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**EMPLOYMENT  
MARKET  
REPORT**

**PROOF OF EVIDENCE  
OF  
JOHN STEPHENSON  
FRICS, MCI Arb  
GRANT & PARTNERS**

**IN RESPECT OF  
  
LAND AND PREMISES  
CRANFORD WAY IND.  
EST.  
HORNSEY**

**ON BEHALF OF  
  
LONDON CONCRETE  
LIMITED**

**PLANNING  
INSPECTORATE REF:  
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**EMPLOYMENT MARKET REPORT**

**LAND AND PREMISES**

**CRANFORD WAY INDUSTRIAL ESTATE, HORNSEY**

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## 1.0 QUALIFICATIONS AND EXPERIENCE

1.1 My name is John Richard Stephenson. I am a Fellow of the Royal Institution of Chartered Surveyors, a Member of the Chartered Institute of Arbitrators and a Member of the Society of Expert Witnesses. I am the Senior Director of Grant & Partners and have been in practice for over 30 years. My firm was established in 1965 and has for the past 40 years specialised in the industrial property market. I commenced practice with the firm in 1974.

1.2 I specialise in the industrial/business space property market with a particular emphasis on the Greater London area. I am familiar with the appeal site and the surrounding area. I have previously undertaken Employment Land Studies for various planning applications and Public Inquiries in relation to industrial sites in the near vicinity including the following:-

- Land and premises at Ponders End , Enfield
- Land and premises to the south of the North Circular Road, Waltham Forest
- Land and premises to the south of Glover Drive, Edmonton (Enfield)
- Land and premises at Highams Park, Waltham Forest
- Land and premises at Waterden Road, Hackney
- Land and premises, Hoxton Square, Hackney

1.3 I have also been involved (and continue to be involved) with numerous property transactions in the general area acting for major pension funds, property developers, private investors and occupiers. I am familiar with all of the Defined Employment Areas in the Borough of Haringey and the industrial estates in the adjoining boroughs.

1.4 I am also regularly appointed by the President of the Royal Institution of Chartered Surveyors as a dispute resolver and have been a member of the panel of Arbitrators and Independent Experts for over 15 years. I am principally appointed to determine rental and capital valuation disputes relating to industrial and warehouse properties in Greater London. I presently hold a number of such appointments locally and have recently dealt with properties on the following estates within Haringey and the adjoining boroughs:-

- Cline Road, Bounds Green, Haringey
- Brantwood Road, Haringey
- Lawrence Road, Haringey

- Garman Road, Tottenham
- Matthias Road, Stoke Newington
- 1 Mollison Avenue, Enfield
- Crown Road, Enfield
- The Dencora Centre, Dundee Way, Mollison Avenue, Enfield
- Martinbridge Trading Estate, Lincoln Road, Enfield
- Ponders End Industrial Estate, Enfield
- The Bush Industrial Estate, Tufnell Park

1.5 Having regard to the above, I therefore consider that I am qualified to comment upon the employment land issues/concerns, which I am aware have arisen as a consequence of the appeal proposal.

## 2.0 INTRODUCTION AND SCOPE OF REPORT

2.1 I am instructed to examine (in a market context only) the propositions set out within Reason for Refusal No. 2 which states:-

***“The additional traffic movements to and from the application site, and the nature of that traffic, would by reason of noise and dust generation be detrimental to the current operating and working conditions of properties in Cranford Way, which are of predominantly a storage/light industrial character rather than general industrial. The proposed development would discourage businesses from locating in Cranford Way and may lead to some occupiers moving out of their existing premises. This would lead to a net reduction of jobs in the Defined Employment Area which would not be offset by the proposed creation of 12 jobs at the new plant.”***

2.2 The above quotation excludes the reference to the various employment policies referred to by the Council, as it is outside my remit to comment directly on these policies and I consequently rely upon Mr Woolner in this respect. I have nevertheless read the relevant policies in order to properly prepare my market focused evidence.

2.3 In preparing my evidence and as part of my consideration of Reason for Refusal No. 2, I have also taken account of the general characteristics of this estate together with the workings of the market generally. I have also noted from the Report to Committee (and

from being provided with further more recent copy correspondence) that objections have also been raised by:-

- The Botswana Meat Commission
- Tradewinds Merchandising Co Ltd
- Donaldsons (on behalf of WH Smith Plc)
- Smith Lance Larcade & Bechtol (on behalf of Starmark Enterprises Ltd – the freeholder of the Cranford Way Industrial Estate)

2.4 I will provide my observations in relation to the merits of the various objections raised by the Council and by the letters referred to above. The questions I have considered are therefore as follows:-

- Will the additional traffic movements to and from the appeal site be detrimental to the current operating and working conditions of properties in Cranford Way by reference to alleged:-
  - Dust contamination.
  - Increased lorry movements.
  - Potential concrete slurry spillage.
  - Congestion on the estate and at its entrance.
- Will the proposed development discourage businesses locating in Cranford Way.
- Will the proposed development lead to some existing occupiers moving out of Cranford Way.
- Is there likely to be a net reduction in jobs in this DEA if the appeal proposed is allowed and the development is implemented.

