

Economic Justification Report  
On behalf of  
David Wilson Homes  
For  
Proposed Development at Site of Pink Link Distribution  
Ltd, Crosland Factory Lane, Netherton



**JohnsonBrook**  
Planning & Development Consultants

[www.johnsonbrook.co.uk](http://www.johnsonbrook.co.uk)

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## 1.0 INTRODUCTION

- 1.1 This Economic Justification Report has been prepared on behalf of David Wilson Homes to support their planning application for the residential redevelopment of the old industrial property occupied by the Pink Link Company at Crosland Factory Lane near Netherton, Huddersfield in Kirklees District. This report forms part of the planning application documents and deals specifically with the economic development and enabling arguments which are a key part of the case for the residential development proposals which will replace the outdated industrial property. The development scheme will enable the company to relocate from these premises which, for the reasons explained in this report, are no longer suitable for the business. The relocation will enable the company to find modern premises suited to the operation of a distribution business and the vehicles being used and to select a site from which the motorway system in Kirklees is easily accessible.
- 1.2 A separate planning case report forms part of the planning application and includes a description of the location and site context, outlines the policy background at national and local level, including policies relating to economic development in the National Planning Policy Framework ( The Framework ) and the Kirklees Unitary Development Plan ( UDP ) including policy B4 which contains 9 criteria relating to those circumstances where redevelopment leading to the loss of an employment site might be acceptable. These factors include :-
- The suitability of the land and premises for continued business and industrial use
  - The availability of business and industrial premises of equivalent quality
  - The number of jobs likely to be created or maintained
- 1.3 This appraisal and justification are based on discussions with the MD of Pink Link, a visit to the premises and information provided by the company on the nature of their operation and the problems encountered. In addition Eddisons, a local firm of commercial agents have provided the results of their marketing of the property from 2010 onwards.
- 1.4 A Viability Appraisal Report accompanies the application. The report considers the costs associated with the business relocation and cost of redeveloping this brownfield site.
- 1.5 The remaining sections of this report examine the history of the business and its operations, the reasons why the premises and the location have become unsuitable, the results of the marketing undertaken by Eddisons and the economic advantages which will result from the redevelopment scheme and the consequent re-location of the Company.

## 2.0 A BRIEF HISTORY OF THE BUSINESS AND ITS OPERATIONS

- 2.1 The Pink Link company was originally established on the site at Crosland Factory Lane as a parcel carrying business operating collections and deliveries in the HD, HX and OL local postcode areas. This business format grew to a total of 15 vans whose individual Gross Vehicle Weight ( GVW ) did not exceed 1,000 kg ( 1 tonne ). Consequently the parking, storage and manoeuvring of the vehicles could be easily accommodated on the site. The impact of the vehicle movements at the Crosland Factory lane/ Huddersfield Rd junction were minimal and equivalent to those created by domestic vehicles.
- 2.2 Since 1996 the Company has been a member of Palletways a network of 106 industrial carriers operating a UK wide service. This meant that the company had to adapt its operations to include palletised delivery which then required HGV's alongside the parcel delivery fleet. Trunking vehicles plated at 44,000kg GVW ( 44 tonnes ) were introduced servicing the connection to the main hub at Lichfield.
- 2.3 By 2005 the localised parcel distribution business had ceased and the focus of the business concentrated entirely on palletised freight. During 2005 the make-up of the vehicle fleet was re-evaluated and the majority of the 7,500 kg GVW trucks were replaced with larger vehicles of 18,000 kg GVW. The company now has a capacity of 200 in-bound pallets from the Litchfield hub with 500 pallets being input from the customer base with an increasing concentration on the BD postcode. In order to service this growth more 44,000 kg GVW articulated vehicles were required to collect and deliver as well as performing trunking movements.
- 2.4 The buildings currently occupied were built as 'fit for purpose' for a smaller scale localised parcels distribution company. However as the nature of the distribution business has changed in terms of the scale of goods carried in palletised format, the size of the vehicles utilised and the much wider area serviced, the operating centre near Netherton is now far from ideal in terms of its location to access the motorway network, the limited yard area available and its restriction in terms of levels, parking and manoeuvring areas. An increase in yard area with a level surface is a key requirement with a need for 1.5 acres compared with the restricted dual level circa 1 acre currently available.
- 2.5 The current buildings are now showing their age and there are a number of leaks in the roof which would be expensive to repair and such work would be entirely counter-productive to the future successful operation of the business and its profitability. A modern warehouse building to an improved layout will enhance the short term storage and handling of goods as well as providing greater security.
- 2.6 A further adverse effect of the Company's current location is the traffic impact of the very large HGV's on the local road system between Meltham and Huddersfield. The large articulated HGV's often cause queuing in the morning and evening peak hours as they access and egress the current location.
- 2.7 In order to ensure the future success and expansion potential of the business a re-location is essential. The Company's aim is to remain in Kirklees District and to move to a position close to a motorway junction where they can retain the great majority of their employees.

