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EXECUTIVE SUMMARY

i) This report assesses the office market (use class B1a) in Shrewsbury. It has been carried out on behalf of Shrewsbury and Atcham Borough Council (SABC), Shropshire County Council, Morris Property and Alaska Group. It is to inform the Local Development Framework, and allow SABC to develop clear and realistic planning policies. In particular it will be used to consider applications to convert existing town centre offices to other uses; and reappraise the conditions imposing a minimum unit size at Shrewsbury Business Park.

ii) A number of public sector strategies have been reviewed at a local and regional level. They all promote office development in order to diversify the economy. A suitable range of space is needed, both in the town centre and more peripheral locations.

iii) There is approximately 1.3 million sqft (121,124 sqm) of offices in Shrewsbury made up by 596 properties. In terms of floorspace this is split roughly 40:40:20 between the town centre, mid-town and out-of-town areas. Because the former has so many small units however it accounts for 70 percent of the properties. There is 142,641 sqft (13,251 sqm) marketed as vacant and available in 63 premises. This equates to 11 percent of the stock of premises.

iv) Local property experts confirm the small nature of most office enquiries (up to 1000 or 2000 sqft), the lack of quality accommodation in the town centre (which suffers from poor accessibility and car parking which are such important features) and increasing demand for mid-town and out-of-town locations depending on the nature of the business. They also report the demand for small serviced accommodation, modern, purpose-built space and freehold options. Demand is reasonable and many developments are fully occupied.

v) Emerging office trends will continue to drive the nature of demand being seen in Shrewsbury. Modern businesses crave better quality accommodation, good accessibility and car parking, freehold availability, flexible lease terms, small sizes.

vi) Economic forecasts are very clear about the increasing need for offices in Shrewsbury over the next 15 years. Another 215,000 sqft (20,000 sqm) will be required in the town centre, a further 430,000 sqft (40,000 sqm) in the rest of the Borough (i.e. mostly in the rest of Shrewsbury – mid-town and out-of-town).

vii) Responses from over 100 businesses in Shrewsbury, spread equally amongst the three sub-areas, town centre, mid-town and out-of-town, identifies a range of property needs. Interestingly almost half of the town centre businesses are considering a move, the highest proportion of any of the three groups (and they account for 60 percent of the demand from all three groups). Most want to stay in the town centre and are looking for 501-1000 sqft and 2001-5000 sqft premises. These needs are evenly split between moderate and good quality, leasehold and freehold premises. The most common future drivers of choice are cost and car parking availability.

viii) The town centre lacks quality, purpose built offices and developing new ones remains problematical due to a lack of space, conservation area issues and difficulties in assembling multi-owned sites. This is resulting in pent-up demand for premises there. Mid-town locations have proved to be very popular, e.g. Abbey Lawns, as they combine the accessibility and car parking of an out-of-town location with the facilities offered by a town centre within reasonable walking distance.

ix) SABC are concerned about maintaining the vitality and viability of Shrewsbury town centre if companies are able to move to out-of-town business parks, however there are a substantial proportion of companies who will wish to remain in the town centre. These companies value the town centres services, public transport accessibility and being close to customers more than accessibility and car parking. There is a need to bring forward better quality and freehold premises in the town centre to satisfy the pent-up demand.

x) Shrewsbury has to accept that this office growth cannot be accommodated in the town centre because of the physical restrictions to doing so. Therefore opportunities in mid-town locations should be promoted as well as expanding out-of-town business parks. This will lead to more businesses and more demand in all three sub-areas of Shrewsbury. The growth in numbers of businesses and employment will outweigh any marginal effect of business loss from the town centre to more peripheral locations.

xi) The 4000 sqft (372 sqm) restriction at Shrewsbury Business Park should be removed. It merely hampers free market operation, reducing the marketability of the buildings and the ability of occupiers to secure funding to purchase them. Shrewsbury needs high quality developments such as this to attract inward investment.

xii) Shrewsbury town centre lacks purpose-built offices and plentiful development opportunities to build more. Given the expected future need for office space it seems nonsensical to allow existing dedicated, relatively modern office developments such as Cambrian House to be lost from the office portfolio. It has performed well as offices in the past and all trends suggest its combination of small, flexible office space with car parking close to the amenities of the town centre will continue to prove very popular.

xiii) The study's policy implications for SABC are:

- Continue to plan for further office development in all three sub-areas of Shrewsbury
- Allocate further employment land in out-of-town locations
- Recognise the differing needs of businesses – therefore range and choice must be provided, by location, size, tenure, quality
- Intensify office development in the town centre and mid-town areas to make the best use of scarce land resources
- Apply the sequential approach to major office development in mid-town, encouraging edge-of-town centre locations
- Retain existing town centre offices where possible, especially if they are reasonably modern, purpose-built or fit-for-purpose
- Help promote new development areas in the town centre for mixed-use purposes, but with a substantial office component.

