



# Winchester Regulation 19 Consultation (2024) Representations

Solent Business Park, Whiteley Way, PO15 7AD

8 October 2024 | Confidential

## Policy SH4 – Solent Business Park

Kennedy Wilson submitted representations to the Regulation 18 Local Plan consultation. Their previous representations have been given reference number ANON-KSAR-NKFC-K.

All of the points raised in our previous representations remain valid. It is very disappointing to see that none of our suggestions have been taken forward into the Regulation 19 version of the draft Local Plan.

The Policy Team will be aware that around the time of the Regulation 18 Consultation we were in pre-application discussions regarding the development of a large part of the undeveloped land for a life sciences occupier. The occupier subsequently abandoned the project in large part due to the overly restrictive design requirements of the adopted Local Plan Site Allocation undermining their ability to design a scheme that met their specific needs. These same design requirements have been carried forward into the Regulation 18 and 19 Local Plans.

Since the representations were made to the Reg 18 Local Plan, Kennedy Wilson has met with officers informally (both in Policy and Development Management) to discuss the challenges facing the Site in terms of market demand, viability, and deliverability. The purpose of the discussions was to seek clarity as to the types of uses/occupiers that could be considered acceptable on the Site, having regard to both the adopted Local Plan and the emerging version. The discussions also explored whether a more flexible approach on design could be taken and the emerging policy wording (Policy SH4) be amended accordingly.

As part of those discussions we presented the findings of a report prepared by IcenI titled Solent Business Park: Commercial and Economic Assessment (July 2023 – “the July 23 Report”). This made clear that there is very weak demand for new office floorspace in this location, and instead demand for new floorspace in this location has come from industrial, warehousing, manufacture (defence, boats/ships/marine tech) and professional, scientific and technical activities. In terms of a key finding for Solent Business Park specifically, the July 23 Report concludes that:

*“To support employment growth in the Solent area, ensure a flexible approach to employment growth at the Business Park that supports key sectors and is not focused on office at the expense of other opportunities.”*

The findings of the July 23 Report were acknowledged and broadly agreed by officers.

We note that the Council has now published further evidence relating to employment land, to support the draft Local Plan (document titled Planning, Regeneration & Infrastructure: Employment Land Study (July 2024)). In response, IcenI has therefore prepared a further short report titled Solent Business Park: Winchester Local Plan Reg 19 Consultation - Employment Land Matters (October 2024).

The key findings include:

- The office market across Winchester remains weak, with very high vacancy rates and ongoing reductions in occupation. Rents are insufficient to justify viable new build. The office market is operating best in the City, with other areas such as the south showing very high vacancy. There is no indication this is likely to change.

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- The industrial market is performing well in Winchester. Rents continue to rise and are above average for the area. There are a range of smaller and mid sized deals for tech and logistics operators requiring 'mixed B' type spaces.
- Solent Business Park has ongoing high vacancy in its existing premises. The park managers are working hard to fill space. The prospect of delivering more office space is wholly unrealistic.
- Inquiries for space at Solent are from a diverse range of employment generating uses, including healthcare and mixed B type occupiers that require a broader use class than E(g).
- The 2020 Employment Study for Winchester recognised there was already an oversupply of office / employment space in the south of the district, even before COVID-19.
- The 2024 Employment Study lacks detail around a number of key issues - such as having no analysis of spatial market dynamics across the district; does not include market signals in terms of rents and vacancy; and makes no reference what actual supply is available by type / location. As such the recommendations are abstract and fail to meet the Planning Practice Guidance on economic needs assessment.
- The regulation 19 Local Plan itself includes a significant over allocation of office space and as such much of it is unlikely to come forward. Solent Business Park is considered to fall under this segment.
- Ultimately the policy designation of Class E(g) is too narrow for Solent Business Park and is not considered deliverable. A more flexible policy including B2, B8 and other employment generating uses is necessary to ensure job creating development at this location.

Further evidence to support these findings can be submitted at the next stage of the plan making process if necessary, or earlier if the Council prefers. Both the July 2023 Report and the [xxx] are submitted to the Regulation 19 Local Plan consultation and we ask that its findings are taken into account, and the wording of draft Policy SH4 and its sub-text are amended accordingly.

The wording of draft Policy SH4 is too narrow, and focusses on the notion of "business park development". It also refers to "high technology business use". Both of these concepts are without definition in the draft plan and seemingly no evidence to indicate why Solent Business Park should be categorised/restricted in this way. We consider these terms should be removed from the policy wording to create more flexibility to capture a wider range of employment generating opportunities.

Draft Policy SH4 continues to states a requirement for only Class E(g) uses to be delivered, and continues to impose design restrictions. In our view, the policy is overly restrictive in terms of land use, and overly prescriptive in terms of design requirements. The factors will stifle development coming forward, as is evident given the long term under-delivery of the Site.

The Government's agenda is about promoting economic growth, in part through development and the creation of job opportunities. Fundamentally, a key objective of the draft Local Plan is about creating job opportunities by ensuring land is available in the right locations for employment use. There is an acknowledgement of the desire to move to a lower carbon economy and to encourage innovative technologies and employment opportunities to deliver this aspiration. This is understood and supported; however, draft Policy SH4 does not appropriately reflect the evidence base and ignores market signals. There is demand for B2 and B8 uses in this location and the allocation should be flexible enough to accommodate these uses. There appears to be no evidence from the Council to indicate why Solent Business Park cannot accommodate these uses.

In response to our previous representations the Council states:

*"The respondent suggests that a much wider range of uses should be permitted, including those in Class E and 'Sui Generis' uses. These could include retail, leisure and various other uses, many of which should be accommodated in town centre locations, or may not be appropriate. Again, it may be possible to demonstrate that a particular use is acceptable, as has been done in the case of the extant consent, but this should be against a policy background that seeks to retain the existing emphasis on offices, research and development, and light industrial uses."*

We specifically asked for B2 and B8 uses to be allowed at Solent Business Park. These are not town centre uses, and are appropriate at the Site. Both uses would generate employment opportunities. B2 uses can be considered "high technology" (there's no definition of this) and can be designed to fit in with a business park environment. Per the July 23 Report key sectors of defence, marine tech and general manufacturing could all need to operate under use class B2/B\*, but would be precluded from locating to Solent Business Park at present.

Planning conditions can be used to mitigate potential impacts such as noise, dust, odour and so on. The wording of the Allocation and other relevant policies could allow for B2 and B8, and if necessary could be drafted in a such a way to



preclude specific types of uses that would not be appropriate, e.g. *"the proposed use and development must not harm the amenity of Solent Business Park by way of unacceptable noise, air quality, odour, or visual impact, by way of causing nuisance and disturbance to other occupiers on the Allocation."*

As for retail and leisure uses, the points we have previously made remain valid. The Site needs to modernise and become more attractive for occupiers over the long term. There is a limited offer in terms of food and beverage, activities before/after work, and convenience retail. The Site is relatively isolated and this adds to the lack of interest in new space here. By enabling a gym, a creche, a convenience food store, café/restaurant/bar etc. on site this would add to the attractiveness, sustainability, and long term viability of the Site as a whole. Such uses also employ a range of people, which aligns with wider objectives set out in the plan.

The council states that it is for the applicant to make a case for ancillary uses, or for other employment generating uses. In our view, it would be a far better alternative and more positively worded policy to make clear upfront to the land owners/developers/potential occupiers that the Site is encouraging of a wide range of employment generating uses, and is attractive to staff and visitors. Ancillary uses are a key component of this, alongside attractive grounds and wider estate environment.

We also note that draft Policy E1 and E5 seek to promote other employment generating uses that are outside of traditional E(g), B2/B8. We note that such uses are encouraged generally, but directed to within settlement boundaries in the first instance. Solent Business park has a role to play in capturing these other employment generating uses. For example, education and health care can both employ large numbers of people (equivalent to an office) and create high value jobs. The character of the buildings these uses would deliver would also align well with the aspiration for well designed buildings in a parkland setting. The spin off effects of these types of uses are also important to note. Where demand exists for such uses, Solent Business Park could be a suitable location for them to locate, subject to compliance with other policies in the plan.

To ensure maximum flexibility in the policy to capture opportunities for investment and job creation, we recommend the insertion of the phrase *"and other employment generating uses"* into the policy. A case would need to be made for such a use at the time, but with more flexible wording it would signal to the market that there is suitable land available at Solent Business Park.

Regarding design, the Council stated in response to our representations:

*"To change the requirements significantly for this last remaining element of the Business Park would risk a development that is out of character with, and of a lower standard than, the existing Park. The existing requirements, including on building heights and parkland landscaping, have resulted in a particular form and character of development, and should continue to be applied to the remaining phase. They do not prevent a case being made for variations, but should form the policy starting point for proposals."*

It is helpful that the Council state that there may be a case to deviate from the policy requirements, but we strongly urge the Council to take a more flexible and less prescriptive approach in its policy wording. As we have previously suggested, the wording should be relaxed so as to remove the specific requirements for 30% "parkland" to be delivered, and the restrictions on eaves heights. There is no evidence as to why 30% is the chosen target, and no evidence of other options tested.

Kennedy Wilson believe that landscaping and amenity space is a key component of delivering high quality employment development, as it can provide significant benefits to the environment, employees and the wider community. But this should not stifle development and jobs creation where the specific target cannot be met. To repeat our previous representations, instead of an arbitrary figure of 30%, the policy should be worded in a manner that requires proposals to deliver high quality and multifunctional landscaping, to provide a high quality setting for buildings whilst delivering spaces which are usable and of environmental and amenity value. An approach which focuses on the *quality and value* of landscaping and open space rather than the *quantity* is likely to lead to better design outcomes and benefits.

Criteria iii. of the policy states that development should "generally" avoid being over three storeys or 14 metres in height. It is not clear where in the evidence base for the Local Plan that this restriction is derived from. It is considered that the policy should be more flexibly worded and instead require building heights to be design-led and informed by landscape/townscape and visual impact assessment as necessary, to demonstrate acceptability. This would ensure that the development of the Site is not unduly constrained, can be optimised and meets occupier demands, whilst being designed to avoid and mitigate impacts on neighbouring uses and the surrounding area. This is a commonly used and sound approach to designing buildings and wider masterplans for development sites. Furthermore, such a change would



align with the previous planning permission for the site which granted consent for buildings, including a "landmark" building, which exceeded the 14m/3 storey height and were found to be acceptable and of high quality design.

It is noted that in the Council's assessment of the Site it states that it is of "low overall landscape sensitivity" - in response to IIA objective 10: To conserve and enhance the character and distinctiveness of the District's landscapes. Given this, surely more flexibility can be provided in policy to encourage schemes to come forward and to be assessed on their own merits.

If the aspiration is for a high quality environment is delivered as part of development, other policies in the plan can be used to achieve similar goals without being so prescriptive; and these should be applied with the development plan as a whole, taking into account the need to bring forward development at this longstanding vacant site for employment generating purposes.

During pre-application discussions the existing policy (reflected by the emerging policy) was used (in part) to dismiss the case being made for a major life sciences scheme which would have taken approximately half of the vacant land and created hundreds of high quality, high value jobs. The applicant was a regionally significant occupier.

The established expectations for parkland space and the cap on eaves height were used in a very direct way (as was concern for the business park character), ultimately damaging discussions with the applicant, because the policy allowed for this type of assessment, rather than a more nuanced and balanced approach. Whilst it is acknowledged that the pre-application scheme had other issues to address, the occupier felt the policy requirements were focused more on design than the economic benefits of their proposal, and ultimately the investment opportunity was missed. If we are to attract investment, policies should be drafted in the most positive and flexible way possible.

Finally, the Council's response places significant weight on the existing character of the south part of the Site. This was developed many years ago, under a different development plan, and greatly different economic circumstances. That it was right to plan a site a certain way then, does not mean it remains the right solution now.

The south of the Site is characterised by large office pavilions facing both the central lake area, and the large areas of surface parking to the boundary. There is no demand for such office pavilions to be delivered again (indeed the existing office space is approximately 25% vacant and increasing – 5 year average), and it is highly likely that any development coming forward will be in the form of light industrial, industrial, storage, R&D and healthcare buildings. These occupiers will need buildings of various sizes, formats and designs that may not be able to neatly fit the tests set out in draft Policy SH4, nor align with a the character set by historic office development.

If the Council is serious about seeing Solent Business Park come forward for its purpose of securing investment and growth, and creating good quality jobs, the draft Policy SH4 will need to be made more flexible, as suggested below. We consider the revised wording to be a reasonable request from the landowner who is keenly aware of the issues facing development (lack of) at the Site, and who is keen to see employment generating uses come forward at the earliest opportunity. We also think the request directly aligns with the Council's own statement at Para 10.4 of the draft Local Plan:

*"The effect of recent events are still evolving and there are likely to be further changes to the economy of the country and locally, which are as yet unknown. With this background, it is vitally important that Local Plan policies are flexible to allow for the changes that may occur and support a green and robust economy."*

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Para 10.22 goes on to state:

*"Uncertainty over the forecast scenarios and continuing economic structural changes all emphasise the need for flexibility regarding the specific make up of employment land between particular use classes."*

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With the above in mind, our suggested wording is as follows:

Land at Solent 1, Whiteley (as shown on the map above) is allocated for **business park employment generating uses** development. Planning permission will be granted provided that detailed proposals accord with the Development Plan and **where possible** meet the following specific development requirements:

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**Nature and Phasing of development**

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Provide for a range of **high technology and** business uses falling within Use Class E(g), **B2, B8, and other employment generating uses.** In addition, ancillary commercial uses within the broader Use Class E are also supported to contribute to the amenity, sustainability and vibrancy of the Business Park;

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ii A high standard of design so that the buildings make an individual and positive contribution towards the overall appearance of the ~~business park Solent Business Park;~~

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~~iii Generally avoid being over three storeys or 14 metres in height to eaves level. Building heights should be established on a plot by plot basis taking account of the commercial requirements of occupiers, and ensuring development accords with the character, height and scale of the wider Solent Business Park. They should be design led and informed by appropriate technical analysis, such as townscape/landscape and visual impact assessments, to demonstrate that unacceptable impacts on the surrounding area can be avoided.~~

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~~iiii the proposed use and development must not harm the amenity of Solent Business Park by way of unacceptable noise, air quality, odour, or visual impact, by way of causing nuisance and disturbance to other occupiers on the Allocation.~~

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**Environmental**

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~~i. Include parkland, which as a minimum should constitute around 30% of the site area. This is in addition to the structural landscaping which adjoins the sites. Proposals should incorporate landscaping that responds to the needs of occupiers, and which meets the requirements of other policies of the plan including requirements for BNG, sustainable drainage, ecological mitigation and visual amenity.~~

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ii Include measures for the on-going maintenance and management of the landscape parkland.

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**Other Infrastructure**

i Contribute to infrastructure needed to make the development acceptable in planning terms.

## Policy E1 – Vibrant Economy

Kennedy Wilson responded to the Regulation 18 draft Local Plan consultation and were given the reference ANON-KSAR-NKFC-K. The representation broadly supported draft Policy E1 but sought to greater clarity on the types of uses that would be supported. Our suggestions have not been adopted into the Regulation 19 version of the draft Local Plan.

The response received indicates that our suggestion to specifically identify the use classes of development being sought is not necessary and is overly restrictive. We understand the Council is seeking flexibility in its approach.

Para 10.4 of the draft Local Plan states: *“The effect of recent events are still evolving and there are likely to be further changes to the economy of the country and locally, which are as yet unknown. With this background, it is vitally important that Local Plan policies are flexible to allow for the changes that may occur and support a green and robust economy.”*

Para 10.22 goes on to state: *“Uncertainty over the forecast scenarios and continuing economic structural changes all emphasise the need for flexibility regarding the specific make up of employment land between particular use classes.”*

We note also that Para. 10.31 and the text of Policy E1 specifically support home working and the creation of live work units. This both acknowledges that demand for office space is diminishing, and serves to further reduce demand for traditional offices.