2.5 It will be appreciated that in the context of the market for all types of B class accommodation the boundaries of a particular borough are not directly relevant to the workings of that market. In terms of existing analysis of the supply and demand for employment land as undertaken for studies for the GLA the borough of Haringey is categorised as being within a market area known as the “North Sub-Region”. This market sub region includes the London Boroughs of Barnet, Enfield, Haringey and Waltham Forest. In this particular sub-region Enfield has the most active B class property market (particularly for single storey buildings) in terms of its overall stock, activity and general

demand from the market. I will therefore be referring to this wider market area in my report.

### **3.0 THE APPLICATION SITE, THE CRANFORD WAY INDUSTRIAL ESTATE AND THE SURROUNDING AREA**

3.1 The appeal site is located to the southern end of the Cranford Way Industrial Estate. There are currently a number of existing structures on the site but in terms of the actual appeal proposal the development is fully described in the proof of evidence of Mr Woolner. I have however taken particular note of:-

- The nature of the development proposal.
- The structures to be erected.
- The process to be undertaken at the plant.
- The proposed incorporation of the latest environmental and safety features.
- The nature of the proposed cladding which will enclose all of the working elements of the plant.
- The system to be installed is said to be a market leader in the design and manufacture of low level environmentally secure batching plants. The plant is also intended to be visually unobtrusive and will incorporate sophisticated environmental controls dealing specifically with noise, dust and visual appearance. I have also particularly noted the evidence of Mr Bellamy as to the nature of the anticipated lorry movements from the new plant in the context of Cranford Way and its junction with Tottenham Lane.

3.2 It is important to highlight the fact that the appeal proposal does not incorporate an adjoining aggregates depot (which is often the case for other concrete batching plants) where external storage and movement of aggregates can give rise to air borne dust.

3.3 The Cranford Way Industrial Estate has been developed over a period of time and particularly since the 1960's on land, which was previously known as the Hornsey Goods Yard. It now provides a mix (in terms of size and age) of largely single storey buildings in warehousing and distribution uses.

3.4 Having regard to the Employment Land Study prepared for Haringey by the consultancy Atkins (dated 23<sup>rd</sup> November 2004) the subject industrial estate is one of 22 (including the

Lynx depot) Defined Employment Areas (DEA's) within the borough. These employment areas provide just over 144 hectares of land. There is in addition a further 16.6 hectares of "individual" employment locations within the borough. Total stock is therefore approximately 161 hectares. Indeed by reference to the Industrial and Warehousing Land Demand Study prepared for the GLA the total stock of built accommodation (in terms of warehouses and industrial buildings only) in the Borough amounts to 867,000 sq.m. which accounts for 25% of the stock in what is defined as the "North Sub-Region".

3.5 In order to put these total statistics into context the existing stock of industrial and warehousing buildings in the adjoining boroughs which make up the North Sub-Region has been identified in the Industrial and Warehousing Land Demand Study prepared for the GLA as follows:-

<b>Borough</b>	<b>Total Existing Buildings (sq.m)</b>
Barnet	403,000
Enfield	1,501,000
Haringey	867,000
Waltham Forest	748,000
<b>Total</b>	<b>3,519,000</b>

3.6 The Haringey Employment Study prepared by Atkins sets out within Table 4.2 a summary of all the defined employment areas and their "ranking" in terms of quality and image. At the time the Atkins report was prepared the Cranford Way Estate had 18 units, which were described as being in "good" condition with an occupancy rate of 95%. The "image" of the estate is also described as "good". Table 4.3 in the same report refers to a total floor space for this estate of 27,939 m<sup>2</sup>.

3.7 At November 2005 the occupancy rate on the estate has fallen as a consequence of the vacation of a number of units previously occupied by TNT Transport. I now estimate the current occupancy rate to be approximately 90% although I have little doubt that the vacant units will be let shortly. In addition, however, the substantial building to the north of the estate and fronting Tottenham Lane (presently occupied by the Botswana Meat Commission) is currently on the market for disposal on a freehold basis and following a "best bids" exercise I am told that the company is expected to select the successful purchaser within the near future. In factual terms the premises are clearly still operational at

this time and will be reused following the sale. I have also noted the statement in the Planning Committee Report that the decision to dispose of this property is....

**“for reasons unconnected to the batching plant application”**

3.8 Attached as Appendix 1 is a site plan identifying the Cranford Way Industrial Estate, incorporating a table providing the details of the various occupiers. There are a number of well known company occupiers including WH Smith and Access Storage Solutions.

3.9 The various businesses represented on the estate provide a mix of warehousing and distribution functions with only a limited “industrial” element within unit 9. As is common in any industrial/warehouse location such as this, units change hands from time to time for a variety of reasons.

#### **4.0 THE PLANNING CONTEXT**

4.1 As I have already highlighted I am not instructed to deal with planning policy but I have noted that the appeal site forms part of the Cranford Way Employment Area which by definition is an area set aside for the purposes of employment uses falling within use classes B1 b and c, B2 and B8 or similar uses. There is no policy or condition requiring uses on this estate to be more tightly controlled to say those within classes B1c or B8 only. Accordingly a very wide range of potential users can be accommodated either through development or through occupation of existing buildings. This also appears to be the case under the terms of the emerging Plan. The specific appeal proposal is also clearly in conformity with the strategic and regional policy for the use of rail heads and the movement of aggregates by rail and this has also been properly recognised in the Committee Report.