1.0 INTRODUCTION

1.1 This report assesses the office market (use class B1a) in Shrewsbury in Shropshire. It has been carried out on behalf of Shrewsbury and Atcham Borough Council (SABC), Shropshire County Council, Morris Property and Alaska Group.

1.2 It has been commissioned to provide robust evidence to underpin and inform the Local Development Framework, and allow SABC to develop clear and realistic planning policies. In particular it will be used to consider applications to convert existing town centre offices to other uses; and reappraise the conditions imposing a minimum unit size at Shrewsbury Business Park.

1.3 The report has been compiled by BE Group, economic development and property consultants based at the Ingot House, Kelvin Close, Birchwood, Warrington WA3 7PB. BE Group's Agency team are experts on all aspects of the property market. The company advises national developers and investors such as Duchy of Lancaster, Development Securities, Modus Properties and St Modwen. The company also provides property advice to major employers including BNFL, Fujitsu, Thermo Electron, Electrowatt.

1.4 As well as meeting the needs of these leading companies, BE Group also helps small business with a range of property advice from sales and lettings to rent reviews and valuations. BE Group has also had considerable input (in various capacities) into the development of three of the North West's strategic employment sites over recent years: Chester Business Park, Wirral International Business Park and Halton's Daresbury Park. The company is also advisor to The Heath Business and Technical Park in Runcorn on property and planning related matters.

1.5 There are three main elements to the study:

- An assessment of the town's office market to understand the amount, location and type of development
- A review of the current stock of vacant premises
- Recommendations on the future development of offices to maintain the town's economic growth.

Methodology

1.6 It is a statutory obligation that there is extensive community consultation as part of the LDF preparation and this has been reflected in our methodology.

1.7 A number of research methods have been used in the compilation of data for this study. They include site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents.

1.8 Extensive consultation with various arms of the public sector with responsibility for the study area has also been entered into. Desktop analysis of existing reports and documents has also been filtered into the overall findings.

1.9 This has been complemented by a survey of 200 businesses in Shrewsbury. A full list of consultees is included at Appendix 1.

Study Area

1.10 Shrewsbury (67,126 population at Census 2001, compared to the Borough's 95,850) is an important medieval market town with a rich historical and architectural history. The modern town respects this rich heritage and has a vibrant service based economy with significant employment located in the town centre, mid-town, and along the urban fringe of the town.

1.11 Employment and residential land uses tend to be geographically separate except in the town centre where office based employment uses add to the diversity of uses including retail, residential, commercial, leisure, community services and open space.

1.12 Shrewsbury is the principal administrative and service centre for a large rural hinterland serving up to 180,000 people within an approximate 20 minute drive time.

1.13 To ease analysis, the study area which is defined by Shrewsbury's urban area boundary (identified in SABC's Local Plan) has been broken down into three sub-areas. The town centre defined essentially by the River Loop; the out-of-town employment areas (Shrewsbury Business Park, Oxon Business Park, Battlefield Enterprise Park, Longden Road and Monkmoor Road); and the remaining area in between, mid-town, including edge-of-centre locations, which covers schemes such as Abbey Lawns, Old Potts Way and Prospect House. These are illustrated on the plan at Appendix 2.

2.0 STRATEGIC CONTEXT

Introduction

2.1 As part of our research we have reviewed a number of reports and strategies that have relevance to the development of offices. Whilst some documents have a focus local to Shrewsbury and Atcham Borough we have considered others that have a national or regional perspective.

2.2 An understanding of the strategies and reports contained within this review is needed to show strategic alignment and a holistic approach to promote sustainable development.

2.3 The following key documents have a major influence on development decisions in the Borough and include Regional, County and local planning guidance together with the Regional Economic Strategy.

Regional Spatial Strategy for the West Midlands 2004

2.4 Regional Planning Guidance provides a spatial strategy to guide the preparation of local authority development plans and attempts to address four principal challenges:

- Urban renaissance
- Rural renaissance
- Diversifying and modernising the region's economy
- Modernising the transport infrastructure of the West Midlands.

2.5 Shrewsbury is identified as a sub-regional focus for development (one of five, along with Telford, Worcester, Hereford and Rugby). It is also a strategic town centre within the region (one of 25 identified in policy PA11). Furthermore the Borough has been named as a New Growth Point by the Department for Communities and Local Government confirming its status.