We agree with the sentiment of the above paragraphs 10.4 and 10.22, but ask that they apply the flexible approach to Solent Business Park – see draft allocation SH4. The policy and sub-text is seeking to promote a wide range of employment opportunities and indicates how the various employment sites can contribute to meeting the demand.

At Para. 10.44 it states that there is opportunity for 11,000 sqm of floorspace within the 4 ha area, and it is noted that this is specifically for a range of high technology and business use within Use Class E(g). Per the representations we submitted for Regulation 18 and 19, we consider that the range of uses allowed at the Site should be broader to include B2 and B8, employment generating Sui Generis uses, and other employment generating uses which are either ancillary to the above, or which generate good quality jobs that meet the objective of draft Policy E1 and Policy E5.

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We can see no evidence to indicate why Solent Business Park should be so narrowly restricted in terms of uses it can contain. Instead, there is clear evidence to the contrary, indicating a wider range of uses should be supported here in order to bring forward land for development.



In recent years the Site had a planning permission granted which allowed for a range of employment generating uses, the Council accepted the evidence at the time that such an approach was justified. Though the permission has lapsed, it is a clear indicator that an alternative approach to the Site is needed.

In summer 2023 we discussed with officers the need for a mixed-use approach at the Site, explaining that demand for space is not from offices, but a wider range of occupiers including B2, B8 and other employment generating uses including health care, self storage, retail and education. Keeping the allocation as only for E(g) and not for other employment generating uses and ancillary uses to support the sustainability of the Site will prevent development coming forward as it is missing the opportunity to capture the demand that exists.

We submit a report by Icen dated July 2023 (Solent Business Park Commercial and Economic Assessment which was discussed with officers during high level meetings about the Site. We also submit a further **[note]** which responds to the Council's recently published employment land evidence base (July 2024). We request that the flexibility the Council refers to in the above paragraphs is applied to the Site Allocation – SH4, and as referenced in the sub-text to E1 (and elsewhere in the plan).

The two documents from Icen point to the need for flexibility in the approach taken at Solent Business Park in order to encourage the delivery of employment generating uses. Demand for offices at the Site is diminishing, and the active interest in the land comes from other sectors, so far not supported by the existing or draft Policy SH4. For draft Policy SH4 we have suggested alternative wording which we suggest would help to bring forward employment generating use at the Site.

We will submit further evidence to support our position to the next stage of the Local Plan if required.

We welcome discussion with the Council on these points at the earliest opportunity.

### Policy CN3 – Energy Efficiency Standards to Reduce Carbon Emissions

Kennedy Wilson responded to the Regulation 18 draft Local Plan consultation and were given the reference ANON-KSAR-NKFC-K. The representation broadly supported draft Policy CN3 but asked that the policy should provide flexibility for deviations from the standards requested "**where it is demonstrated to not be feasible or viable**". The inclusion of this wording allows for technical and practical design reasons to be considered, which is a sound approach.

we note that the Council has amended the wording of this policy to include the following wording:

*"These should be in line with the requirements set out below unless there are exceptionally clear and compelling reasons. These reasons should be established through the design process and demonstrate that achieving these standards produces a development that would be harmful to its setting or the character of the wider area or **it is demonstrated that is not practical.**"*

We broadly support this amended text as it does respond to our previous representations; however, we would prefer to see the words *"...or financial viable"* added to the end of the sentence. There may well be circumstances where development viability is challenging and the cost of meeting the standards set out in draft Policy CN3 is one of the factors contributing to inflated / significant building costs.

We would also welcome a paragraph in the sub-text to expand on the point of practicality/viability being a reason to not comply with the requirements to their fullest for greater clarity on this matter.

### Policy CN4 – Water Efficiency Standards in New Developments

Kennedy Wilson responded to the Regulation 18 draft Local Plan consultation and were given the reference ANON-KSAR-NKFC-K. The representation broadly supported draft Policy CN4 but asked that the policy be amended to insert the following wording criteria ii. of Policy CN4:

*"Any refurbishments and other non-domestic development **should be designed** to meet BREEAM water efficiency credits **unless it can be demonstrated that it is not feasible or viable.**"*

The Council's response to seems to acknowledge that there may be circumstances where it is necessary to make a case to allow deviation from the approach set out in draft policy CN4. The Council states: *"if this is not possible [to meet policy requirements], it will be necessary for applicants to demonstrate this in the planning application."*

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Given the acknowledgement that such instances may exist, we do not see why the proposed policy couldn't be amended to reflect this, and to identify that applicant's are able to make the case. As worded, the policy simply states the requirements, but makes no acknowledgement at all of what to do as an applicant if the requirements cannot be met.

The simple amendment to policy, which seems to align with how the Council would apply the policy in practical terms, would seem a reasonable amendment to ensure the policy is easily read and more flexibly applied.

## Strategic Policy D5 – Masterplans

Kennedy Wilson is the land owner of Solent Business Park, and previous pre-application discussions have indicated that a masterplan may be required.

The wording of the policy appears to indicate that a masterplan can be an informal document that is evidence led, and agreed with the Council following stakeholder and community engagement. The policy does not suggest that the masterplan should be agreed through the formal planning process i.e. as an outline/hybrid application but could be an 'informal' document.

This process raises many questions including: what is the status of the masterplan? If it is informal, how much consultation is necessary and what status does the feedback have? Does the Council have the resources to work with landowners to create an informal masterplan? Which stakeholders need to be consulted? How is any disagreement resolved with no right to appeal?

Whilst we understand the underlying reason for a policy on masterplans, we do not agree that they are necessary on all major development sites, and we would like to see the policy wording amended to allow discretion that in some instances, a masterplan is not required.

We are concerned that as worded, the policy could lead to significant cost and delay to delivering development, whilst the process of agreeing a masterplan takes place, whether or not an informal masterplan or submitted as part of the application for a specific plot. At a time when it is very difficult to attract investment to sites like Solent Business Park, this cost and delay may well be off-putting for incoming occupiers. It would be perceived as another burden on the planning and development process to overcome.

Solent Business Park has been subject to a number of outline applications over the years and is allocated for employment generating uses. We argue that as a Site Allocation that has also been brought forward through a number of local plan reviews in the past, enough is known about the Site and how it can be developed, to exclude it from the need for another master planning exercise as described by the policy. We would be content to demonstrate broadly how a plot could be delivered without prejudicing wider development, and even to show indicatively how/where other plots, infrastructure etc could be delivered, but more than this would be unjustified. The policy should reflect there may be circumstances like at Solent Business park where an alternative and site specific approach is needed. After the first paragraph we suggest:

*"Site Allocations that have extant or historic outline planning permissions will not be required to produce a new masterplan. Development proposals will be required to demonstrate that they do not prejudice the delivery of wider site and that further development plots the necessary infrastructure to support them can be delivered."*

Alternatively:

*"there may be circumstances such as where a site is allocated for development and has historic planning permissions, where the Council may use their discretion to agree a masterplan is not required."*

As officers know, demand for new business floorspace is limited. Demand for employment floorspace may well come from alternative employment generating uses such as healthcare, rather than E(g), B2/B8. How can a "comprehensive" masterplan, based on evidence, be prepared whilst there is a lack of clarity as to where the demand is coming from, where demand doesn't align with the Site Allocation (see representation for Policies E1 and SH4) and how occupiers would like space on the Site? In reality, sites will be identified and brought forward on a lot by plot basis, to meet a specific occupier's needs. Per our suggested wording above, these can be judged on their own merits, and in accordance with the development plan as a whole.

It is unreasonable to expect a landowner to invest significant time and resources into a master planning process to facilitate future development, when the type of future development is not known. The now lapsed permission from 2019 at the Site is



a case in point – this was speculative, didn't meet real occupier demand (it was based on theoretical demand) and was undeliverable.

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JULY 2023

# Solent Business Park: Commercial and Economic Assessment

**CONFIDENTIAL DRAFT**

Iceni Projects on behalf of Polestar  
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July 2023

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ICENI PROJECTS ON  
BEHALF OF POLESTAR AND  
KENNEDY WILSON

**Solent Business Park:**



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# 1. EXECUTIVE SUMMARY

## Policy Section Summary

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- Proposed allocation of the Solent Business Park for a range of high technology and business uses falling within Use Class E(g);
- Recognition of a weakening office market in Winchester and potential oversupply of space in the south of the district
- Strength of the marine technology cluster in the Solent area

## Office Market Summary

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- The outlook for the office market in the area local to the Solent Business Park is relatively weak based on recent trends in net absorption
- Weakened national office market post covid
- Trend of demand focused on city centre locations with good quality amenities
- Expectation of falling rents based on CoStar outlook
- Rising office vacancy in the local markets

## Industrial Market Summary

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- The outlook for the industrial market in the area local to the Solent Business Park is strong based on recent trends in net absorption
- Heightened national industrial market post covid due to ecommerce, logistics and manufacturing onshoring
- Rising office vacancy in the local markets Continual rises in rents in recent years indicating demand outstripping supply
- Very low vacancy in the Solent and South Coast although rising in Winchester market.

## Employment summary

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1.1 The Solent area has specialisms in:

- Defence
- Manufacture of air and space machinery
- Building of ships and boats

- 
- Other manufacture

1.2 Recent growth has been focused in the sectors of:

- Professional, scientific and technical activities – including ‘Other professional, scientific and technical activities’ which typically represents research and development activities.
- Construction
- Wholesale and retail
- Transportation and storage

1.3 Recent decline has been focused in the sectors of:

- ICT
- to a lesser extent Financial and insurance, Manufacturing and Administration & business support activities.

#### **Employment land need conclusions**

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1.4 The CoStar and absorption trend based outlook for Winchester and the Solent for **offices** is flat – effectively zero or mild decline. In reality the expectation is that demand will be concentrated more in city centre locations with flexible space and amenities and out of town parks may be weaker.

1.5 The industrial CoStar and absorption trend based outlook for Winchester and the Solent for **industrial** is positive – particularly across the Solent area driven by the M27 corridor and the marine cluster.

#### **Solent Business Park recommendations**

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1.6 To support employment growth in the Solent area, ensure a flexible approach to employment growth at the Business Park that supports key sectors and is not focused on office at the expense of other opportunities.

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## 2. INTRODUCTION

2.1 This report has been prepared by Icen Projects on behalf of Polestar and Kennedy Wilson.

2.2 The report considers the commercial demand and economic outlook in relation to Winchester District and the wider Solent area and sets out the implications for the Solent Business Park. In particular it examines the demand for offices vs a wider range of commercial uses including industrial, warehouse and R&D / tech.

2.3 The report comprises the following sections:

- 2. Economic policy context
- 3. Market outlook: office market review
- 4. Market outlook: industrial market review
- 5. Employment analysis: local employment trends
- 6. Employment analysis: local employment trends
- 7. Mid-tech case studies: understanding examples from elsewhere on high tech industrial space
- 8. Conclusions

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### 3. ECONOMIC POLICY CONTEXT

- 3.1 This section examines the economic policy context within the Winchester and the Solent LEP area. It is of note that the LEP area covers a slightly wider area than used later for the commercial market analysis which excludes the Isle of Wight and New Forest from the core Solent market.

#### **Adopted Local Plan 2013**

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- 3.2 This section considers the adopted Local Plan policies regarding employment.

#### **Policy CP8 - Economic Growth and Diversification**

- 3.3 The Local Planning Authority will support economic development and diversification across Winchester District, in accordance with the spatial strategies for the District, through the retention, regeneration and intensification of previously developed land and by allocating land as necessary to support employment growth at sustainable locations. About 20 hectares of new employment land will be provided for economic growth and future employment needs.
- 3.4 The Local Planning Authority will support development within the District's five key economic sectors of public administration and business services, land based industries, tourism and recreation, knowledge and creative industries and retail...

#### **Policy CP9 – Retention of Employment Land and Premises**

- 3.5 In order to retain a mix of employment land and premises in the District, the Local Planning Authority will resist the loss of existing or allocated employment land and floorspace within Use Classes B1, B2 or B8. Losses will only be permitted where retaining a business use would not be reasonable having regard to the following:

- the redevelopment potential for other employment uses or a mix of uses including the scope for intensifying or providing an effective use of the site or building, and the potential to improve and extend the range of modern employment floorspace;
- whether the building or use meets or could meet a specific local requirement, such as providing low cost start up accommodation;
- the environmental impact of business use on neighbouring uses;
- the access arrangements for the site/buildings, by road and public transport;

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- strength of local demand for the type of accommodation;
  - the benefits of the proposed use compared to the benefits of retaining the existing use.

### **Winchester City Council – Draft Local Plan - Regulation 18**

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3.6 There are a number of relevant policies in the emerging Local Plan.

#### **Strategic Policy E1 – Vibrant Economy**

3.7 “The city council will encourage economic development and diversification that supports the council’s Carbon Neutrality Action Plan and Green Economic Development Strategy and is in accordance with the Local Plan vision.

3.8 This will be achieved through the retention of appropriate premises and sites, supporting new development that is consistent with the spatial strategy (including appropriate retention, regeneration and intensification of previously developed land) and by allocating land as necessary to support employment growth at sustainable locations...

3.9 ...Appropriate opportunities to expand the economic base and foster innovation in the district will also be encouraged. New forms of business that develop innovative technologies and will help to support a low carbon economy will be encouraged. Consideration will be given to locating development associated with the green economy and low carbon energy generation/renewable energy facilities where appropriate, recognising that this may be in locations not normally considered for economic development.”

#### **Strategic Policy E2 – Spatial Distribution of Economic Growth**

3.10 “New employment opportunities will be encouraged throughout the district in accordance with the vision and objectives of the plan and the spatial strategy...” this includes the Solent Business Park (Policy SH4).

#### **Strategic Policy E5 – Enhancing Employment Opportunities**

3.11 Employment development will be supported within the settlement boundaries, including new development, extensions to existing businesses and the redevelopment of existing sites for alternative employment uses, subject to meeting the requirement of other policies in the Plan.

3.12 Uses that attract significant amounts of visitors or are primarily aimed at visiting members of the public will not generally be acceptable within industrial areas and will be directed to



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town centres in accordance with the sequential approach. Office development will be restricted to sub-class E(g) in order to prevent unregulated changes to other uses within Class E that are appropriate within town centres.

- 3.13 Permissions may be restricted to particular use classes or sub-divisions thereof and/or restrictions may be placed on permitted development rights where appropriate and reasonable.

#### **Strategic Policy E6 – Retaining Employment Opportunities**

- 3.14 Proposals that involve the loss of existing or allocated employment land and floorspace, or land that was last used for an employment use, will only be permitted where it can be demonstrated that continued employment use is no longer practical or viable, taking account of the following considerations:

- The redevelopment potential for other employment uses including the scope for intensifying or providing an effective use of the site or building, and the potential to improve and extend the range of modern employment floorspace;
- Whether the building or use meets, or could meet, a specific local business requirement - such as providing low cost start up accommodation;
- The potential of the site or building to be developed for a mixture of uses, that include an element of employment;
- The impact of continued employment use on the local environment and amenity;
- The suitability of access arrangements for the site/buildings, by road and public transport;
- The benefits of the proposed use compared to the benefits of retaining the existing use.