4.2 The application site can be developed for a wide variety of potential industrial and warehousing uses resulting in undeterminable ranges of lorry movements – that is some at a greater frequency than others. The Proof of Evidence of Mr Bellamy who deals with transport matters clearly concludes that existing traffic flows on Cranford Way are far below capacity and the proposed development will have a less than a 10% impact. Additionally no adverse impact on the Tottenham Lane Junction is anticipated.

4.3 A number of the objections raised to the appeal proposal would indicate that there is a perception that the appeal proposal, will in some way “blight” the existing estate and the potential for future employment generation. In my opinion this perception will not manifest itself in practice for the reasons I will explain in this proof.

## **5.0 THE MARKET CONTEXT**

5.1 There is a long and well established trend of decline in the manufacturing sector throughout London but this is, in part offset with increases in demand for warehousing space of all types and sizes. In many instances a “typical” single storey building can accommodate either manufacturing or distribution uses. However, it is appropriate to confirm that the major distribution companies seeking “high bay” warehouses tend to prefer locations immediately adjacent to major routes and the motorway network. Accordingly larger buildings suitable for such occupiers, in Enfield in particular tend to attract most interest.

5.2 Nevertheless there is continuing and sustained levels of demand for smaller distribution units, particularly from companies serving Central London and suburban markets. In general terms the vacancy rate in the “North Sub-Region” averages approximately 8.1% with Enfield having the largest stock of buildings and development opportunities. The total vacancy rate (estimated by Atkins) across the Borough of Haringey was reported to be 9.9% but this statistic will reflect the fact that many of the estates are described as being “poor” or “fair” in terms of condition. Such low vacancy rates do not indicate that the market is in some way distressed with supply exceeding demand. Indeed this level of vacancy enables the market to work reasonably efficiently.

5.3 It is far easier for companies engaged in storage and distribution functions to move to and operate from a variety of premises where it is generally not necessary to invest in the installation of extensive capital equipment such as machinery and processing equipment etc. As a consequence, companies engaged in distribution and warehousing processes generally occupy buildings on a leasehold basis (the shorter the lease the better for most tenants) with the result that the warehousing market is fairly fluid with occupiers changing premises frequently.

5.4 As some companies expand and find it necessary to relocate to larger premises, others contract and following rationalisation seek smaller premises. The “balance” between supply

and demand at any particular point in time will tend to dictate rental and capital values. The particular characteristics of a property, its location, size, configuration, height, loading arrangements and condition are typical factors which occupiers may take into account when looking for premises. However, it must be acknowledged that occupiers have differing expectations and requirements (subject to the business they operate within and the markets they supply) particularly in the context of whether such companies are contracting or expanding at any particular time.

- 5.5 It is well established in many London Boroughs that surplus industrial land is now being developed for alternative uses, particularly residential and in some cases retail (or a mix of both). This reduction in land supply is one of the reasons behind the relatively high occupancy rates in virtually all London Boroughs.
- 5.6 I highlight the points above since in practice it is difficult to generalise as to what type of building is suitable for different types of occupiers. In my experience there is no evidence to suggest that companies primarily engaged in warehousing and distribution functions cannot operate alongside operations such as that proposed for the appeal site. Additionally companies engaged in manufacturing process (which continue to decline through other economic factors) tend to rely upon fewer lorry movements and as a consequence become more “insular” in the context of neighbouring occupiers. Indeed there are examples of this status-quo as between different users existing without compromise in many locations throughout Greater London.
- 5.7 If it were to be suggested that some occupiers may be dissuaded from acquiring premises close to an operation as proposed by the appellants then the only impact this would have (in theory) is some slight reduction in overall market demand which “could” ultimately be reflected in the rental or capital value which might be achieved for the property. However, as long as there are at least 2 potential occupiers without concerns even “value” will not be effected. Consequently there is no reason to believe any vacant premises on the estate will not be beneficially occupied with the provision of new jobs which would inevitably follow.
- 5.8 Road access to many of the DEA’s within Haringey whilst adequate may not be ideal and as a consequence industrial estates within Haringey will often be viewed as less attractive to those within other Boroughs such as Enfield in particular. However the function of the market will simply deal with such a factor by producing lower rental and capital values

which in itself will attract companies or subsidiaries of larger companies seeking more economic premises. Such a factor (as road access) will therefore have no effect on future occupancy levels. The borough wide occupancy levels (reported for the GLA) clearly show that there is sufficient demand to maintain high occupancy rates.

5.9 In my opinion any potential occupier of the Cranford Way Industrial Estate will find the operation of the appeal proposal to have no adverse practical impact. The independent reports prepared by the consultants for the appellants (in relation to highways and noise etc) indicate that there will be no practical difficulties. Even a suggestion that the perception of potential problem could in itself adversely impact future occupiers coming forward does not stand up to how the market functions in practice.