2.6 Guidance related to employment land and development, most applicable to the Borough, is covered by the following policies: PA1, PA5, PA6 and PA11. Where development opportunities are outside the major urban areas Policy PA1 emphasises sustainable development to meet the needs of rural renaissance and local regeneration. Policy PA5 encourages the modernisation and renewal of employment areas; PA6 provides a portfolio of employment land, which meets needs in terms of quality, quantity, availability and suitability. PA11 looks in particular at Shrewsbury (among others in the region) as a focus for large-scale leisure and office developments.

2.7 Furthermore Policy UR3 states that city, town and district centres (such as Shrewsbury) should be enhanced in order to provide services, a sense of identity and as drivers of economic growth. In particular by identifying and creating opportunities for development of business, retail, leisure, tourism, cultural and educational services.

2.8 There is a general requirement to manage the scale of development in the County to help to promote urban renaissance elsewhere in the West Midlands. However, Shrewsbury's role as a sub-regional focus, suggests that this will be a less severe constraint in the Borough than in other parts of the County. Although this policy is primarily directed towards housing, its implications for the economy cannot be overlooked.

Regional Spatial Strategy – Phase Two Revision – Spatial Options 2007

2.9 This paper considers the need for offices in some depth. The underlying principle is the sequential approach, starting in town centres and only considering first, edge-of-centre and out-of-town development if it cannot be accommodated in or close to the town centre. Office development is seen as a key economic driver and vital for economic diversification. It recognises the substantial growth in office need forecast will be difficult to plan for and manage, without proactive response, especially in physically constrained town centres. It also recognises their capacity constraints and reminds one that out-of-town offices are a desirable element of the overall supply mix. SABC are keen to incorporate Shrewsbury into the Wolverhampton to Telford High-Technology Corridor to support and enhance the development of the key office sector.

West Midlands Economic Strategy 2004

2.10 Advantage West Midlands' Regional Economic Strategy 'Creating Advantage' identifies twin themes that will drive all actions: creating wealth through enterprise and providing access to opportunity. The strategy has cross cutting ideas: including fostering an innovative culture, valuing equality of opportunity and building a sustainable future. Four main pillars have been identified to provide a focus to deliver the strategy:

- Developing a diverse and dynamic business base

- Promoting a learning and skilful region
- Creating the conditions for growth
- Regenerating communities.

2.11 It includes delivering premises for early stage and grow-on businesses to help develop a knowledge economy in the region. It also says, "ensuring the provision of good quality sites in the right location and of the right type is a key condition for growth." The Strategy is currently under review, but is likely to continue to support the development of high value sectors and the provision of the necessary infrastructure to increase the number of business start-ups.

National Planning Guidance

2.12 In respect of employment, national planning policy guidance points to five key areas:

- PPS1: Delivering Sustainable Development including Economic Development
- PPS3: Housing
- PPG4: Industrial and Commercial Development and Small Firms
- PPS6: Town Centres
- PPS7: Sustainable Development in Rural Areas
- PPS12: Local Development Frameworks
- PPG13: Transport.

2.13 These guidance notes and statements are intended to assist local authority policy makers and the following key factors are important in deciding on new employment land allocations within Local Development Frameworks:

- Provide sufficient land to meet future business and commercial requirements
- Provide land readily capable of development i.e. servicing and remediation costs minimal
- Provide sites well served by infrastructure i.e. services, communication and transport
- Utilise sustainable locations i.e. does not perpetuate use of the motorcar
- Avoid locations that are not well served by public transport.

2.14 In particular PPG 4 requires development plans to take account of the different needs of businesses; provide for choice, flexibility and competition; and realistically assess the needs of businesses. They need to ensure that sufficient land is provided which takes account of their locational needs, which is readily capable of development and is well served by infrastructure.

The Shropshire and Telford and Wrekin Joint Structure Plan 1996-2011

2.15 In respect of employment, the Joint Structure Plan strategic objectives are defined as:

- Conserving resources
- Improving the quality of life
- Achieving sustainable development patterns
- Fostering a prosperous economy within a sustainable framework.

2.16 The spatial strategy as identified in the Joint Structure Plan Policy P1 acknowledges that most development shall take place in or on the edge of the principal growth centres of Telford and Shrewsbury. This strategy will therefore align itself with the principles of sustainable development, which advocates development close to existing areas of employment and housing to allow greater connectivity between jobs and the workforce. Underpinning this strategy are a number of factors:

- Providing well located and accessible sites
- Sustaining communities with employment opportunities
- Locating employment near to transport infrastructure.

2.17 It also highlights the potential of Shrewsbury to continue to develop and enhance its role as a County town taking advantage of its strategic position and using the most sustainable sites for suitable development.