#### **Policy SH4 – Solent Business Park**

- 3.15 Land at Solent 1 is allocated for business park development. The site is 4 acres and can provide approximately 11,000 sqm of employment floorspace. Planning proposals should meet the following requirements:

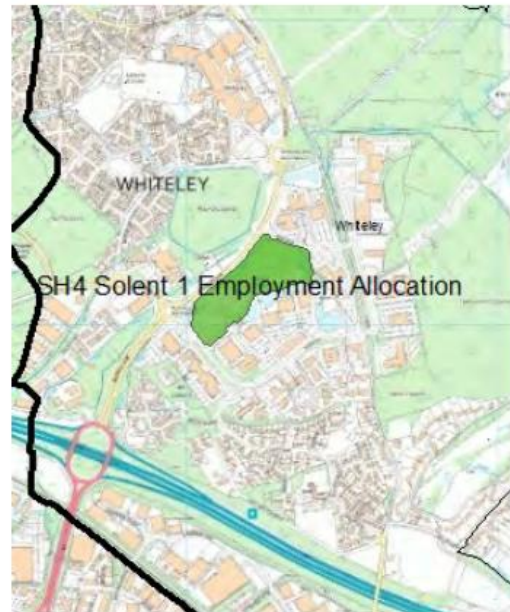
- Provide for a range of high technology and business uses falling within Use Class E(g);
- A high standard of design so that the buildings make an individual and positive contribution towards the overall appearance of the business park;
- Generally avoid being over three storeys or 14 metres in height to eaves level. Policy SH4 Solent Business Park Environmental
- Include parkland, which as a minimum should constitute around 30% of the site area. This is in addition to the structural landscaping which adjoins the sites;

- Include measures for the on-going maintenance and management of the landscape parkland.
- Contribute to infrastructure needed to make the development acceptable in planning terms

**Site Plan**



**Wider context**



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### **Solent Economic Profile – Solent Local Enterprise Partnership (July 2019)**

- 3.16 Lichfields were commissioned by the Solent LEP to prepare an economic profile of the area with the purpose to analyse and present a range of demographic, employment, business and labour market characteristics for the Solent-wide area.

#### **Employment**

- 3.17 The largest employment sector in the LEP is wholesale and retail trade. Major drivers of employment growth over the past 8 years have been private sector service industries (e.g. professional, scientific and technical activities).
- 3.18 The LEP identifies 4 strategic sectors where the Solent already has strengths, namely high technology manufacturing, maritime industries, the visitor economy and transportation and logistics. These overarching sectors are expected to play an important role in driving growth going forward.

#### **Businesses**

- 3.19 A high proportion of Solent enterprises are in the wholesale and retail trade, construction and professional, scientific and technical activities sectors. The LEP area has a higher

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proportion of enterprises in the former two sectors than the South East and UK, and a lower proportion in the latter. The Solent typically records smaller proportions of enterprises in office based sectors, with higher proportions in sectors that are associated with industrial and warehouse premises and lower skilled services such as accommodation and food.

3.20 The LEP area accommodates a substantial quantum of office, industrial and retail floorspace and this stock has generally increased over the last few years. The overall pattern does however vary considerably within the Solent, with Southampton having seen both office and industrial stock eroding in recent years, although the city still represents the largest office centre in the Solent context.

3.21 Southampton and Fareham represent the Solent's most significant office markets, while the former is a key industrial centre alongside Portsmouth and Eastleigh. On the whole, the property market area is relatively self-contained, with comparatively weaker linkages or overlap with nearby areas such as the Sussex Coast and M3 corridor.

#### **Labour Market**

3.22 The South East and UK have higher proportions of working age residents holding higher level qualifications than the Solent LEP area. However, the LEP area performs better in terms of proportion of working-age residents with no qualifications. Overall, Solent residents hold a more even spread of qualifications.

3.23 A lower proportion of Solent employed working-age residents work in higher skilled SOC group 1-3 occupations than the South East and UK. LEP residents are more likely to be engaged in occupations in lower skilled SOC groups 7-9. As with other metrics, individual local authority performance varies considerably within the Solent.

3.24 Latest commuting data suggests that the majority of the LEP area's workforce is drawn from the local population base, and that the majority of local residents also tend to work within the Solent. Key commuting destinations include Eastleigh, Southampton, Portsmouth and Isle of Wight and in overall terms there is a daily net outflow of workers from the LEP area to work in other locations.

#### **Economic Geography**

3.25 In the Solent there is the strong degree of labour market and migration self-containment, and this is evidenced through the latest data which points to relatively localised movements when it comes to commuting and re-locating. This helps to reinforce the notion of the Solent

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operating as a single economic entity or functional economic area and is further supported from a commercial property market perspective, with a strong level of interaction evident between the key business centres of Southampton and Portsmouth and their wider hinterlands which include the smaller centres of Eastleigh and Fareham.

3.26 The report identifies the following strengths, weaknesses, opportunities and challenges to future economic growth:

**Strengths:**

- Presence of major, unique strategic assets with a key focus on marine and maritime (inc Portsmouth Naval Base, Port of Southampton, Southampton and Daedalus Airports)
- International connectivity advantages supported by the above
- The Solent is home to three universities which not only provide an important catalyst for knowledge-based productivity growth but also generate significant economic benefits for the local economy
- Extensive natural capital, including New Forest National Park and spectacular coastline, giving the Solent a unique economic identity

**Weaknesses:**

- Pockets of poor transport connectivity within the Solent, with particular connectivity constraints between the key centres of Portsmouth and Southampton
- Sluggish enterprise growth and business survival rates amongst some sectors
- Resident base currently lacks many of the skills that will be required to drive up productivity and support high value businesses to grow

**Opportunities:**

- Strategic assets provide significant opportunities for future economic growth, diversification and prosperity
- Utilising the Solent's unique coastal geography to maximise the area's contribution to UK productivity growth, supporting the area to become a 'Coastal Powerhouse'
- Developing the Solent's existing strengths and USPs to become a world-class global hub for marine and maritime activity

**Threats:**

- Ongoing uncertainty associated with Brexit, potentially impacting on short term labour shortages, the flow of trade in and out of the Port, as well as the Solent's relative competitiveness and international profile as a business location

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- Productivity challenges within parts of the economy which, if unaddressed, could constrain future growth and prosperity
  - Increasingly polycentric economy that has been disaggregated into smaller functional areas, whereby eroding the benefits associated with agglomeration and industrial clustering

### **The Economic Contribution of the Maritime Sector in the Solent LEP (September 2019)**

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- 3.27 The Centre for Economics and Business Research (CEBR) was commissioned by the Solent LEP and Maritime UK to quantify the economic contribution of the Maritime Sector and Portsmouth Naval Base within the Solent LEP region.
- 3.28 The study reports that in 2017 the Solent LEP had a higher proportion of employment in Wholesale and repair, Transportation, Accommodation and Food, Manufacturing and Public administration and defence, health and education when compared to the South East and the UK. In terms of GVA by sector, only Manufacturing(11.3%) and Public administration and defence, health and education (21.9%) brought in a higher proportion on income when compared to the South East and the UK.
- 3.29 The report noted that sea transport tends to attract goods of relatively low value-to-weight that are less time critical. However not all high-tech manufacturing industrials produce high value-to-weight goods and machinery and transport equipment is a key UK export sector, worth £75 million in the 2017, equating to 42% of UK exports to Non-EU countries. The importance of maritime to this high-tech, high-value manufacturing sector is unlikely to be anywhere more clearly reflected than in the statistics on the volume and value share of total UK trade with non-EU countries in these goods that is being handled by the Solent ports.
- 3.30 Analysis of exports most facilitated by the Solent-based Maritime sector revealed that 22.2% of UK total non-EU trade was in Machinery and transport equipment and 8.8% was in Chemicals and related products (both considered mid-high technology sectors<sup>1</sup>).
- 3.31 The Solent facilitates 61.4% of car exports and 61.6% of automotive vehicles for the transport of goods imports to the UK from Non-EU countries.

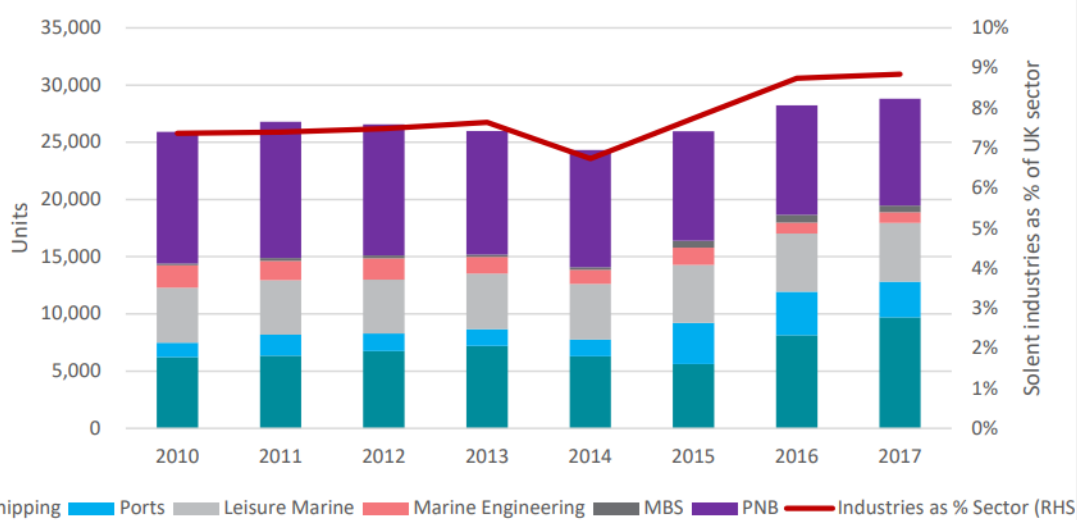
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<sup>1</sup> [Glossary:High-tech classification of manufacturing industries - Statistics Explained \(europa.eu\)](https://www.europa.eu)

3.32 The report features a case study on Carnival Cruise which has its UK headquarters based in Southampton and their UK operations in the form of P&O Cruises primarily operate out of Southampton. Their 2020 Sustainability Goals stimulated significant investment in Marine Technology to the point where they are market leaders in some maritime environmental technologies. A \$400 million investment into Exhaust Gas Cleaning Systems led to 59% of their 102 ships being covered, making them a market leader in this technology.

3.33 The figure below outlines the direct employment impact from the Solent-based Maritime Sector at the Portsmouth Naval Base. It indicates that the largest contribution to 28,800 jobs in 2017 came from the Shipping industry (9,700 jobs), followed by the Portsmouth

Figure 15: The direct contribution of the Solent-based Maritime industries and Portsmouth Naval Base to employment, and the share of the total direct industry contribution to UK employment, 2010 to 2017



Source: ONS, FAME, Cebr analysis

Naval Base (9,300 jobs).

### Winchester District Ten-Year Green Economic Development Strategy (September 2021)

3.34 The Green Economic Development Strategy (GEDS) provides the framework and approach for action planning the policies, programmes and projects that will enable Winchester to address the global challenges facing communities like itself. The previous economic development strategy ran until 2020 and so the need for renewal coinciding with the short-term shocks of Brexit and the COVID-19 pandemic, providing the opportunity to shape Winchester's recover.

3.35 The economic bassline chapter highlighted that Winchester is home to global and national technology businesses like Arqiva and IBM and rural businesses pioneering solutions to

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climate change such as Marwell Zoo. The district is well positioned to capitalise on the strengths of its largest sectors, which includes Professional, scientific and technical services with particular opportunities to build on its employment specialisms of Scientific research and development.

3.36 The GEDS aims to deliver eight economic, social and environmental outcomes for the district:

- Increased business density and diversity
- Higher skills and productivity
- Reduced socio-economic and spatial inequality
- More affordable, sustainable and flexible housing stock
- Net CO2 emissions reduced to zero
- Greener transport and less congestions
- More local and renewable energy
- Increased biodiversity and green infrastructure

3.37 Four interlinked scenarios demonstrate, by how changing its priorities, Winchester can accelerate or decelerate progress against each green economic development outcomes. The scenarios are not mutually exclusive, and all outcomes may be achieved to some extent in every scenario:

1. **Levelled up district** – Development recovery that focuses on pre-pandemic structural weakness such as housing supply, affordability, foundational economic productivity, skills and jobs, economic participation and health and wellbeing.
2. **20-minute communities** – Creating more economic activity which builds on existing characteristics of communities, alongside more services for employees, residents and visitors. Cities, towns and villages should be connected with exemplary digital infrastructure, smart public transport and active travel initiatives.
3. **Resilient district** – the district is better protected from flooding and rising temperatures by embracing nature-based solutions. Local biodiversity is enhanced, and local food production becomes a bigger feature of the economy. Local renewable energy generation increases. A dynamic indigenous small and medium

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sized business base provides diversity of employment, sticky jobs and contributes to a strong and distinctive local identity

- 4. A vibrant place for business** – Policy enabling more affordable and flexible remote working, incubator, workshop and independent commercial space and retail premises across the district, attracting start-ups and a dynamic day and night time economy. Improved transportation and digital infrastructure, improved supply of affordable housing, and more effective partnership working between anchor institutions, business and the knowledge economy encourages innovation and business growth.

3.38 Six priority themes covering all elements of green economic development and a range of proposed actions that will deliver the GEDS outcomes:

1. Innovative business and economy
2. Skills and competitiveness
3. Culture, creative and visitor economy
4. Connected public transport and electric transport
5. Affordable, low carbon housing
6. Green infrastructure, biodiversity and renewable energy

#### **Innovative Business and Economy**

3.39 One of the major components of this policy is strengthening the relationship management process between the Team Winchester Leadership institutions; large anchors, many public sector, education and health orientated; major businesses (IBM, Arqiva, NATS, HSBC) and the high growth potential SMEs in key knowledge and technology-rich sectors and industries.

3.40 An additional component is bringing forward refreshed propositions for the major regeneration of sites in the city centre and also employment sites in the market towns that can address the deficits of contemporary physical accommodation.

3.41 The policy should deliver an improved live-work offer away from Winchester city centre, in the market towns so rural businesses, particularly those in the knowledge-based and digital sectors are provided with an alternative to commuting and provide active travel routes within



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town centres and cross-local authority borders such as from Burr ridge and Swanwick to Solent Business Park.

### **Winchester City Council Employment Land Study – April 2020**

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- 3.42 The draft Winchester Local Plan is supported by the 2020 Employment Land Study, prepared by Stantec. The report splits the district into four sub-areas which are the National Park area, South Hampshire, Winchester Town and the Market Towns and Rural areas.
- 3.43 IDBR data shows no 'B-class' economy in the national park or market towns. The report makes the argument that South Hampshire sub-area is part of the wider functional economy in the south Hampshire urban area (part of a larger Fareham, Portsmouth, Southampton urban market). As a result employment data is grossly under-represented in many sectors and over-represented in a few.
- 3.44 Looking at employment growth at MSOA level reveals that almost all jobs growth in the district has occurred in two MSOA area, one of them being 'Winchester 13', which covers the area in and around the Solent Business Park. The second area is 'Winchester 7', covering central Winchester.
- 3.45 The growth in the south of the district has been a product of land being made available in the right part of the district i.e. high quality, motorway accessible sites in the core of 'South Hampshire Urban Areas'. Growth in this area has also caused displacement to the wider urban area, as a number of number employers have relocated from the cities e.g. HSBC relocated 1,000 jobs from Southampton to Solent Business Park.
- 3.46 One of four office sub-markets identified is the Solent Business Park. The study highlighted that there is a wide age range of units spanning decades and agents noted that as new stock was delivered, occupiers moved out of existing older offices onto the newer offers of the park. Analysis of office deals identified that that floorspace take-up fell year-on-year 2014-2018. Take-up had been concentrated in the Solent Business Park area (58%). Occupiers are attracted to the area due to co-location of other office occupiers, quality and size of units and access to M27. Occupiers include technology, media and telecoms firms. Considering vacancy by area, there is a comfortable level of stock at Solent.
- 3.47 The study looks at industrial sub-market of the M27 corridor. The industrial market comprises of Trilogy Park and Fulcrum. Trilogy Park is predominantly medium to large sized

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purpose-built industrial units, occupied by 'clean manufacturers' using automation and high-tech systems. Fulcrum has a number of small scale modern industrial buildings despite predominantly comprising of office space. Industrial occupiers are smaller firms servicing the local and regional economy. As of mid-2019 the sub-market had a vacancy rate of 0%.