## **6.0 A DETAILED EXAMINATION OF THE PROPOSITIONS PUT FORWARD IN REFUSAL REASON NO. 2**

6.1 I have provided in the sections above the background context to my analysis of the various propositions put forward, and looking forward to the future (whatever the outcome of the appeal proposal) the specialist reports of the appellants experts will be in the public domain. That is reports on air quality, noise, highways and working methods as summarised in the company evidence. This seems to me to be a factor of considerable relevance in terms of the future of the Cranford Way Industrial Estate. I will now deal with the various “assertions” as follows:-

### **Traffic Movements Generated by the Appeal Proposal**

6.2 It is alleged that through traffic movements this activity may lead to dust contamination, increased congestion on the estate (and at its entrance) and inconvenience caused by possible concrete slurry spillage.

6.3 The system and structures to be constructed at the appeal site have been fully described elsewhere and these are stated to be “visually unobstructive” and will incorporate “sophisticated environmental controls dealing specifically with noise, dust and visual appearance”. I have particularly noted the proof of evidence of Mr Sharps, the company evidence of Mr Casey, the evidence as to air quality of Mr Grant and the highway evidence of Mr Bellamy. In essence the conclusions of the independent consultants may be highlighted as follows:-

### **Mr Grant – Dust and Air Quality Evidence**

- *I have noted the reasons for refusal which, in terms of dust and air quality, relate to the impact of HGV's travelling to and from the proposed plant on local residential areas and properties on Cranford Way.*
- *Dust and air quality assessments were submitted with the planning applications for the proposed plant. These concluded that the operation of the plant, which will be governed by a LAPPC permit, is unlikely to have any harmful impact in the vicinity of the site.*
- *Exhaust emissions and releases of fine particulates will not result in adverse air quality impacts.*
- *These conclusions are consistent with the views of the EHO who appears to be satisfied that the regulatory regime will ensure that dust will not cause adverse impacts in the locality. They accord also with the professional judgement of Casella Stranger, namely, "the impacts of the London Concrete plant will be negligible".*

### **Mr Sharps – Noise Evidence**

- *For the reasons discussed above, I conclude that the noise level of site activity would not harm the amenities of residents of Chettle Court or Wightman Road.*
- *In relation to the subject of impact from traffic noise and vibration I conclude that there would be no perceptible change in either the existing prevailing noise levels or vibration levels, at properties adjacent to key road links, as a result of the appeal proposal.*

### **Mr Bellamy – Highway Evidence**

- *It is agreed by the Council's officers and their consultants that the development will have no material impact on the capacity of the highways network, and it will have no impact on road safety.*
- *There will be no material impact on amenity for residents in nearby roads. The impact of the additional traffic generated by the proposed development will be insignificant in the context of existing traffic flows and the HGV content of those flows, such that any changes in measures of amenity will be imperceptible.*

➤ *The impact of the development on other users of the industrial estate must be considered in the context of its identification in the First Deposit Review UDP as a location suitable for general industrial and warehouse uses. Consideration must also be set in the context of existing and previous occupiers of other units on the estate, some of which generate levels of HGV activity greater than the appeal proposal. Surveys demonstrate that adding the anticipated HGV activity from the proposed development to flows recorded in September 2005 will not bring total HGV movements in the estate up to levels recorded previously in March 2003. Accordingly, it is not possible to argue that the development will create material change in the amenity of this estate, sufficient to deter existing or potential occupiers.*

6.4 The conclusions summarised above indicate that in practice there will be no detrimental impact upon occupiers of the Cranford Way Industrial Estate under any of the specific headings referred to. In addition it must be appreciated that any occupier of virtually any industrial estate cannot be certain as to the nature of its neighbours at various points in the future. This is particularly relevant to the subject DEA given the relatively wide range of potential uses (including general industrial uses) which can be permitted on this estate by reference to its planning designation.

#### **Will the Appeal Proposal Discourage Other Business Locating in Cranford Way**

6.5 The past and present occupancy levels on this industrial estate are generally high with only two units presently vacant totally approximately 2,000m<sup>2</sup>. Being at the southern end of the estate it may be reasonably argued that these units are in the least attractive position in view of their “back land” situation. However, the accommodation is modern, single storey and in reasonable order. Accordingly re-letting on appropriate market terms can be anticipated in the near future.

6.6 The appeal proposal is clearly well known to the adjoining occupiers on this estate as already highlighted, some objections have been received. Through my research with the office of the freeholder of the Cranford Way Industrial Estate and the agents representing the owners of the Botswana Meat Commission, it appears that the appeal proposal has not adversely affected the marketing of either the estate as a whole or the property which is in the freehold ownership of the Botswana Meat Commission. Indeed I understand the estate

is about to be sold to an alternative investor. It is also my understanding that there have been numerous bids for the property occupied by the Botswana Meat Commission including some unsolicited offers made prior to the property being formally offered for disposal in the summer of this year. Undoubtedly the current appeal proposal will have been disclosed as part of the marketing protocols of these two propositions and it certainly appears that the appeal has not adversely affected the marketing effort in either case.

6.7 As highlighted in the sub-section above there is no scientific evidence that air quality on the estate will be adversely affected. Indeed I should again highlight that the appeal proposal does **not** include an open storage aggregates depot (which can be known to create dust) and the HGV movements, in particular will be well within the capacity of the estate road and the road junction with Tottenham Lane. Some might suggest that even if the scientific evidence is clear that there are no adverse implications arising from the appeal proposal that the “perception” alone may be enough to have a detrimental effect. In my opinion this is very unlikely to occur on the subject estate in view of the historic and current evidence of high occupancy in this area and indeed on other estates within the wider market area. This indicates that demand at least equals supply or indeed may exceed supply with the result that occupiers will inevitably come forward if market terms are fairly applied (in terms of rent).