### 3.0 SITE MARKETING RESULTS

- 3.1 The units currently occupied by Pink Link have been marketed by Eddisons Huddersfield office and through their regional network since December 2010 as industrial premises. The comprehensive marketing programme has included agent's sales particulars, a specific brochure, inclusion on the agent's web site, Property Pilot web site and the local authority's web site. A copy of the Eddisons marketing brochure is included at appendix 1 and updates of the brochure have been circulated, the last update being in April 2013. A well presented web site and specialist knowledge of the market is the preferred method of identifying interested parties and is the most successful medium for the marketing of sites. Eddisons are a leading agent for industrial and commercial property.
- 3.2 Analysis of the above marketing programme carried out by the agents revealed a very significant lack of demand for these industrial units throughout the marketing period of some three years. Between September 2012 and November 2013 a total of 159 searches were made on the Property Pilot web site and the web site of Kirklees Council's Estates Department for properties in the size band within which these premises fall. The site specific marketing particulars were viewed 296 times within the same timescale. No interests were pursued with the exception of a short term let of a limited area of floorspace which has now ceased.
- 3.3 Feedback received from those who physically viewed the property or looked at the marketing particulars as hard copy or on the web site indicated the location of the property as the main area of concern with its situation on 'the wrong side' of Huddersfield away from the motorway network.
- 3.4 From this analysis we conclude that the property has been marketed for more than the usual one to two year period regarded as acceptable in such assessments and it is clear that no formative interest has been pursued by a potential long term occupier of the total property or a majority part of it which might have led to an economic solution contributing to funding the re-location of the company.
- 3.5 Other factors are very likely to have contributed to the lack of interest in these premises including their relative dilapidations and the repairs required. The availability of industrial and business land and premises in Kirklees District is a further factor as much of the property available is of a superior quality and in very many cases in a highly preferential location.
- 3.6 From this analysis we conclude that a redevelopment for an alternative use which produces a commercial return for the developer and funding towards the Pink Link re-location is the only option. In this context a redevelopment scheme for residential use is capable of producing the necessary level of return. While in theory a retail redevelopment scheme might bring a sufficient return such a use would result in a larger scale footprint and an out of centre operation which is against all policy guidance. It is very unlikely indeed that this site would prove attractive for a retail developer and if there was any such interest it would have been expressed during the marketing campaign. The residential use proposed brings economic and environmental benefits that could not be matched by alternative uses.

**4.0 CONCLUDING STATEMENT ON THE ECONOMIC ADVANTAGES OF THE APPLICATION PROPOSALS.**

- 4.1 The assessment undertaken by Johnson Brook, with the assistance of the Pink Link Company and their commercial agents Eddisons, establishes that the buildings and the property currently occupied no longer meet any of the essential requirements of the Company and if the business is to continue to operate successfully and profitably re-location to a suitable site and premises with good access to the motorway network is essential in the very near future.
- 4.2 The marketing of the premises extended over a period of three years and did not result in any firm interest being expressed in the property during this period. It is clear from our experience of planning for industrial and business premises and their re-location that the premises at Crosland Factory Lane are no longer suitable for a successful modern business in the industrial or distribution sectors. They are essentially redundant in condition, form, layout and location. Consequently a redevelopment scheme for an alternative use presents the only viable option which will enable Pink Link to secure new premises which are suitable in scale and format and are located with close access to the motorway network.
- 4.3 The residential development scheme comprised in these application proposals is the only available and viable means of enabling the re-location of the Company. This will be advantageous to the economy of Kirklees if the Company can, as they wish, be re-located within the District with the added benefit of full job retention.
- 4.4 The National Planning Policy Framework at paragraph 22 states that existing employment sites should not continue to be held back or allocated for industrial and business purposes if there is no reasonable prospect of the site being actually used for such purposes. This is clearly the case with the current premises at Crosland Factory Lane.