- 3.48 Take-up of industrial space 2014-2018 averaged 155,000 sqft per annum, this includes deals by DHL, Coopervision, Porvair Filtration Group and Chubb Fire and Security in the M27 Corridor sub-market. Agents reported Whiteley is an attractive location to a variety of businesses due to the modern quality stock and motorway access. The area caters to technology, media, telecoms and aerospace with some logistics focus. Agents reported it was difficult for occupiers to find space in the area due to lack of supply. As a result occupiers will consider other districts elsewhere on the M27 corridor.
- 3.49 The study reports that there is evidence demand from high-tech, clean industries for spaces below 50,000 sqft, however the market is tight across the district.
- 3.50 Experian forecasts for employment growth 2019-2036 forecast a growth of 12,500 jobs, (+4,137 office-based, +738 warehousing, +11 industrial). Office growth stems from mostly Administrative Services (+2,900), followed by IT and Communications (+1,300) and Finance (+1,000).
- 3.51 Assuming a 7.5% current and future vacancy rate, adjustments for a demographic led labour supply and 5 year margin, it is recommended that the Council needs to plan for 19-27ha of new industrial land, a minimum of 21.25 in line with the population adjusted scenario and 60,000-70,000 sqm of offices.
- 3.52 As the out of town office market is weak, there should be a 25% of office provision should be directed towards the south of the district, providing scope for smaller flexible light industrial / offices, directing significant office growth to the city centre. In addition, 50% of industrial need should also be provided for in the South.
- 3.53 Overall the 'South of the District' the report concludes "there is already one large site, West of Waterlooville that can accommodate all this need and is partially under construction. In addition there remains land at Whiteley consisting of the Solent Business Parks and Little Park Farm (totalling approx. 13 ha). This suggests an oversupply of land in this sub-market area." However, the report suggest that as most of this land has consent or is within now well-established employment areas before considering release of any land not yet

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consented, the Council first engages with neighbours ensure that they are not needed to accommodate possible cross boundary need / demand from the wider South Hampshire market.

### **Solent 2050 – An Economic Strategy for the Solent (April 2022)**

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3.54 The Solent 2020 sets out a long-term strategy to unleash the Solent’s distinctive strengths that can power the local economy to increase productivity and support communities. The vision for the Solent is to be the globally leading maritime cluster at the forefront of innovations to adapt to climate change, with towns and cities that are fantastic places to live, trade and with opportunities for all communities to flourish.

3.55 Underpinning the overall vision is seven strategic priorities:

1. **A world-leading marine and maritime economy**, building on our existing assets and global competitive advantages to strengthen the UK’s international trading relationships.
2. **Pioneering approaches to climate change adaptation and decarbonisation**, linked to our coastal setting, and establishing real expertise which other regions – nationally and globally – can learn from.
3. **The UK’s capital of coastal renaissance**, harnessing new technologies and approaches to revitalise and level up economic opportunity across all of our coastal communities.
4. **A thriving visitor, creative and cultural economy**, capitalising on the Solent’s superb natural beauty and rich maritime history.
5. **Developing a world-class talent base**, helping people at all stages of their career build the skills they need to respond to new technology and drive an innovative knowledge-based economy.
6. **An outstanding business environment** that encourages innovation, fosters collaboration and enables businesses of all sizes and sectors to thrive.
7. **Health and wellbeing at the heart of economic success**, through a focus on building strong, healthy and resilient communities that can prosper in a fast changing world.

#### **SP1 – A world leading-marine and maritime economy**

3.56 The Solent want to leverage the potential of the marine and maritime economy to drive productivity improvements by facilitating high value R&D and innovation activity, open up access to new global markets to boost UK trade and attract investment in high tech business facilities, infrastructure and skills.

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3.57 Actions to achieve this include developing Maritime UK Solent as a transformative private sector cluster partnership; establishing the Solent Freeport; establishing a Marine Innovation Hub within a Solent; delivering the Solent Institute of Technology; developing 'smart ports' in Southampton and Portsmouth.

**SP6 – An outstanding business environment**

3.58 Solent 5050 focuses on business resilience and continuity in the short term and emphasis on productivity growth in the longer-term. Future actions include expanding the package of business support and funding opportunities available for businesses via the Solent Growth Hub; establishing a Trade and Investment Hub; develop sector-specific interventions including marine and maritime and advanced manufacturing; establish a Solent supply chain network.

**Marine and Maritime and Research**

3.59 Agglomeration effects have supported a world-renowned marine and maritime business cluster. The sector provides a test bed for a range of enabling and emerging technologies such as research in marine and maritime autonomy and robotics, emerging autonomous vehicle technologies, hydrogen-powered water transport and state of the art shore to ship power solutions.

3.60 The marine and maritime cluster is supported by numerous related educational establishments. Beyond marine and maritime expertise, the universities support 52,300 jobs. Fareham Innovation Centre and the University of Portsmouth's Future Technology Centre are leading research into cutting edge technologies such as robotics, autonomy research and energy.

**Policy Section Summary**

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3.61 Key points arising include:

- Proposed allocation of the Solent Business Park for a range of high technology and business uses falling within Use Class E(g);
- Recognition of a weakening office market in Winchester and potential oversupply of space in the south of the district
- Strength of the marine technology cluster in the Solent area

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## 4. MARKET OUTLOOK: OFFICES

### **National Office Market**

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- 4.1 The national office market continues to face subdued demand despite receding pandemic restrictions and more employees returning to offices which helped bring about a steady rebound in leasing in recent quarters.
- 4.2 According to the latest CoStar office market report from July 2023, national net absorption has remained negative over the past year as firms continue to release space onto the market. While demand losses have been lighter than in 2021, falling demand and rising net deliveries have continued to push the national office vacancy rate upwards to 7.6%, the highest level in nearly a decade.
- 4.3 Vacancies will likely continue rising in the near term as there is 29.5 million sqft of new office space under construction across the country. Much of this space is due to deliver over the next 12 months, which allied to ongoing weak demand, should cause the vacancy rate to rise further.
- 4.4 Average asking rents have remained relatively resilient since the pandemic began, supported by the continued rent growth at the prime end of the market and by landlords offering more generous incentive packages.
- 4.5 Prime buildings should outperform secondary ones in the coming years as firms continue to pivot to better-quality space – to attract staff, welcome client and meet growing environmental commitments – even as many take less space overall amid a pivot to hybrid working.
- 4.6 Supply-constrained markets with a strong TMT, life science or professional services demand base and a highly educated workforce have outperformed in recent years and should continue to do well over the forecast. The likes of Bristol, Cambridge and Edinburgh fall into this category, with markets such as Milton Keynes, Brighton and Leeds also likely to fare relatively well.

### **South Coast Office Market**

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- 4.7 The Solent business park lies within the wider South Coast office market (CoStar definition).

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- 4.8 Leasing activity at the start of 2023 is significantly muted with all deals for office space less than 10,000 sqft. Technology companies have been active at the smaller end of the market.
- 4.9 Occupier demand in 2022 was slightly down on 2021 activity but has not reached pre-pandemic levels. Most of the recent demand over the last 12 months was in the Portsmouth and Eastleigh submarkets. The largest deal last year was Lloyd's Register's lease for 20,000 sqft at Hampshire House in Eastleigh.
- 4.10 Landlords are showing confidence in the market – notably in the city centres - by refurbishing office space to attract occupiers. Twenty3 Brunswick Gate, Southampton underwent a comprehensive refurbishment to BREEAM excellent standards. Global engineering consultants, Ramboll, pre-let 12,000 SF there on a 10-year lease term at Southampton's first green building.
- 4.11 Average asking rents sit at around £16.90/SF, offering a notable discount compared to Brighton or Bristol markets, where rents are upwards of £21/SF.
- 4.12 Investment volumes on the South Coast fell to a 14-year low due to rising interest rates and economic uncertainty which caused investment activity to stall in the second half of 2022 in the UK.

#### **Winchester and Solent Sub-Market**

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- 4.13 CoStar reports that Winchester has a midsized office market, containing around 3.8 million sqft of office space.
- 4.14 The Winchester market has slowed in the past year after being a somewhat active submarket.
- 4.15 Winchester office vacancy rates have risen significantly over the past 12 months and net absorption was negative over the past year. There are no supply-side pressures on vacancy or rent in the near term as nothing is under construction and there has been no new development for over 3 years.
- 4.16 For the purpose of this exercise, it is assumed that the Solent Business Park is within the combined sub-market of Winchester, Eastleigh, Southampton, Fareham, Gosport and

Portsmouth, referred to as the 'Solent Market'. This section looks at the net absorption, rents, vacancy rates and stock in Winchester and the Solent Market

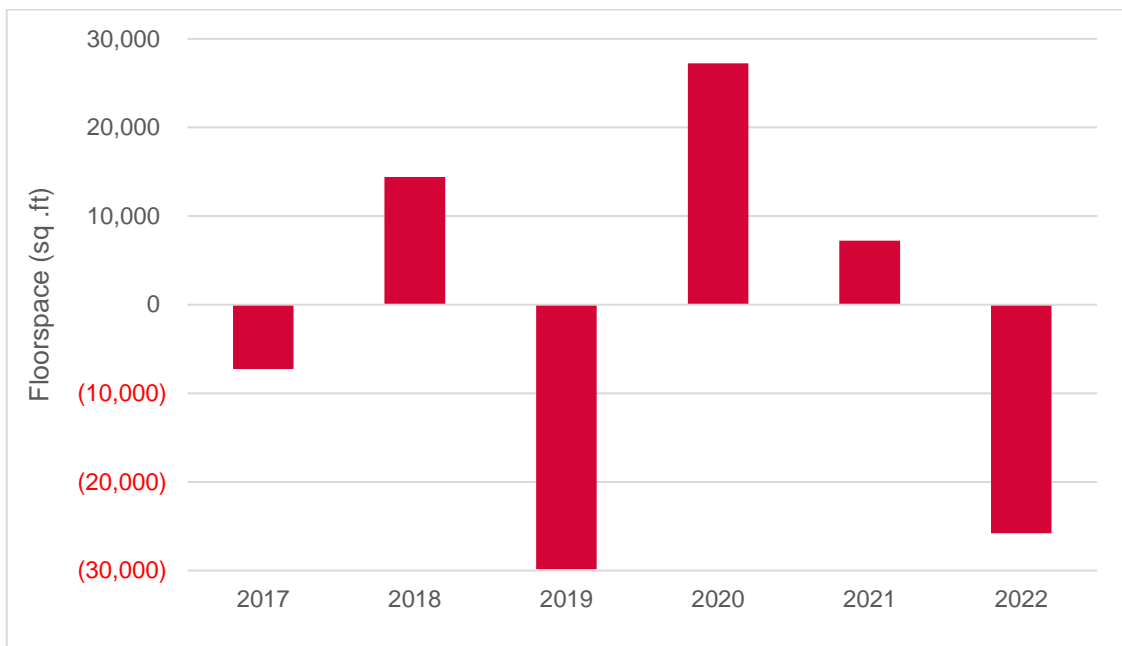
**Figure 3.1 Solent Market area**



Source: CoStar / Icen

- 4.17 CoStar provides data on net absorption. This is the balance between the amount of space moved into and moved out of (i.e. Net absorption = Move ins – Move outs). It provides an indicator of the strength of demand. Net deliveries are the difference between floorspace delivered (i.e. constructed and brought onto the market) and demolished (or otherwise taken out of use and removed from the market). A positive net absorption figure indicates strong demand and leads to a falling vacancy rate (unless it is outweighed by net deliveries). On the other hand, a negative net absorption figure indicates weaker demand and leads to a rising vacancy rate (unless it is outweighed by negative net deliveries).
- 4.18 The figure below shows the net absorption of Grade A (CoStar rating 4-5) office floorspace in Winchester. Since 2020, take-up of Grade A office space has been declining and the market saw a negative net absorption of -25,800 sqft in 2022. Prior to that, the market picked up in 2020 and 2021, most likely in light of occupiers looking for higher quality space to encourage workers to come into the office.

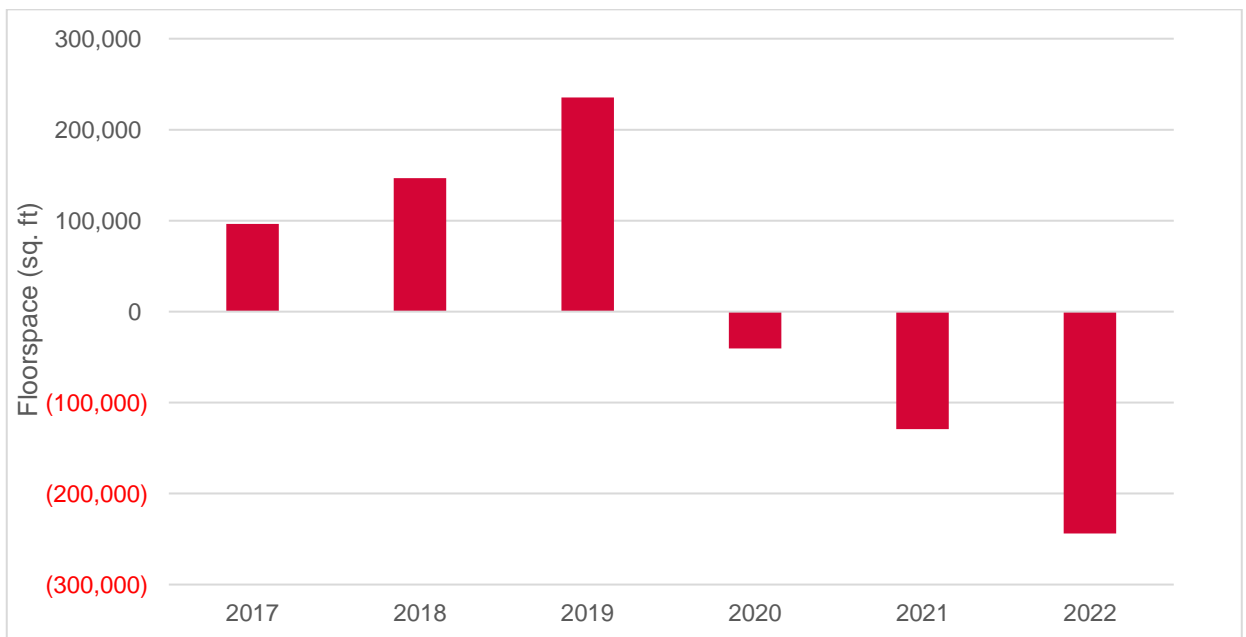
**Table 4.1 Net absorption – Grade A Office Space in Winchester**



Source: Costar (2023)

4.19 The figure below shows net absorption of Grade A office space in the Solent market since 2017. It has become increasingly negative over the past 3 years, sitting at -243,959 sqft in 2022. This is reflective of the market continuing to slow down as a result of the pandemic as occupiers release space into the market.