6.8 The only current occupier on this estate which has a partial industrial process is a company known as Tradewinds Merchandising in Unit 9. This building has an original floor area (to include ancillary offices) of just over 1,000 m<sup>2</sup> and represents only 3.5% of the total accommodation on this estate. In addition the tenants have also installed a mezzanine floor, which is used for storage purposes. The web page of the company states the following:-

**“The Tradewinds Merchandising Company was established in 1981 and has been supplying business gifts, leisure wear and corporate clothing for the last two decades to the sales promotion, entertainment and business communities throughout the UK and Europe.”**

6.9 Clearly the main function of this company is the supply and distribution of the items summarised in the quote above which will also include importing many of these commodities from overseas. I have also seen a copy of the email dated the 17<sup>th</sup> November 2004 which was sent by Mr Savage of Tradewinds to the Director of Development Control at Haringey which clearly indicates in the first sentence of that email that **part** of the

business involves 'silk screen printing'. However, it should be emphasised that the particular quote states as follows:-

**“Part of our operation here at Cranford Way involves silk screen printing which is very susceptible to dust.”**

- 6.10 The unit occupied by Tradewinds is described by the Valuation Office as “warehouse and premises”. I attach in **Appendix 2** a copy of the summary valuation taken from the Valuation Office web page. In addition to the original ground floor it should be noted that there is a substantial mezzanine floor used for further internal storage. The major part of the ground floor is described as “warehouse”. Although the company undoubtedly operates a printing process at the premises the evidence (from the description of the nature of the business and from the Valuation Office) would suggest that the predominant use is warehousing and distribution. In any event, the business is already located within a general industry location close to one of the busiest rail routes passing through the capital and could already be described as being within a slightly “hostile” environment. In this respect why did Tradewinds chose to locate their business on this estate? Nevertheless, the Independent Experts (advising the appellants) have confirmed there will be no harmful implications for adjoining occupiers if the appeal proposal is permitted.
- 6.11 The evidence of Mr Grant in relation to air quality has already shown that there will be no increase in the levels of dust particles in the atmosphere and accordingly the concerns of Mr Savage will not materialise in practice.
- 6.12 Upon proper investigation and with reference to the experts reports which in the future will be in the public domain, there is no evidence to suggest that adjoining occupiers on this estate or indeed nearby residential occupiers will suffer from any detrimental factors arising from the operation of the appeal proposal. It must therefore follow that there is no reason to believe that the appeal proposal will discourage other business from locating on this estate as the normal round of units are vacated and reoccupied from time to time in the future.

#### **Will the Appeal Proposal Lead to some Existing Occupiers Moving Out of Cranford Way**

- 6.13 The distribution company, TNT previously occupied units 10 & 11 on this estate (extending to just over 2000m<sup>2</sup>) and vacated the same in February 2004. Based on my discussions with

the companies surveyors, this relocation occurred as a strategic policy having acquired alternative premises in Enfield and the move was not, in any way, connected with the appeal proposal. TNT had been “holding over” in relation to the Cranford Way premises as the lease had expired sometime previously. The loading arrangements were found to be less than ideal (for their particular purpose) and this was the main reason for relocating. However, I am also advised that local residents had complained about noise from the building and the company was concerned this may have become a more difficult issue in the future.

6.14 The Botswana Meat Commission has been formally marketing its premises since the summer of 2005 but I believe the possibility of a sale has been considered for several years. As a consequence of discussions with the selling agents it is understood that this disposal is part of a larger structural repositioning of the companies functions and facilities in the UK. Indeed it is my understanding that the Commission will (in the future) act in the style of an “agency” in promoting the sale and distribution of meat products from Botswana and will only retain a limited facility in Smithfield. Despite the companies decision to vacate I have nevertheless seen various copy letters written by executives of the Botswana Meat Commission objecting to the appeal proposal. From discussions with their agent I am told this did not lead to the decision to dispose of the property and indeed this is acknowledged in the Planning Committee Report. I have noted that the sale details were in fact prepared in August 2005 and I understand that numerous offers have been received and these are presently being short listed for consideration. Accordingly, the property is effectively “under offer” and the agents were reluctant to send out further details. I also understand that any redevelopment of the site is unlikely and the property is therefore, in all probability, going to be reused in the future.

6.15 Based on the above, there is no direct evidence at this time that the appeal proposal has caused any existing occupiers to relocate from Cranford Way. Indeed whilst I note that the Tradewinds company is threatening a relocation if the proposal is allowed there is of course no reason to believe that such a drastic step will be implemented in the future given the assurances and the evidence put forward by the noise, traffic and dust experts in preparation for this Inquiry.

