Planning

Prospective national multiple retail operators expressed concerns over the retail planning policy position given the existence of alternative large scale retail sites. This feedback led to the withdrawal of market interest from larger scale retail options on site given the scale of operational requirements.

Market feedback and clarification of the policy stance of the council indicate continued and acknowledged the acceptability of mid range retail opportunities linked with alternative uses on the site.

Conclusion

Since the former manufacturing site was vacated by Welton Bibby & Baron in 2013, extensive site marketing has produced no market interest in the continuation of the former industrial (Class B2) use.

Whilst feedback on alternative uses (incl. care home, hotel/leisure and residential) and potential mixed-use redevelopment has been positive, serious concerns have been raised regarding reuse of the former Brewery buildings. These buildings are potentially to be the subject of a retention clause in the emerging development plan. This matter has been raised as a fundamental matter in the marketing of the site. It will therefore be fully addressed at the examination public stage of Placemaking plan review later this year. At this time existing evidence regarding the inhibitive costs for the overall project will be tabled with the appointed Inspector.

Feedback from the council has continued to acknowledge the acceptability of mid range retail opportunities linked with alternative uses on the site.

Marketing of the site continues with inputs from local agents, Council representatives and local politicians and interested businesses. Discussions are ongoing with the Council (Economic Development) and economic development agencies in the context of financial funding status.