**Table 4.2 Net absorption – Grade A Office Space in Solent Market**

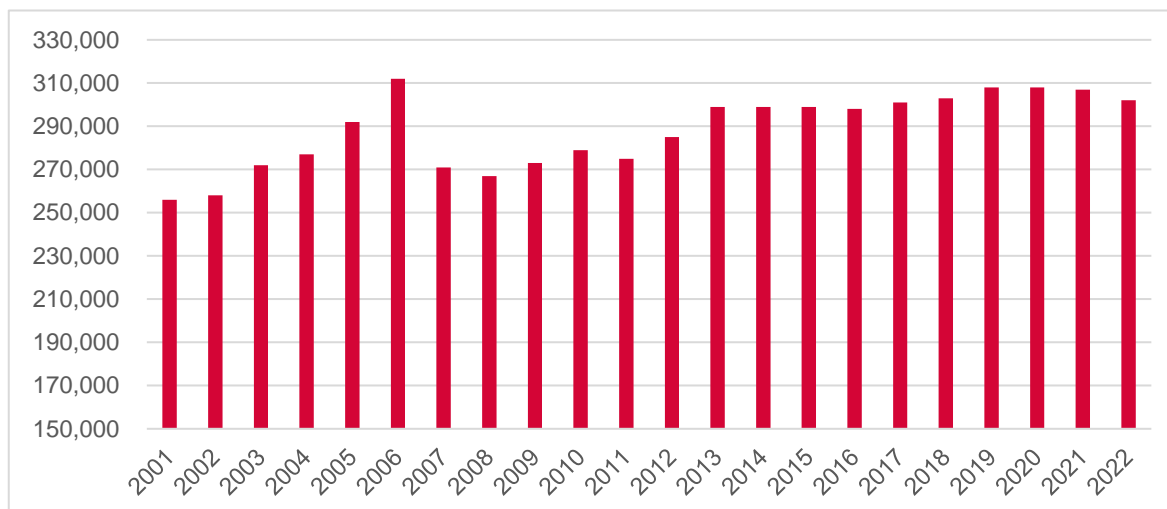


Source: CoStar (2023)



4.20 The figure below shows the total office floorspace in Winchester. Office floorspace has remained fairly stable since 2013 at an average of 302,400 sqm.

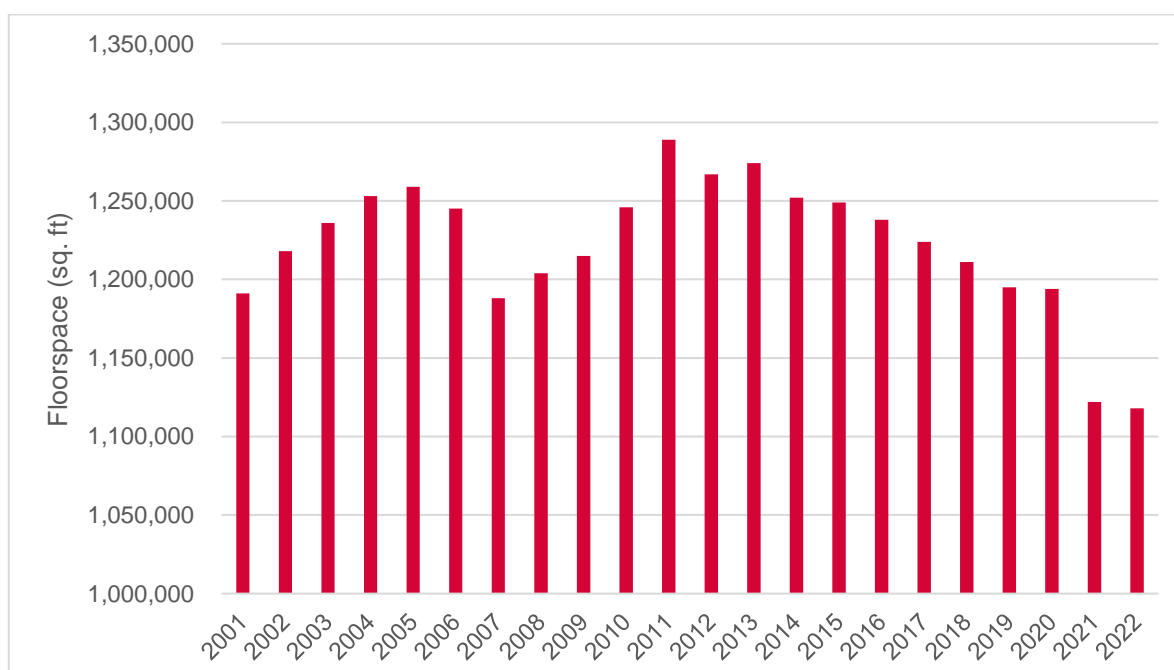
**Table 4.3 Office Floorspace Stock – Winchester**



Source: Non-Domestic Rating: Business Floorspace, VOA (2022)

4.21 The figure below shows office floorspace in the Solent market 2001-2022. Unlike trends seen in Winchester, over the past decade office floorspace has declined, currently at a historical low of 1,118,000 sqm after continued demolitions. On average office floorspace has been declining at a rate of -1.2% per annum, with the largest decrease 2020-2021, which saw 6% of stock lost in one year.

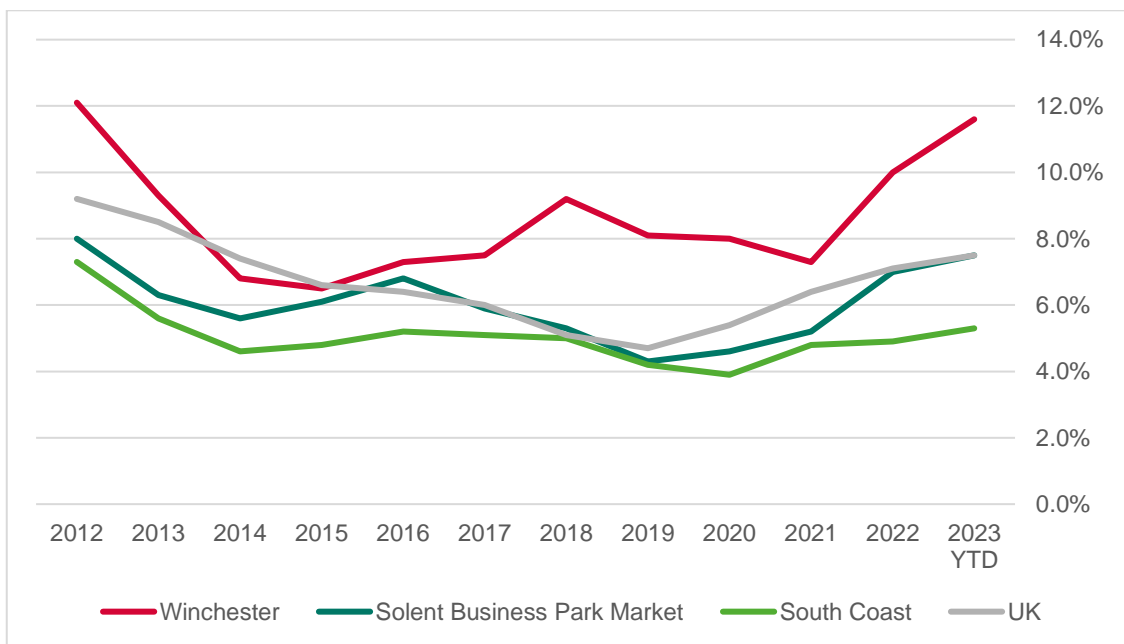
**Table 4.4 Office Floorspace Stock – Solent Market**



Source: Non-Domestic Rating: Business Floorspace, VOA (2022)

4.22 The figure below shows office vacancy rates in Winchester, the Solent market, the South Coast and the UK. Vacancy rates have been rising across all areas since 2021 and in most cases are the highest they've been over the past decade. Currently (July 2023), the vacancy rate in Winchester is 11.6%, much more than its comparator areas, of which the Solent market area and the UK sit at 7.5% and the South Coast is at 5.3%.

Table 4.5 Office Vacancy Rates



Source: CoStar (2023)

4.23 The figure below shows inflation-adjusted rents for grade A office stock. Prime rents in Chichester, the Solent Market and the South Coast have been continuing to rise since 2014, seeing an average annual growth of 9-11% across the comparator areas. As of July 2023, average prime rents are achieving £20.42 psf in Winchester, 21.85 psf in the Solent market and £20.87 psf in the South Coast. CoStar forecasts that in the short-term prime rents will decline on average by 3% per annum.

**Table 4.6 Inflation-adjusted Grade A Rents (£/sqft) (historical and forecasts)**



Source: CoStar (2023)

- 4.24 Office floorspace demand is clearly linked to the wider economic cycle and has clearly been impacted by recent economic fortunes with a prolonged recessionary period impacted by the war in Ukraine, inflationary effects and market uncertainty.
- 4.25 The more fundamental and longer-term impact on office floorspace demand however is expected to arise from changing working patterns. Working from home has become the norm for office-based workers over the past year, with widespread adoption of new digital technologies, and few commentators expect a full return to the historic trend of spending much of the working week in an office.
- 4.26 The implications are thus for:
- Lower overall demand for office space across the plan period, with the effect of the economic environment coupled with changing working patterns resulting in a lower need for employment space than forecast. This means that land previously protected for office use is no longer likely to be needed.
  - A need to consider how other activities can be introduced into business park settings such as Solent Business Park to maintain the vitality of the place.
  - A situation in which vacancy in existing office space increases and can meet future requirements in the short/ medium-term without the need for new development.

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## **Office Market Summary**

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- The outlook for the office market in the area local to the Solent Business Park is relatively weak based on recent trends in net absorption
- Weakened national office market post covid
- Trend of demand focused on city centre locations with good quality amenities
- Expectation of falling rents based on CoStar outlook
- Rising office vacancy in the local markets

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## 5. MARKET OUTLOOK: INDUSTRIAL

### National Industrial Market

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- 5.1 CoStar reports that nationally the tailwinds that propelled record- occupier and investor demand d for industrial property through the height of the pandemic are fading amid high inflation and interest rates. However, the sector is expected to continue to benefit from the structural shift towards e-commerce and the push towards net-zero carbon emissions, which should support leasing activity and provide investors with ample opportunities.
- 5.2 Most industrial landlords believe the sector remains in a relatively strong place. Although net absorption turned mildly negative in Q2 2023, it has outweighed deliveries for much of the past decade, which has kept a lid on the vacancy rate (3.7%). Owners of newer and more energy-efficient schemes are particularly well positioned to take advantage of the relative undersupply of such product.
- 5.3 Industrial properties with the highest BREEAM ratings are posting stronger rent growth than their lower-rated or unrated counterparts and are expected to continue to do so. Sector-wide rent growth has begun to ease from record levels as vacancies have inched up and as occupiers face growing cost pressures in a subdued economic climate. Rents are expected to keep growing, however, with elevated build costs and rising yields likely to act as a brake on new construction moving forward.

### South Coast Industrial Market

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- 5.4 The South Coast has a significant industrial property market. The market has one of the largest industrial inventories in southern England, one of the largest urban conurbations, and good connectivity by road, rail, air, and sea. Its location at the western end of the M3 and M27 corridors makes it a key industrial and logistics hub. Portsmouth and Southampton port container terminals are also located in the market. The latter is the UK's second-largest container terminal and one of the 15 busiest container ports in Europe, handling more than 1.5 million TEUs per year.
- 5.5 Although a significant amount of new industrial space came to the market over the last two years, including a rise in speculative development, the South Coast's industrial market has remained tight, with an average vacancy rate of 3.3%, which is largely in line with the 5-year market average and the UK national average.

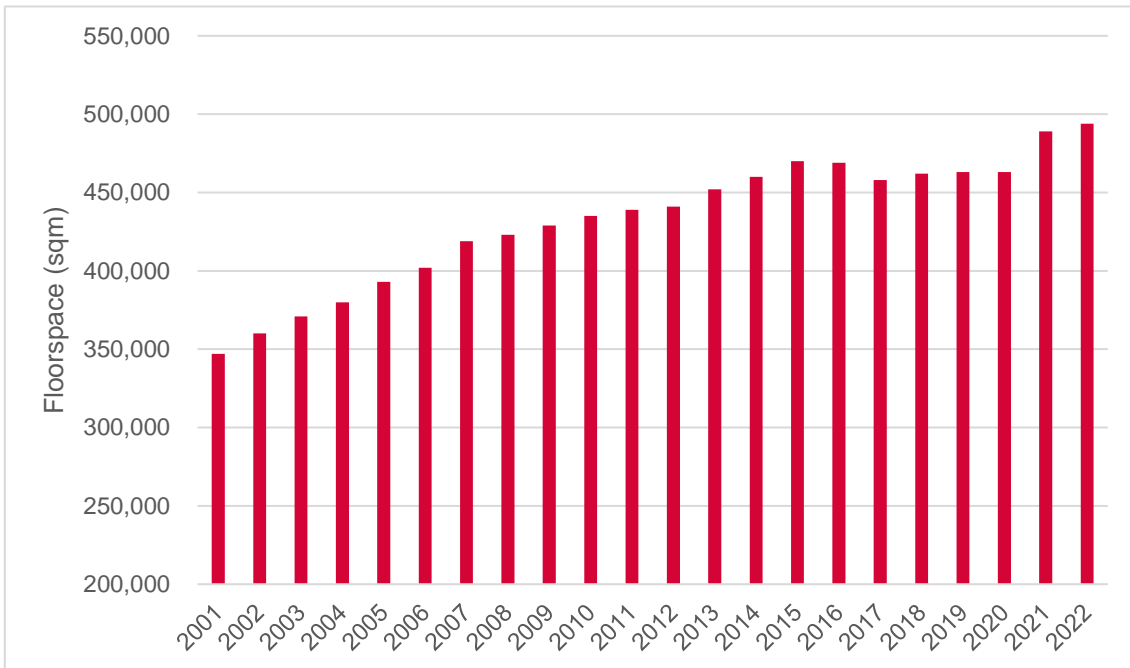
- 
- 5.6 There were positive signs in the South Coast industrial market last year. As a sign of confidence in the market several occupiers have expanded their businesses in the market with Garmin acquiring an additional 100,000 SF at Unit 4, Proximity in Eastleigh alongside its existing 193,000 SF European HQ at Liberty House, Hounsdown Business Park in Southampton. The trend continued with Lush signing for 103,000 SF at Fleets Corner Industrial Estate in Poole, meanwhile Amazon also leased 165,000 SF at 32 New Lane in Havant in September 2022.
- 5.7 The market was one of the most active in the UK for new construction in recent years, and a further 1.3 million SF is underway. Rent growth has not slowed in the last decade but has started to moderate at the start of 2023 due to new deliveries. It now stands at 4.9% over the past 12 months. At £9.60/SF average asking rents in the South Coast market have consistently outperformed the national average but are below other markets in southern England such as Kent and Gatwick.

### **Winchester and Solent Industrial Market**

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- 5.8 CoStar reports that recent instability has not make a huge impact on vacancy rates in Winchester, although rates have ticked up slightly over the past 12-months to 8.7%. Annual net absorption decreased over the past year however the story improves over a longer timeframe where the market has posted an average net absorption of 39,000 sqft.
- 5.9 Rents grew at a strong 3.9% over the past year. While undoubtedly a solid result, this does represent the weakest rent growth observed in Winchester in several years. There are no supply-side pressures on vacancy or rent in the near-term as nothing is underway. The hiatus from new development follows a considerable amount of recent construction. Over the past three years, around 320,000 sqft has been delivered, representing a 10% cumulative growth of the inventory.
- 5.10 The figure below shows industrial floorspace in Winchester 2001-2022. Over the period the stock of industrial floorspace has continued to grow, currently standing at 494,000 sqm. Over the past decade, industrial floorspace has grown a steady average rate of 1%.