## **If The Appeal Proposal is Allowed, Will There Be A Net Reduction In Jobs In This DEA?**

- 6.16 The provision of jobs in a DEA of this type will inevitably fluctuate over periods of time and will be dependent upon the nature and the various business of the individual occupiers. It has already been established that the majority of occupiers are in the storage and distribution business which in itself tends not to be labour intensive compared to other potential “industrial” uses. There is however no reason to suppose that other more intensive employment users may not come forward in the future and indeed the evidence would suggest that there is no reason for such users avoiding this estate.
- 6.17 It is a fact that manufacturing business (which are in a well documented cycle of decline) tend to employ more personnel than storage and distribution businesses. However, in practice one cannot stand in the way of market forces but on the evidence that it is available there is no reason to draw the conclusion that employment levels will fall on this estate if the appeal is allowed. Indeed the appeal proposal itself will in fact generate new job opportunities and will no doubt help facilitate the more efficient distribution of concrete products to the numerous buildings projects underway in the Greater London area. These projects in themselves are also generating considerable numbers of “new” jobs.

## **7.0 EVIDENCE FROM OTHER LOCATIONS IN GREATER LONDON**

- 7.1 As a consequence of my general experience in the industrial property market, I have, from time to time, been involved with property negotiations relating to premises adjacent to external aggregate batching plants and concrete batching depots. In all of the examples I refer to below the general environment created by the relative processes tend to be more “hostile” than will be the case if the appeal proposal is permitted in the subject location. That is the depots themselves are very much larger, incorporate extensive numbers of occupiers including external open storage depots and in many cases are visually obtrusive, particularly the older style complexes.

### **Horn Lane and Anchor & Hope Lane, Charlton, South East London**

- 7.2 This particular area is a specific planning zone for aggregate uses and a number of occupiers exist in adjacent sites including Bardon Aggregates, Bardon Asphalt, RMC Aggregates, London Concrete, Tarmac, and United Marine Aggregates. Many of these occupiers have

been operational for several decades and do not use the current environmentally sensitive systems that are now available and also incorporate external aggregate stores. I have acted for J Sainsbury Plc in relation to their distribution warehouse, which immediately adjoins this aggregate zone together with other major occupiers in the area. In addition there are many well known “out of town” retailers and industrialists occupying typical “industrial style” buildings in the immediate vicinity.

- 7.3 I am not aware of any specific difficulties that these occupiers (particularly Sainsbury as a client of my practice) might have experienced in operational terms in relation to the fact that they are situated adjacent to the aggregate zone. Certainly there is no notional “exclusion zone” of vacant buildings surrounding the depots.
- 7.4 In the case of the subject appeal it is being suggested by the local planning authority that the mere existence of a “high-tech” newly constructed concrete batching plant will in some way cause existing occupiers to vacate their existing buildings and will also result in other occupiers finding the estate unsuitable. In practice this is simply not the way that the market works as I have already highlighted in section 5 above.

#### **Transport Avenue, Brentford**

- 7.5 Transport Avenue is immediately adjacent and to the south of the elevated section of the M4 to the west of Central London. On Transport Avenue there are two asphalt plants, two concrete batching plants (RMC and London Concrete), an aggregate plant operated by the Day Group and a waste transfer station.
- 7.6 There are a number of other existing industrial occupiers on Transport Avenue and I have acted for occupiers in the past, including Cadbury Schweppes who previously operated a drinks depot on this road. This particular property is now a self storage facility.
- 7.7 I have referred to this example as there are typical industrial/warehouse business in the near vicinity of these operations but also within the near vicinity is the recently completed world headquarters of Smith Kline Beecham together with various retailers occupying buildings on the Great West Road. Again, in a heavily developed urban environment such as most areas within Greater London, it is clearly ridiculous to suggest that such companies will simply not occupy buildings (which by implication must mean that the buildings will remain

otherwise empty) in view of concerns relating to the activities carried out by such companies as RMC, Bardon, Tarmac and London Concrete etc. As I have already highlighted, if there is any material effect it will only potentially relate to property values rather than levels of occupation.

### **Aggregate Depots Adjacent to Stockley Park, London Borough of Hillingdon**

7.8 This is an example of a long established aggregate operation which lies adjacent to the western main line railway service in the London Borough of Hillingdon. The depot is operated by Hanson and has existed for many decades and consequently does not offer the same level of design and visual appearance (or environmental control) as will be provided by the appellants in relation to the relatively small site at Cranford Way.

7.9 Immediately adjacent to this operation lies the Stockley Park Business Park which is probably the premier business park in Europe. The occupiers at Stockley Park are all world class names and development continues to this day. I have never come across any suggestion that this prime development has been negatively affected by the realities of the adjacent aggregate depot.

### **Conclusions**

7.10 All of the three examples referred to above relate to old established external (and open) aggregate depots, which, in any event, cannot be directly compared with the proposal and processes which will be undertaken by London Concrete Limited on the appeal site. However, in the case of all of these examples, successful, high profile businesses and companies happily occupy premises immediately adjacent to the long established aggregate operations. I therefore conclude that I disagree with the proposition put forward by the local Planning Authority that the appeal proposal will be detrimental to the operating and working conditions of existing businesses at Cranford Way; will discourage businesses locating in Cranford Way and will lead to occupiers moving out of Cranford Way.