## Appendix One

TO LET  
INDUSTRIAL/WAREHOUSE UNITS



UNITS 2 & 4-5 HEALEY HOUSE, CROSLAND FACTORY LANE,  
HUDDERSFIELD, HD4 7DQ

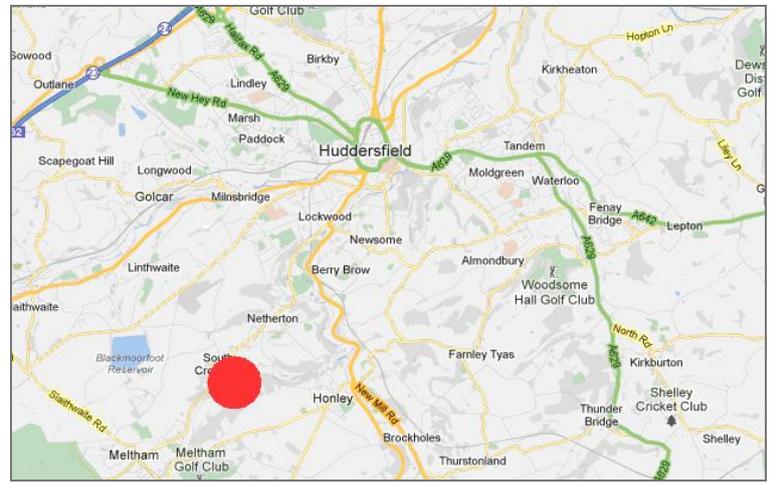
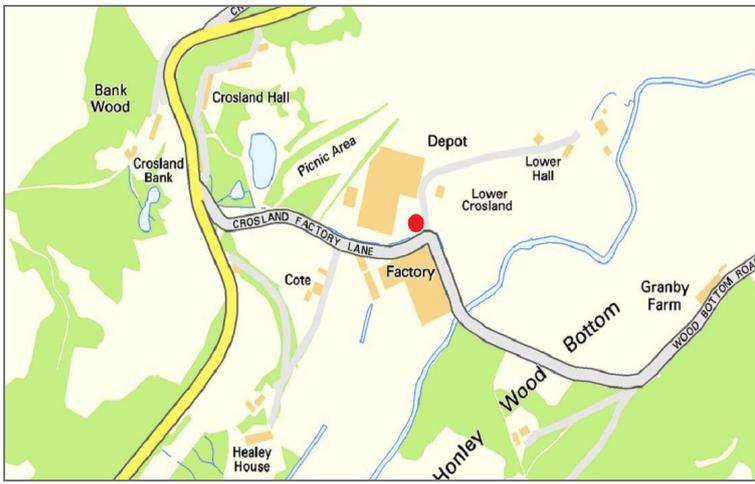
ONLY £2 PER SQ.FT.

- \ Benefiting from good eaves height and loading door.
- \ Three phase power supply.
- \ Flexible terms at reasonable rent.

AVAILABLE SPACE

986.04m<sup>2</sup> - 1,609.23m<sup>2</sup>

(10,614sq ft – 17,322sq.ft.)



## LOCATION

The property is located on Crosland Factory Lane leading to Huddersfield Road (B6108) approximately 4 miles south west of Huddersfield town centre.

The property is situated on an established industrial estate in a semi rural location.

## DESCRIPTION

The property comprises of single storey industrial/warehouse buildings.

Each unit comprises open works areas with toilet and staff facilities partitioned out.

Unit 4/5 benefits from private and general office facilities built out.

The properties benefit from a good eaves height and three phase electricity supply.

Access is provided from a surfaced yard area by way of drive in loading doors.

UNIT	M <sup>2</sup>	SQ FT
Unit 2	986.04	10,614
Unit 4/5	1,609.23	17,322

## RATEABLE VALUE

Unit 2  
Description: Warehouse and Premises  
Rateable value: £18,000

Unit 4/5  
Description: Warehouse and Premises  
Rateable value: £28,000

## VAT

Prices and rental are exclusive of VAT if chargeable.

## TERMS

The premises are offered to let on flexible terms to be agreed at the initial rent as follows:-

Unit 2 - £21,228 per annum exclusive.  
Unit 4/5 - £34,644 per annum exclusive.

## LEGAL COSTS

The ingoing tenant will be responsible for both parties legal costs incurred in this transaction.

## VIEWING

By prior arrangement with the agents:

Eddisons  
File Ref / 711.2892a  
Tel / 01484 533151  
Email / alex.wilkinson@eddisons.com

REVISED APRIL 2013  
SUBJECT TO CONTRACT

For more information, visit [eddisons.com/property](http://eddisons.com/property)  
T: 01484 533151

### Important Information

Eddisons is the trading name of Eddisons Commercial Ltd and Eddisons Commercial (Property Management) Ltd (the Company). The Company for itself and for the vendor(s) or lessor(s) of this property for whom it acts as agents gives notice that:  
(i) The particulars are a general outline only for the guidance of intending purchasers or lessees and do not constitute an offer or contract. (ii) All descriptions are given in good faith and are believed to be correct, but any intending purchasers or lessees should not rely on them as statements of fact and must satisfy themselves by inspection or otherwise as to their correctness. (iii) None of the building's services or service installations have been tested and are not warranted to be in working order. (iv) No employee of the Company has any authority to make or give any representation or warranty whatever in relation to the property. (v) Unless otherwise stated all prices and rents are quoted exclusive of VAT. (vi) Where applicable an Energy Performance Certificate is available upon request