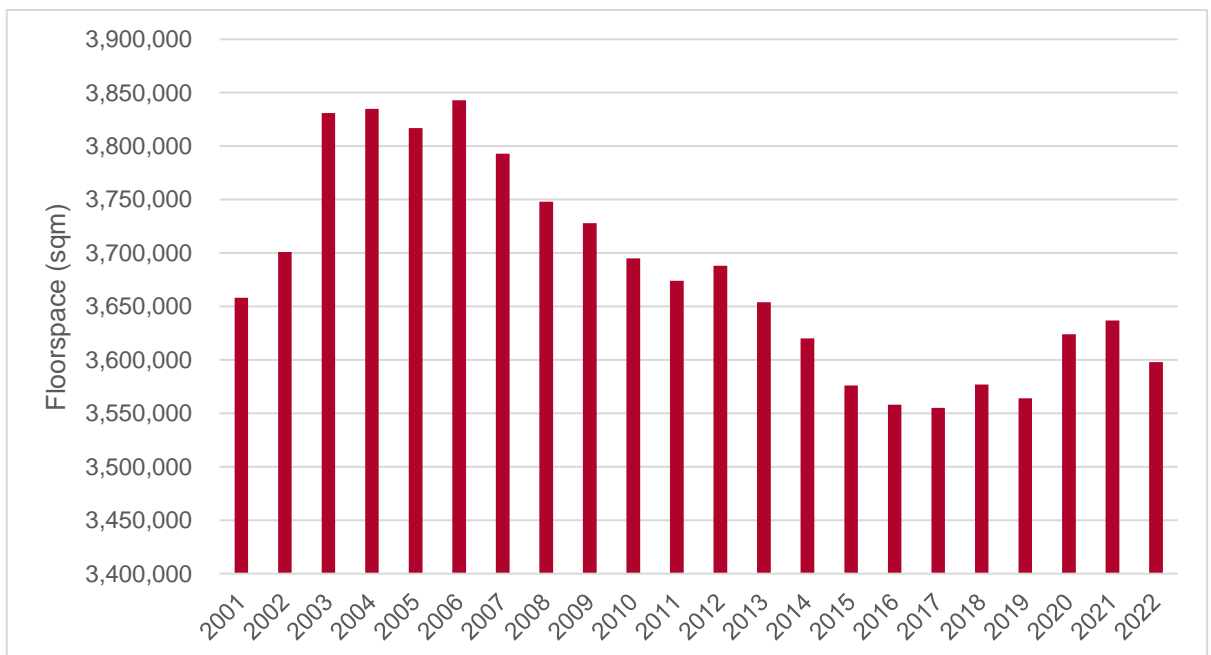
**Table 5.1 Industrial Floorspace Stock – Winchester**



Source: CoStar (2023)

5.11 In the Solent Market area an opposing trend is seen with a 7.5% reduction in industrial floorspace from 2006 to 2017. In recent years, industrial floorspace stock has begun to increase however 2022 saw a reverse of some of this growth, currently at 3,598,000 sqm.

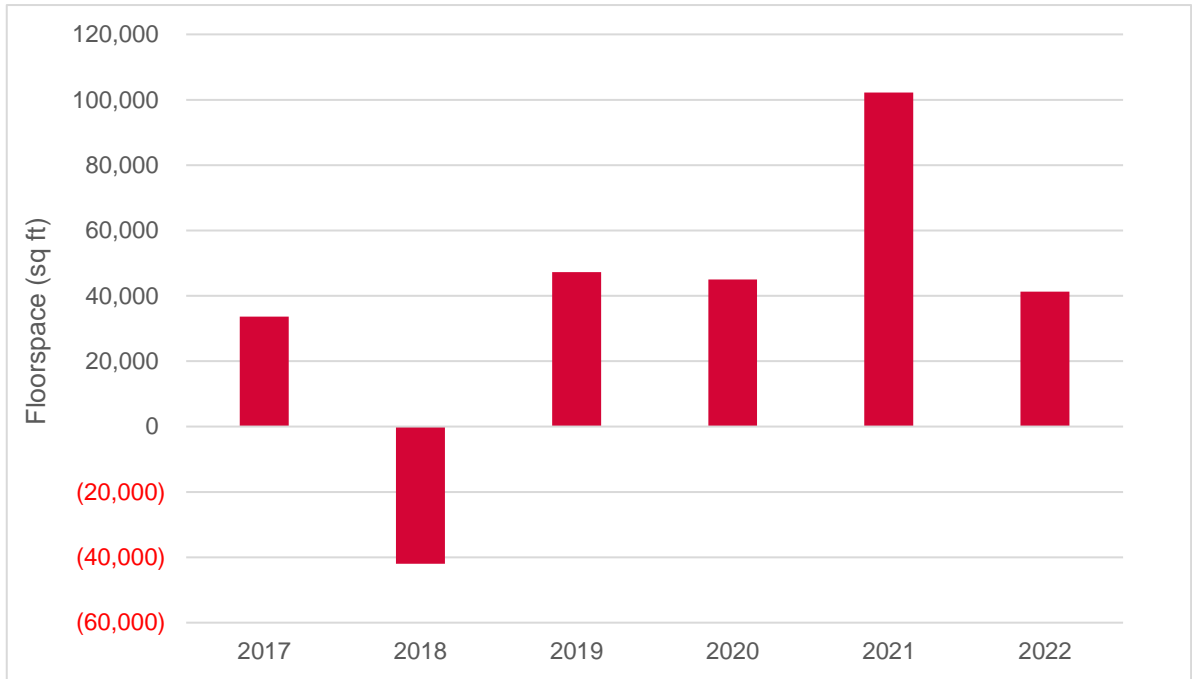
**Table 5.2 Industrial Floorspace Stock – Solent Market**



Source: CoStar (2023)

**5.12** The figure below shows the net absorption of industrial floorspace in Winchester. Net absorption has been positive, with the exception of a dip in 2018 and over the past 5 years (2018-2022) net absorption averaged 38,740 sqft.

**Table 5.3 Industrial net absorption (sq ft) – Winchester**

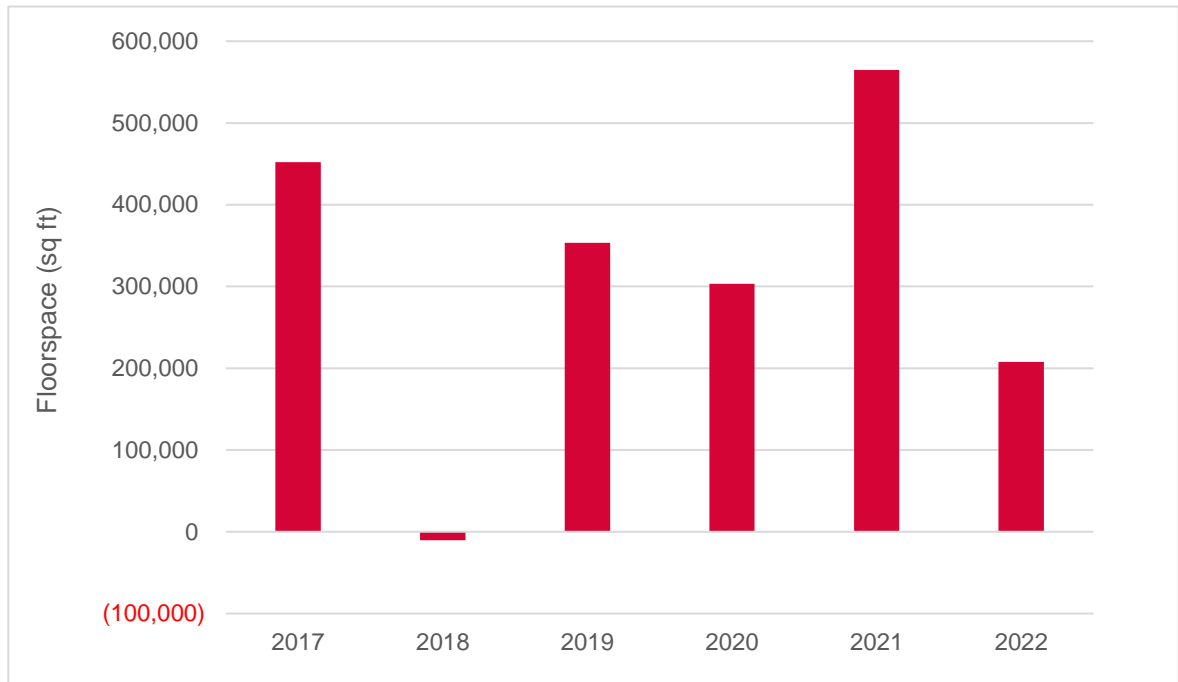


Source: CoStar (2023)



5.13 A similar trend is observed looking at the Solent market's industrial net absorption, with mostly positive net absorption except for a dip in 2018. The five-year average take-up is 28,770 sqft.

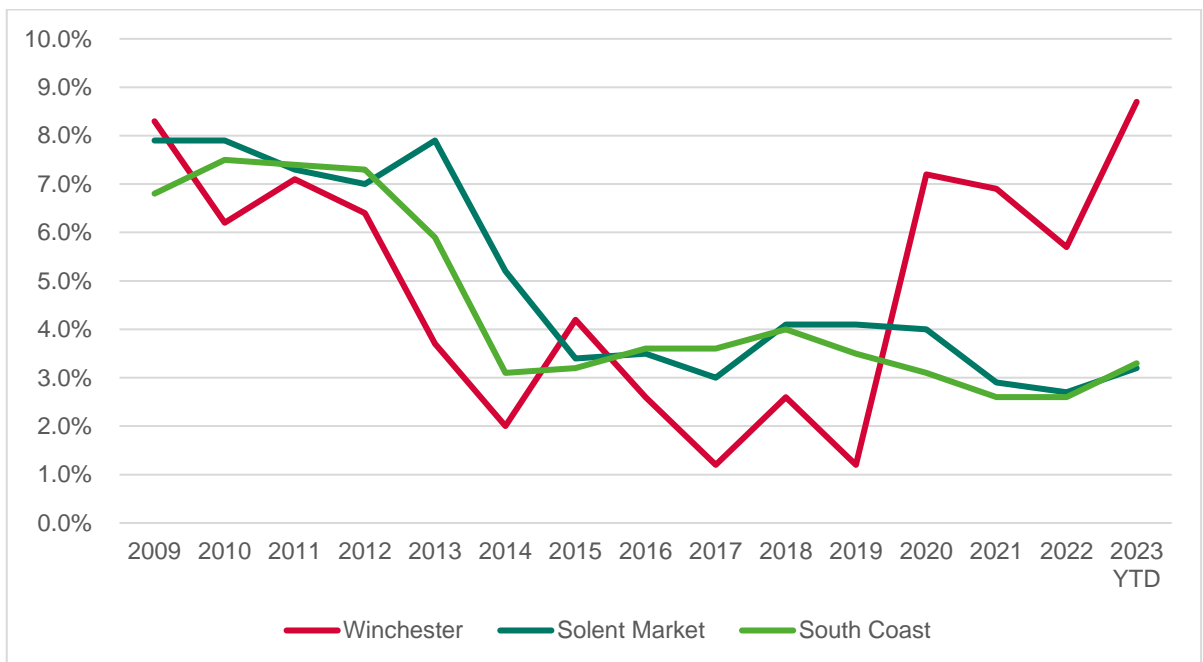
**Table 5.4 Industrial net absorption (sq ft) - Solent**



Source: CoStar (2023)

5.14 The figure below shows vacancy rates for industrial floorspace in Winchester, the Solent market and the South Coast. The vacancy rate in Winchester has increased since 2019 and is now considerably higher, at 8.7% (as of July 2023), than the Solent market and the South Coast which see vacancy rates of 3.2% and 3.3% respectively after declining historically. It is considered that a vacancy rate below 5% is too low and insufficient to allow businesses to move within the local market, including to expand as their space requirements increase; nor sufficient to attract new businesses to the area.

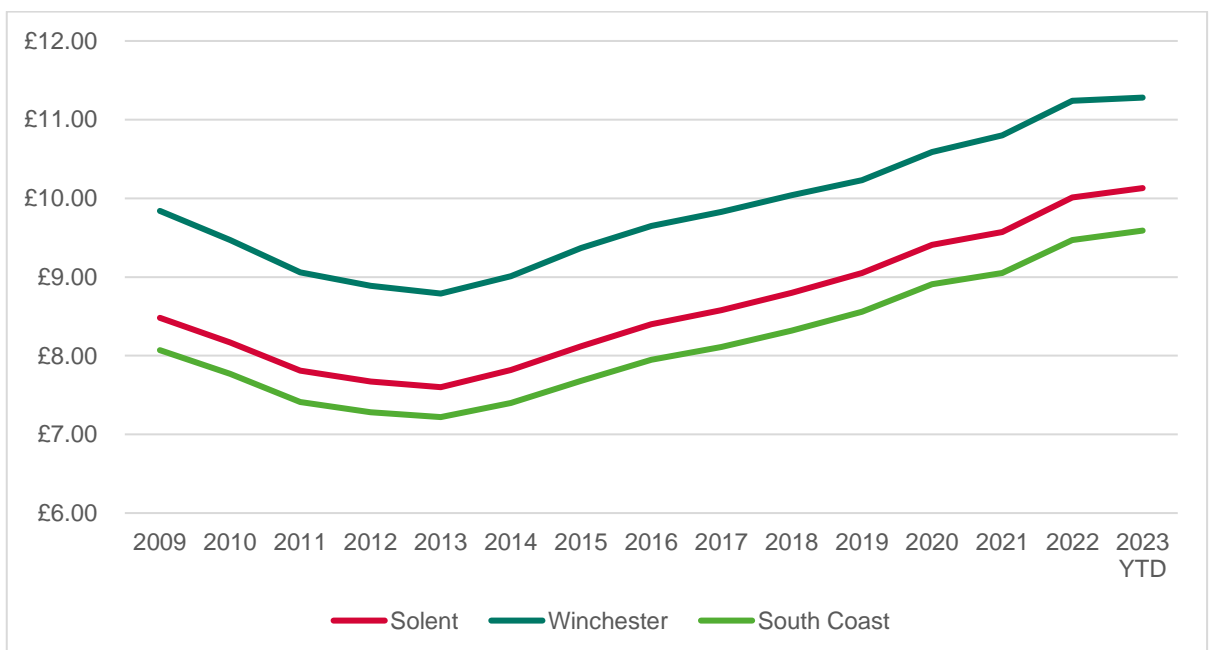
**Table 5.5 Industrial Vacancy Rates**



Source: CoStar (2023)

5.15 Rents have been gradually increasing since 2013 and currently sit at £11.28 psf in Winchester. Rents are slightly lower in the Solent market at £10,13 psf but higher than the South Coast average industrial rent of £9.59 psf.

**Table 5.6 Inflation-adjusted Industrial Rents (£/sq ft)**



Source: CoStar (2023)

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5.16 The evidence thus suggests:

- A good market for light industrial and specialist space with evidence of growing demand and space requirements in the District;
- A very low level of existing vacancy meaning that new space needs to be brought to market if demand is to be met;
- Potential for new development to support job creation in the short-term.

5.17 The market evidence indicates that industrial development is therefore more realistic, and is commercially achievable at Solent Business Park. Such development is deliverable and will create jobs on-site in the short-term.

### **Industrial Market Summary**

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- The outlook for the industrial market in the area local to the Solent Business Park is strong based on recent trends in net absorption
- Heightened national industrial market post covid due to ecommerce, logistics and manufacturing onshoring
- Rising office vacancy in the local markets Continual rises in rents in recent years indicating demand outstripping supply
- Very low vacancy in the Solent and South Coast although rising in Winchester market.

## 6. EMPLOYMENT ANALYSIS

6.1 This section considers Winchester and the Solent’s employment by sector and recent employment changes, which influences the demand for commercial property.