## **8.0 CONCLUSIONS**

8.1 Having examined Reason for Refusal No. 2 in the context of my market knowledge of the “B Class” sector and by reference to the experts reports which have been tabled in relation to traffic, noise, dust and quality of built structures and operation applicable to the appeal proposal, there is **no evidence to support the following assertions:-**

- That traffic movements will, through noise and dust be detrimental to the current operating and working conditions of properties in Cranford Way.
- That the appeal proposal will discourage business from locating in Cranford Way.
- That the Appeal Proposal will lead to occupiers moving out of their existing premises in Cranford Way.
- That the appeal proposal will lead to a net reduction of jobs in the DEA despite 12 new jobs being created at the plant.

8.2 Indeed my investigations demonstrate that future operations on the estate will not be effected by the appeal proposal, businesses will occupy premises and any future relocations are only likely to occur as part of the natural cycle of companies locating in and relocating from any given area. Additionally job opportunities will not be adversely effected.

8.3 Occupancy rates generally in this part of Greater London are high and there is no likelihood of a significant number of buildings (over and above the average) becoming available in the future as a consequence of the appeal proposal.

8.4 Even if it might be accepted for discussion purposes that perceptions can sometimes play a part in the decisions occupiers make regarding properties, the levels of market demand generally (compared to the reducing levels of supply) will continue to ensure relatively full occupancy rates in the future. Any adverse perceptions would only, in theory, be reflected in property values.

8.5 It should be emphasised that the proposed plant does **not** include an external open aggregate storage facility which can in some examples on sites elsewhere produce dust when aggregates are stored in the open and transported by front end loaders.

8.6 Recent (and pending) transactions on the estate (including TNT and the Botswana Meat Commission) do not indicate a trend of occupiers moving away from this DEA as a consequence of the appeal proposal. Indeed market demand remains strong in spite of the inevitable disclosure of the appeal proposal in any marketing exercise as required by current protocols.

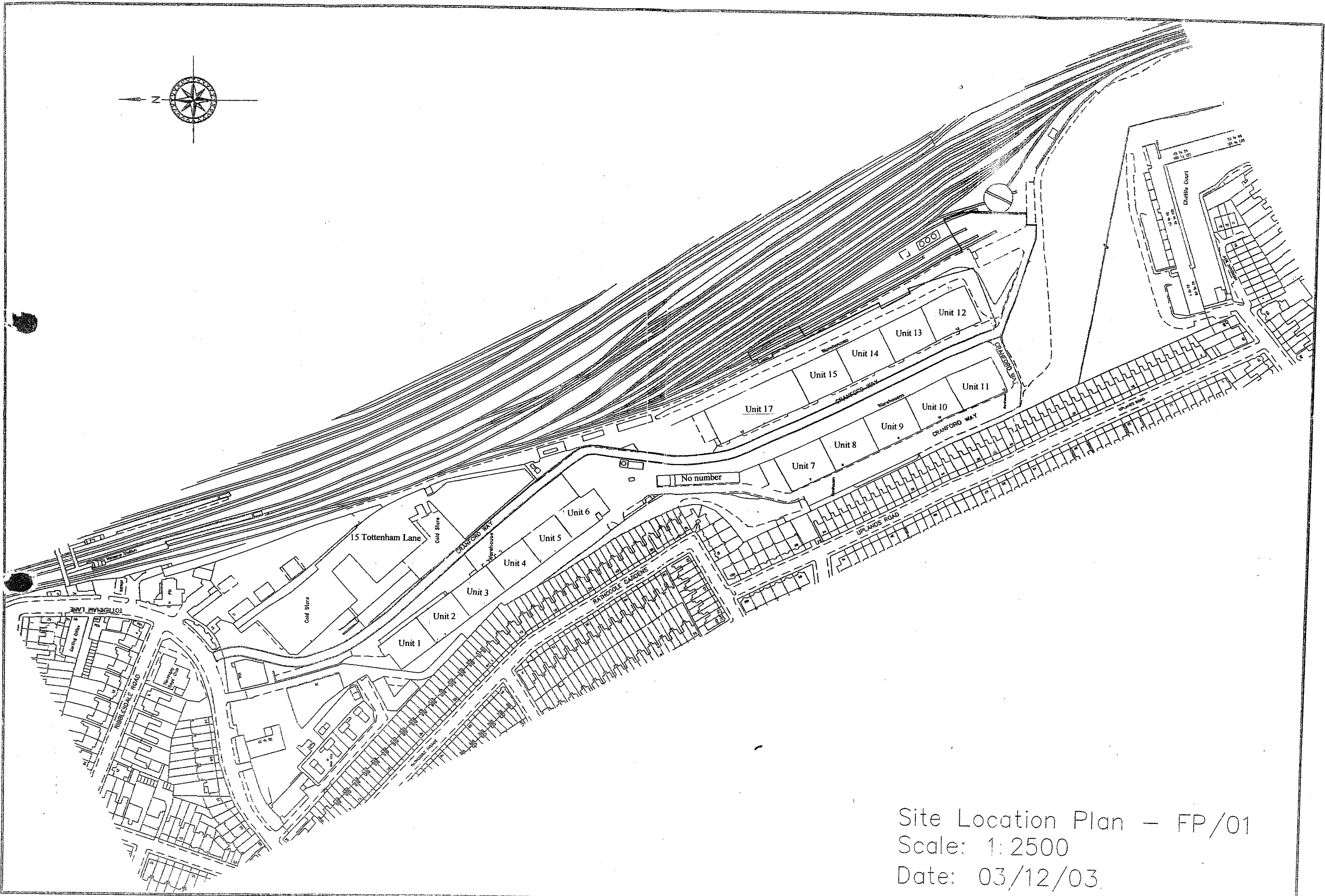
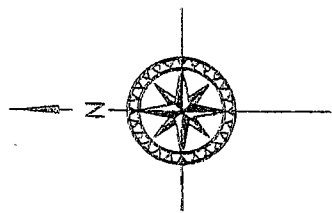
- 8.7 There is no evidence that the additional lorry movements will produce congestion or concrete spillage either on the estate or at its junction with Tottenham Lane. Indeed there is sufficient capacity to accommodate the proposed lorry movements and any concrete spillage is unlikely in the absence of any steep gradients on the estate and at the junction with Tottenham Lane.
- 8.8 There are numerous examples of other concrete and aggregate batching operations throughout Greater London which are situated next to manufacturing and distribution businesses plus offices and retail premises. I have considered three particular examples which arguably might be classified as creating the most “hostile” environments. In all three cases there is no evidence of an adverse impact on adjoining properties. Whilst the appeal proposal cannot be directly compared with these three examples (as the operations will be using the best possible methods in construction and environmental terms) it is apparent that any impact on adjoining properties will be undetectable.
- 8.9 Finally the copy letters I have seen from (or sent on behalf of) other occupiers on this estate, (including the freeholders) highlight to varying degrees the points investigated above and on any proper assessment the alleged concerns do not stand up to critical analysis. Indeed even the freeholder is in the process of disposing of its interest in this estate which in itself indicates confidence in the property by the purchaser. As a generality, demand for industrial estates and properties remains buoyant in the market place (generally) recognising the fact that the supply of land for such uses is rapidly declining within the Greater London area.
- 8.10 The experts proofs dealing with such matters as highways, noise, dust and air quality clearly conclude that existing occupiers on the estate and indeed “new” occupiers in the future need have no concerns over any of the alleged factors highlighted by the local planning authority in Reason for Refusal No. 2. Indeed given the nature of the location (adjacent to one of the busiest rail routes in and out of Central London) together with its developed and “urban” nature, I cannot accept that the likely uses which might be conducted on the estate would be “sensitive” to (or repelled by) an adjoining occupier such as the appellants.
- 8.11 Having regard to the above I therefore conclude that the propositions set out within Reason for Refusal No. 2 are unfounded and accordingly there are no reasons in a market context for refusing the appeal proposal.