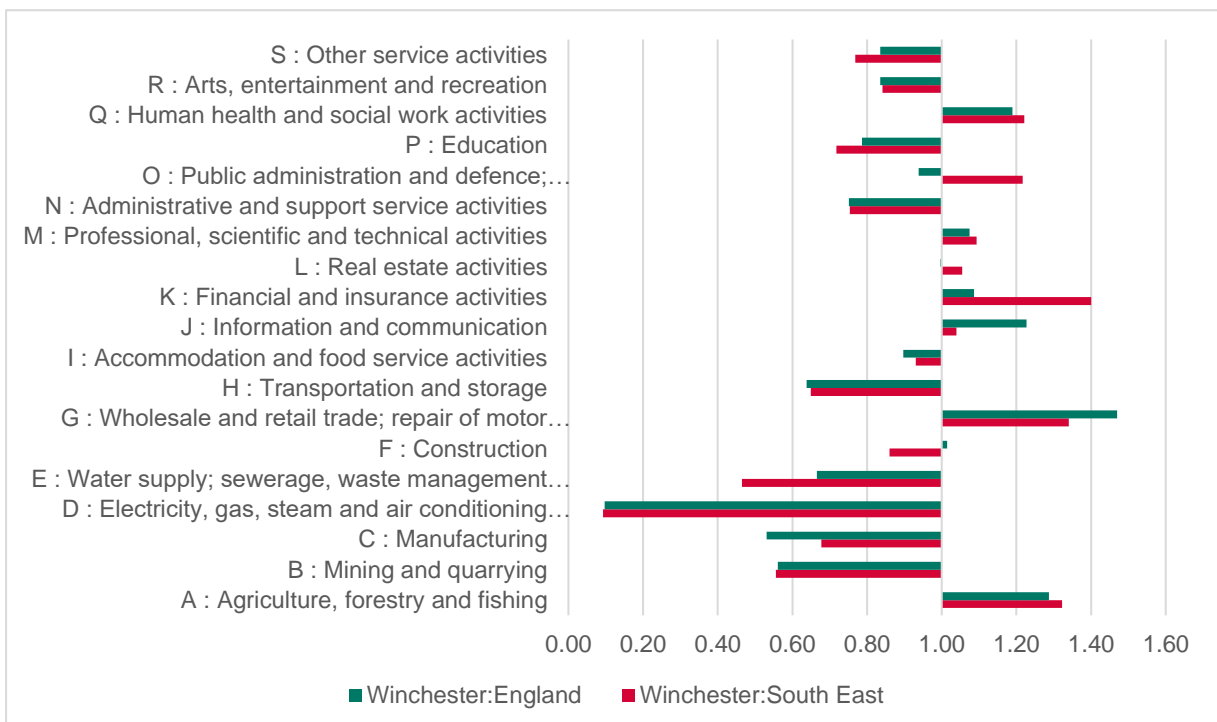
### Sector Specialisms - Location Quotient

6.2 The figure below shows the location quotients for Winchester compared to the South East and England. A location quotient greater than 1 indicates that Winchester has a higher proportion of employment in the sector than the comparator areas.

6.3 Winchester has a greater proportion of employment in:

- Agriculture,
- Wholesale and retail trade,
- Health,
- Financial and insurance activities and
- Public administration and defence (in comparison to the south east) and
- Information and communications (in comparison to England).

**Table 6.1 Winchester Location Quotient – South East and England**

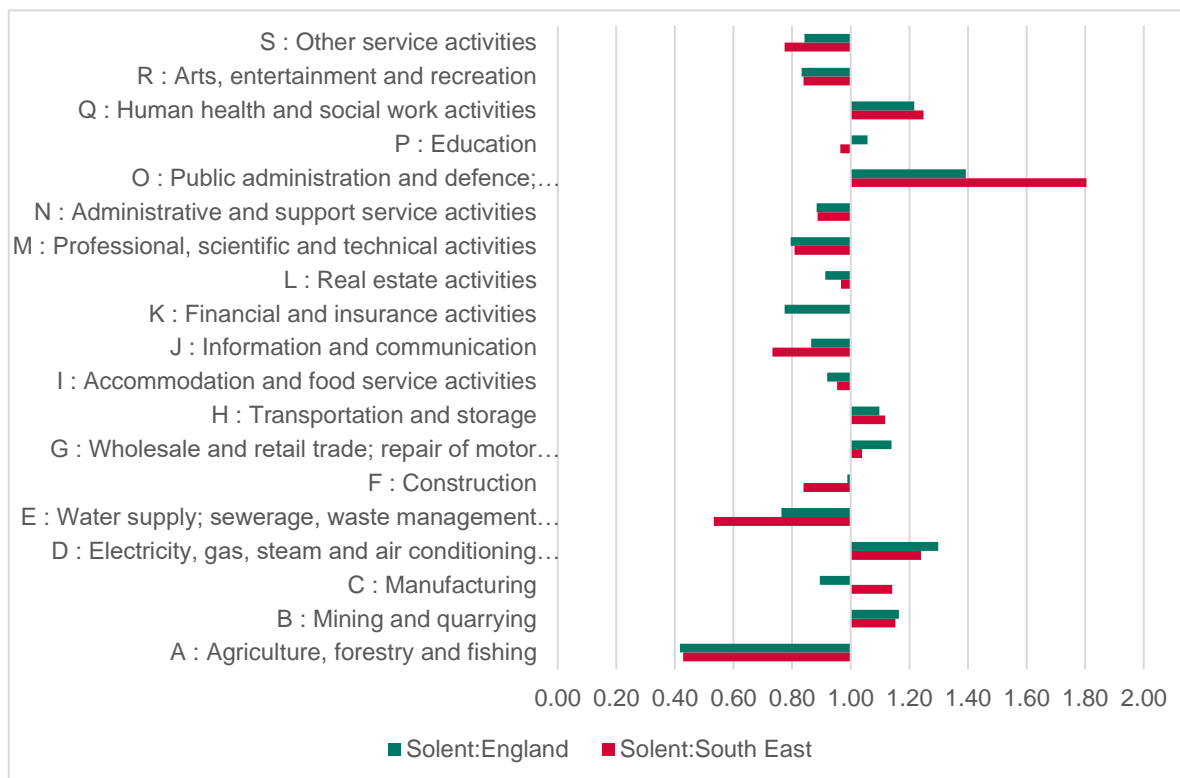


Source: Icen analysis of BRES (2021)

6.4 Looking at the location quotient for the Solent, the area has a higher proportion of employment in

- Public administration and defence,
- Utilities,
- Health,
- Mining and quarrying,
- Transportation and storage and
- Manufacturing (compared to the south east).

**Table 6.2 Solent Location Quotient – South East and England**



Source: Icen analysis of BRES (2021)

6.5 Further specific sub sector location quotients have been considered for the Solent area. This shows particular strengths in:

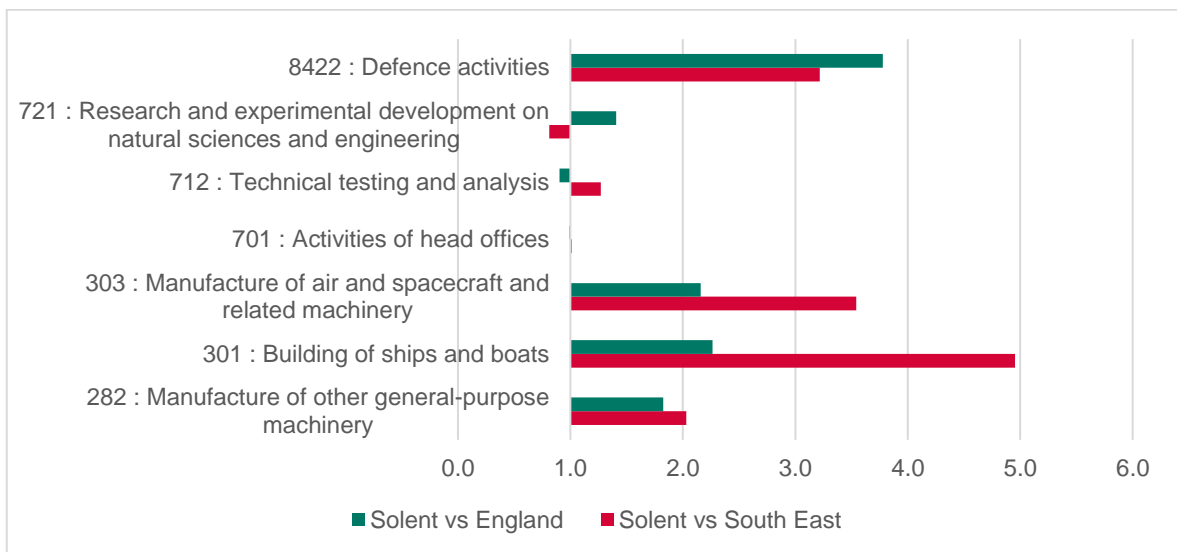
- Defence
- Manufacture of air and space machinery
- Building of ships and boats

- Other manufacture

6.6 It also demonstrates a parity on head office activities with other areas.

6.7 Overall the analysis aligns with the LEP Solent 2050 Economic Strategy for the Solent in terms of the strong maritime economy. This sector is expected to require industrial type premises.

**Table 6.3 Selected sub sector location quotients for the Solent**



Source: Icen analysis of BRES (2021)

### Recent employment change

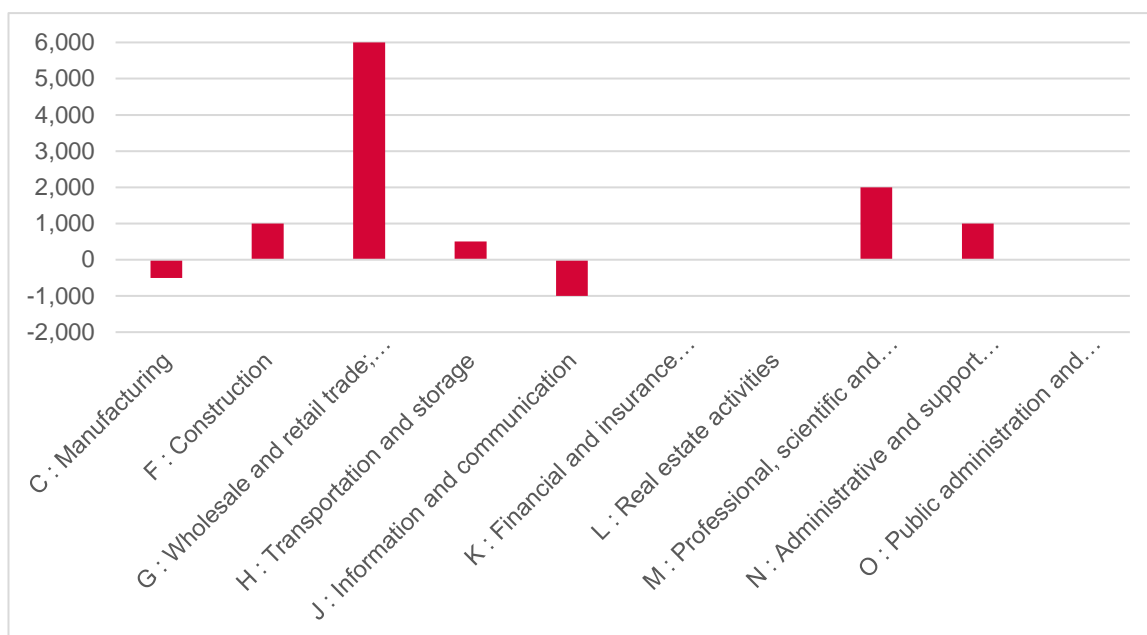
6.8 The graph below shows the change in Winchester by sector between 2015 and 2021. There was employment growth in:

- Wholesale and retail,
- Professional, scientific and technical activities,
- Admin and support,
- Transport and storage and
- Construction

6.9 Many of these sectors will have contributed to the growth in demand for industrial premises.

6.10 Information and communications saw a decline of 1,000 jobs and Financial and insurance, Real estate activities and Public administration and defence saw no change over the period. There has also been a limited decline in Manufacturing.

**Table 6.4 Employment Change by Sector, 2015-2021, Winchester (Relevant Sectors)**



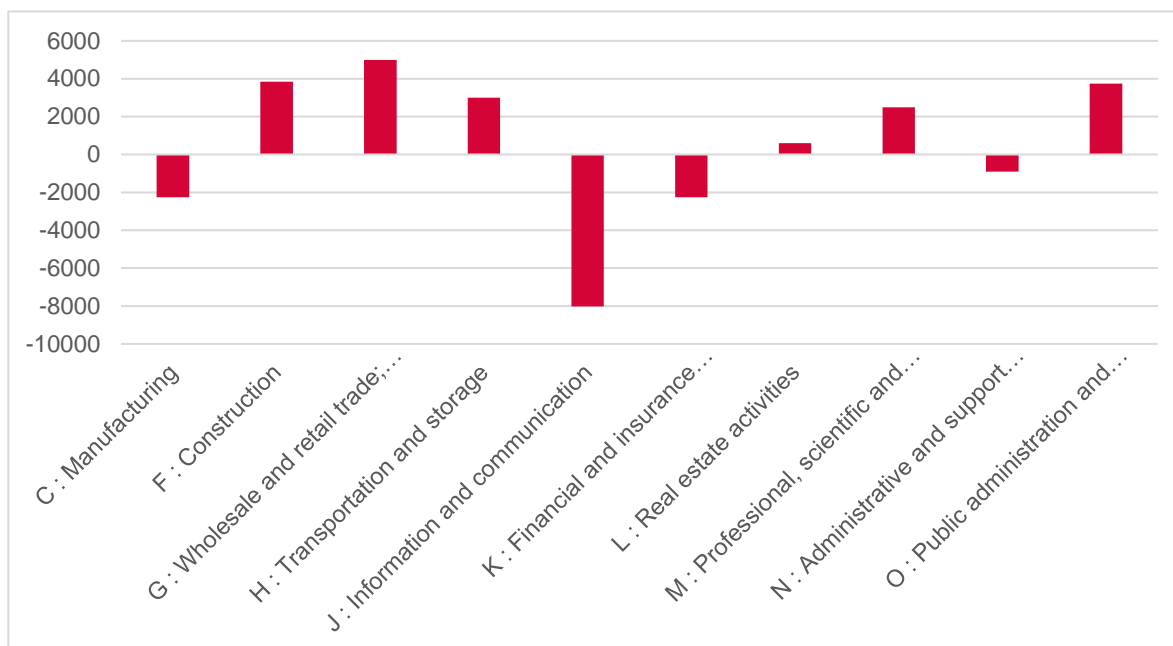
Source: IcenI analysis of BRES data (2021)

6.11 In the wider Solent Market Area (Winchester, Portsmouth, Southampton, Gosport, Eastleigh and Fareham) there was a similar trend with growth in:

- Wholesale and retail,
- Transport and storage,
- Professional, scientific and technical activities and
- Construction

6.12 There was significant decline in ICT and to a lesser extent Financial and insurance, Manufacturing and Administration and business support activities.

**Table 6.5 Employment Change by Sector, 2015-2021, Solent Market Area (Relevant sectors)**



Source: IcenI analysis of BRES data (2021)

6.13 Looking into sectoral employment change in more detail (by 3 digit SIC Group) we see the following trends between 2015 and 2021 in the Solent Market:

- Professional, scientific and technical activities – Whilst there was overall growth in this sector, this was primarily driven by growth of around 1,500 jobs in the ‘Activities of Head Offices’ sub-sector and 700 jobs in Accounting and auditing activities. There was also growth in ‘Other professional, scientific and technical activities’ of around 400 jobs which typically represents research and development activities.
- Manufacturing – Whilst there was an overall decline in this sector, there was growth in a number of sub sectors including Manufacture of plastic products, rubber products and glass products and Manufacture of electronic components and boards and the Manufacture of computers and peripheral equipment. These are classed as a mid-high and high tech sectors respectively by Eurostat (the EU statistics organisation)<sup>2</sup>.

<sup>2</sup>[https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:High-tech\\_classification\\_of\\_manufacturing\\_industries](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:High-tech_classification_of_manufacturing_industries)



- 
- Wholesale and retail – There was strong growth in this sector (5,000 jobs) which is a key driver of need for warehousing floorspace, driven by particularly strong growth in the Retail sale of goods in specialised stores.
  - Transportation and storage – The growth of around 3,000 jobs in this sector is driven by growth in sub-sectors which involve the storage transportation of goods (growth of 2,400 jobs). These sub-sectors are key drivers of need for warehousing floorspace and likely to relate to changes in e-commerce, retailing and deliveries resulting from the pandemic.

### **Employment summary**

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6.14 The Solent area has specialisms in:

- Defence
- Manufacture of air and space machinery
- Building of ships and boats
- Other manufacture

6.15 Recent growth has been focused in the sectors of:

- Professional, scientific and technical activities – including ‘Other professional, scientific and technical activities’ which typically represents research and development activities.
- Construction
- Wholesale and retail
- Transportation and storage

6.16 Recent decline has been focused in the sectors of:

- ICT
- to a lesser extent Financial and insurance, Manufacturing and Administration & business support activities.

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## 7. CONSIDERING FUTURE EMPLOYMENT LAND NEEDS

7.1 This section considers the future employment land needs for Winchester, the Solent area and specifically the Solent Business Park. This draws on the trends in market absorption for space as well as the employment indicators.

### Market trends

7.2 The table below shows the average net absorption for the past 5 years (2018-2022) for the office and industrial markets in Winchester and the Solent market.

7.3 Office floorspace has recently seen negative net absorption with a 5-year average of -215 sqft in Winchester and -6,342 sqft in the Solent market, indicating a fall in demand for office space, reflecting the shift to hybrid working, occupiers downsizing and the flight for quality over quantity.

7.4 There has been strong demand for industrial floorspace in recent years. The five year average net absorption in Winchester was 38,744 sqft and 283,769 sqft in the Solent market.

**Table 7.1 5-year Average Net Absorption (sq ft)**

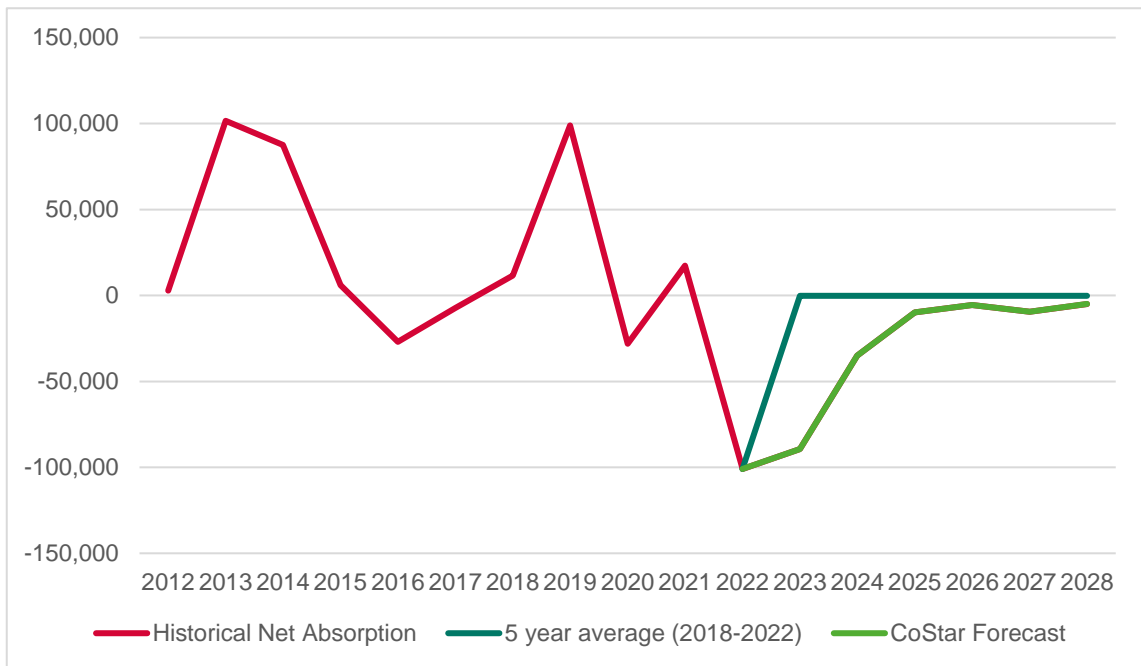
	Winchester	Solent Area
Office	-215	-6,342
Industrial	38,744	283,769

*Source: Icen Analysis of Costar Data (2023)*

### Office outlook

7.5 The graph below shows the 5-year average net absorption for Winchester office floorspace (-215 sqft) trended forward, compared the CoStar net absorption forecasts. CoStar forecasts that net absorption of office floorspace will continue to be negative 2023-2028, however will converge towards the current 5-year average trend of near zero net take-up by 2028.

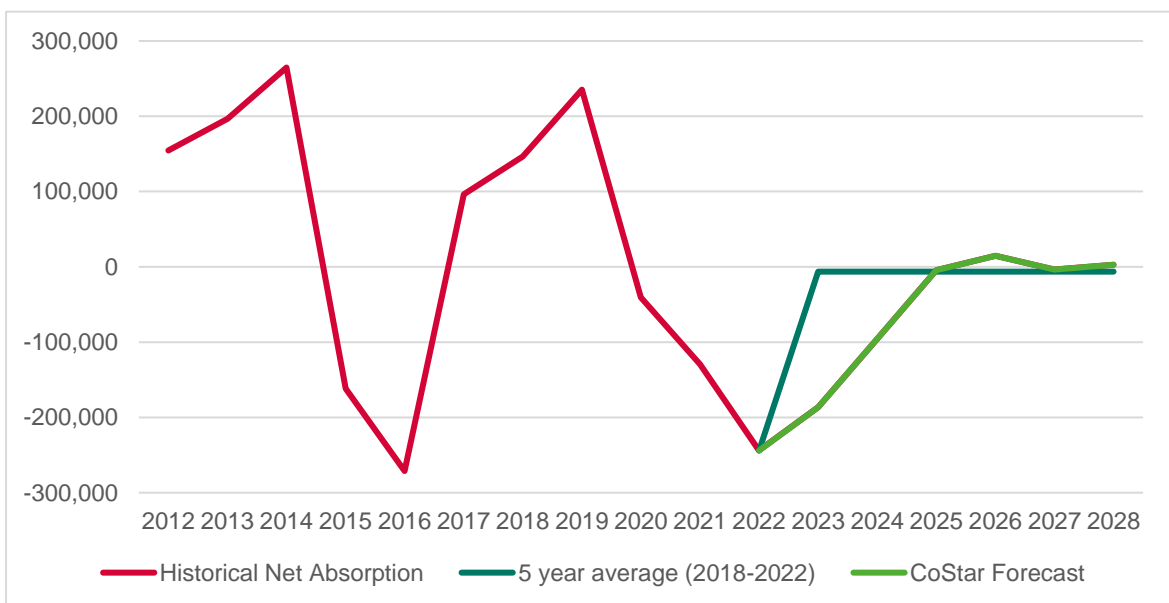
**Table 7.2 Winchester Office Net Absorption Forecasts**



Source: Icen Analysis of CoStar Data (2023)

7.6 The graph below shows a similar trend in the wider Solent market as the CoStar net absorption forecast for office floorspace converges to near zero, however at a faster rate by 2025.

**Table 7.3 Solent Office Net Absorption Forecasts**



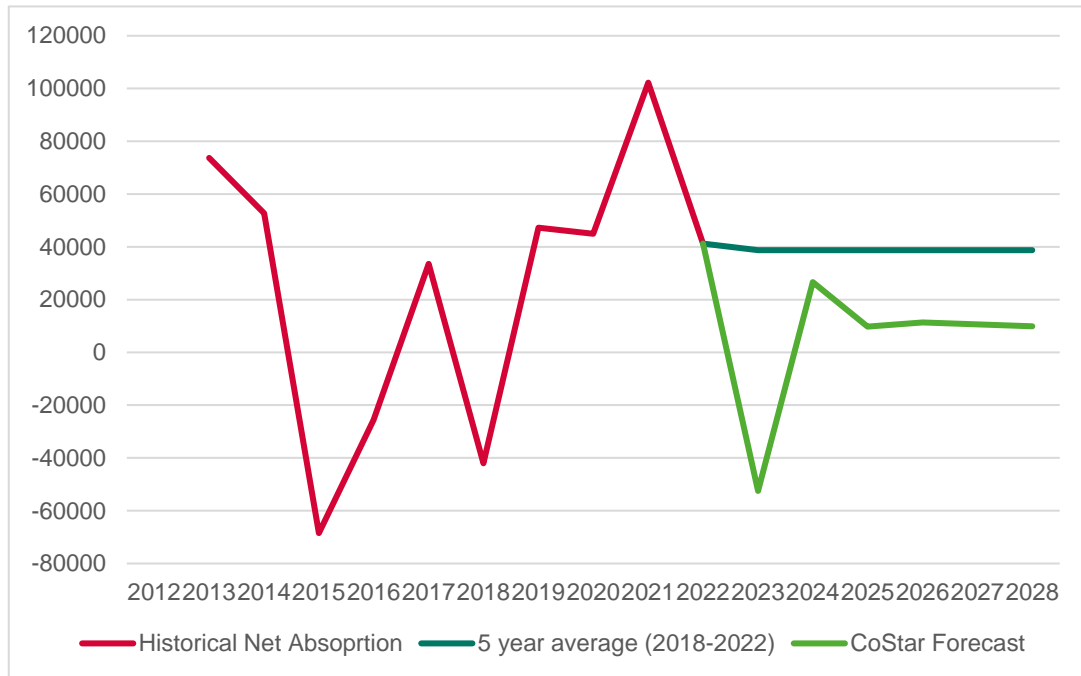
Source: Icen Analysis of CoStar Data (2023)

**Industrial outlook**

7.7 CoStar forecasts for industrial net absorption in Winchester indicate that there will be a negative net absorption in 2023 (-52,500 sqft), which will recover in 2024. The CoStar

forecasts are perhaps reflective of historical trends – including negative net absorption in 2015 and 2018 – rather than forward looking.

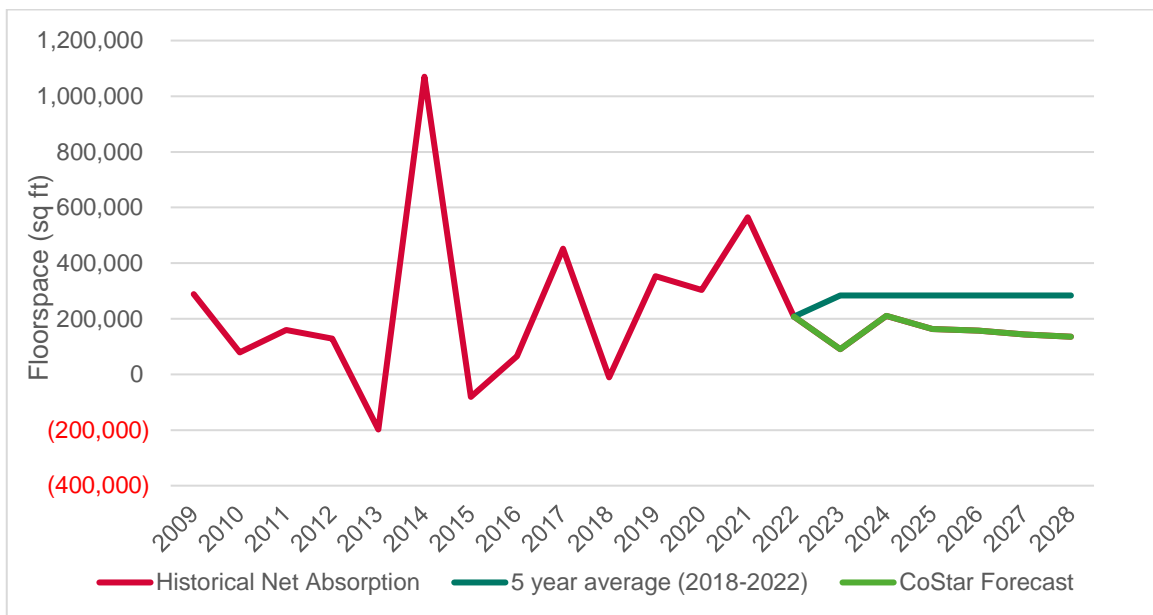
**Table 7.4 Winchester Industrial Net Absorption Forecasts**



Source: Icen Analysis of Costar Data (2023)

7.8 In the Solent industrial market, the CoStar forecasts are slightly below the 5-year average of 283,800 sqft. The forecasts predict a decline in net absorption in 2023, however not to the negative levels presented in the Winchester forecasts but to 90,600 sqft, recovering to 210,600 sqft in 2024.

**Table 7.5 Solent Industrial Net Absorption Forecasts**



Source: Icen Analysis of CoStar Data (2023)

**Employment drivers for commercial space**

7.9 As noted previously recent growth in the Solent area has been focused in a range of sectors. This includes Professional, scientific and technical activities – although this not translated to positive net absorption in office space. Meanwhile ICT employment has seen some collapse. Future demand for office space is expected to be concentrated more in town / city centre locations.

7.10 Meanwhile growth in Construction, Wholesale and retail and Transportation and storage has translated well into the take up of industrial space. Furthermore, whilst there has been some decline in manufacturing, the specialist sectors related to defence and marine engineering are expected to be resilient.

**Employment land need conclusions**

7.11 The CoStar and absorption trend based outlook for Winchester and the Solent for **offices** if flat – effectively zero or mild decline. In reality the expectation is that demand will be concentrated more in city centre locations with flexible space and amenities and out of town parks may be weaker.

7.12 The industrial CoStar and absorption trend based outlook for Winchester and the Solent for **industrial** is positive – particularly across the Solent area driven by the M27 corridor and the marine cluster.

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## 8. MID-TECH CASE STUDIES

8.1 In understanding the role of a future non office focussed development at Solent Business Park it is useful to consider the demand for mid tech and (former) mixed B type proposals that are supporting high value employment in other areas.

8.2 These are drawn from Cambridge which is known for its high-tech manufacturing and life sciences related demand. However, as noted previously, high-tech, medical and information technology industries are also seeing accommodation demands in Berkshire and North Hampshire particularly for smaller units.

### **Bourn Quarter, Cambridge**

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8.3 Bourn Quarter is a mid-tech development situated to the approximately seven miles to the West of Cambridge and slightly to the South East of Bourn Airport.

8.4 Phase 1 which is under construction (2022) consists of 10 units ranging from 160 sq.m. up to 5,240 sq.m.

8.5 The units are designed to be flexible allowing occupiers to create office space, labs or research and design (R&D) space that suits their requirements. The flexible design also allows for warehousing and production components. Phase 2 of the development currently has outline planning consent for a further 10,460 sq.m. of space.

8.6 The development is net zero carbon and is targeting BREEAM excellent and EPC A ratings whilst also recognising the diverse needs of business unit occupiers in Cambridge. The largest units of phase 1, 02 (2,520 sq.m.) and 03 (3,240 sq.m.) have been pre-let to Cambridge Design Partnership who are just one example of an occupier with diverse needs. They specialise in technology innovation particularly in biotechnology and environment, they provide design and manufacturing services to clients such as Unilever and Avon amongst others.

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**Table 8.1 CGI Graphics of Bourn Quarter**



Source: Bourn Quarter brochure

### **Alconbury Weald Mid-Tech Cluster, Huntingdon**

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- 8.7 The Alconbury Weald Enterprise campus is situated to the North West of Huntingdon and Cambridge, the Campus is part of the wider regeneration of Alconbury airport by Urban and Civic. The development lies within an Enterprise Zone which allows occupiers business and job support.
- 8.8 Once completed the cluster will provide 2,620 sq.m of space with flexible design options that could include research and design, manufacturing or office floorspace. The units are designed to be attractive and high quality and make best use of the Campus's proximity to Cambridge, Peterborough and the Midlands. Hoping to attract a range of tenants from the business, tech and manufacturing clusters in these locations.
- 8.9 The Mid-Tech buildings sit alongside a mixture of industrial and office buildings and is served by other complementary uses such as a gym, a cricket pitch, cafes and restaurants. The units act as an interface between the employment development and the residential community.

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**Table 8.2 CGI graphic of the Mid-Tech Cluster Buildings**



Source: Mid-Tech Cluster, Alconbury Enterprise Campus Brochure



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## 9. CONCLUSIONS

### Pull-outs

#### 9.1 TBC