I confirm that this report has been prepared in accordance with the RICS Practice Statement and Guidance Notes for Surveyors Acting as Expert Witnesses. In particular, I declare my belief in the accuracy and truth of the matters put forward to the best of my knowledge at the time of preparing this report. This document includes all those factors which I believe to be relevant to the formation of the opinions I have expressed.

**JOHN STEPHENSON FRICS MCI Arb**

**November 2005**

# **APPENDIX 1**



Site Location Plan — FP/01  
Scale: 1:2500  
Date: 03/12/03

## Occupiers and uses

Unit Number	Occupier	Use
15 Tottenham Lane	The Botswana Meat Commission	Warehouse and cold store
No number (opposite unit 17)	Vacant	None
1	Access Storage Solutions	Storage
2	Access Storage Solutions	Storage
3	Southern	Storage and distribution
4	Access Storage Solutions	Storage
5	Access Storage Solutions	Storage
6	A2Z	Storage and distribution
7	Logistics	Storage and distribution
8	Removals Storage	Storage
9	Tradewinds Merchandising	Distribution and printing
10	Vacant	None
11	Vacant	None
12	EDF Energy Contracting Limited	Storage and distribution
13	Arsenal Home Shopping Department	Storage and distribution
14	Woolworths	Storage and distribution
15	BFP Wholesale	Storage and distribution
17	Wh Smith	Storage and distribution

## **APPENDIX 2**



**Summary Valuation produced by the Valuation Office Agency  
This is not your Rates Bill, which will be issued separately**

**Summary Valuation**

Close

<b>Address in Rating List:</b>		UNIT 9, CRANFORD WAY, LONDON, N8 9DG			
<b>Scheme Reference:</b> 5932	<b>Property Description:</b> WAREHOUSE AND PREMISES				

Line	Floor	Description	Area m <sup>2</sup> /Units	£/m <sup>2</sup>	Value £
1	Ground	Warehouse	856.34	40.38	34579
2	Ground	Office	75.96	61.75	4691
3	Ground	Staff Toilets	N/A	0.00	0
4	Ground	Works Office	9.80	47.50	466
5	Ground	Works Office	15.42	47.50	732
6	Mezzanine	Internal Storage	890.22	9.50	8457
7	First	Office	112.23	61.75	6930
<b>Total Area:</b>			1959.97		
<b>Subtotal:</b>					55855
<b>Car Parking:</b>			<b>Spaces</b> 10	<b>Area m<sup>2</sup></b> 0	<b>Value</b> 2000 0
					+2000
<b>Total Value:</b>					57855
<b>ADOPTED RATEABLE VALUE:</b>					<b>£ 57,500</b>

THIS VALUATION IS EFFECTIVE FROM 01 APRIL 2005

**For Official Use Only**

List Year : 2005	BA Ref : 2308085
Billing Authority : HARINGEY	