The Shrewsbury and Atcham Borough Local Plan 2001

2.18 In respect of employment the Shrewsbury and Atcham Local Plan seeks to reinforce the objectives of the Shropshire and Telford and Wrekin Joint Structure Plan, in particular:

- Protecting employment land from other forms of development
- Providing a range of opportunities for commercial development
- Attracting inward investment to broaden the economic base
- Creating commercial opportunities in Shrewsbury to maintain its economic vitality and viability
- Facilitating opportunities in Shrewsbury town centre to maintain its vitality and viability.

2.19 The Local Plan encourages office uses (class B1a) within (or adjoining) the River Loop however no private car parking can be provided within the Loop; development must match the character of the conservation area; and redevelopments in the central shopping area are only allowed at upper floor level. For new B1 schemes outside the River Loop the sequential test is applied to encourage development as close to the town centre as possible.

Summary

2.20 In this sub-section the findings of the preceding research are drawn together into a number of conclusions.

2.21 The strategies all point towards targeting high growth sectors and therefore providing the land and buildings to attract them. They also aim to increase inward investment.

2.22 The employment land and premises portfolio needs to be balanced and to adequately cater to all sectors of the economy, i.e. small and large businesses, high and low quality operations. Offices are therefore encouraged, in the town centre, mid-town and out-of-town locations.

2.23 The existing employment areas should be consolidated and reinforced, e.g. Battlefield, Oxon Business Park and Shrewsbury Business Park.

2.24 Away from the business parks, office development is encouraged for the town centre within or adjacent to the River Loop, however a number of constraints are imposed. Elsewhere the sequential test is invoked.

3.0 SUPPLY

Introduction

3.1 This section considers the stock of offices in Shrewsbury, looking at the total supply of space, as well as that currently marketed as available. It analyses the space by location, size, tenure and quality. It also outlines the various schemes in the pipeline to understand how the current picture may change over the short-to-medium term.

Borough Stock

3.2 In Shrewsbury & Atcham Borough as a whole, the Office of National Statistics recorded (at April 2005, the latest data available) 719 offices totalling 1,614,639 sqft (150,000 sqm) based on Valuation Office records. Most of this is commercial development as opposed to 'other', i.e. public sector. Commercial offices account for 88 percent by floorspace, 73 percent by numbers of this total. (Note: A2 offices are included in the retail category and not here; and figures are rounded to the nearest thousand).

3.3 The amount of office space has grown considerably over the last seven years, by 226,000 sqft (21,000 sqm) and 70 properties.

Office Location

3.4 Table 1 shows the breakdown of offices in Shrewsbury according to Middle Super Output Areas (similar to wards) illustrated on the map at Appendix 2. According to this data there is nearly 1.25 million sqft of offices in Shrewsbury, made up of almost 570 units. However there is no data for MSOA 002 and 005 and so need to add the relevant floorspace and units summarised in Table 2. Consequently a more accurate figure for the office stock in Shrewsbury is 596 units totalling 1,303,809 sqft (121,124 sqm).

Table 1 – Valuation Office Hereditaments Location 2005

Middle Super Output Area (MSOA)	Number of Hereditaments/ Office Units	Amount of Floorspace, sqft (sqm)
002 North Shrewsbury (including Battlefield Enterprise Park west)	x	x
003 North East Shrewsbury (including Battlefield Enterprise Park east)	41	10,764 (1000)
004 North Central Shrewsbury	11	21, 528

Middle Super Output Area (MSOA)	Number of Hereditaments/ Office Units	Amount of Floorspace, sqft (sqm)
(including Severn House Business Centre)		(2000)
005 East Shrewsbury (including Monkmoor Road)	x	x
006 Shrewsbury town centre extending east and west (including Cambrian Business Centre, Frankwell Quay, Abbey Lawns)	401	624,327 (58,000)
007 West Shrewsbury (including Oxon Business Park)	36	172,228 (16,000)
008 South East Shrewsbury (including Shrewsbury Business Park)	23	290,635 (27,000)
009 South East Shrewsbury (including Prospect House and Rea Valley Business Park)	46	107,642 (10,000)
0010 South West Shrewsbury (including Longden Road)	10	21,528 (2000)
Total	**568**	**1,248,652 (116,000)**

Note: x - indicates data has been suppressed, either too few properties or data could not be established

3.5 Combining this data with analysis of Valuation Office records, visual inspection and landlords' information an approximation for the stock of offices in the town centre; out-of-town and mid-town locations can be made.

3.6 To approximate MSOA 006 (see the plan at Appendix 2) to the town centre requires the removal of the SABC's offices at Frankwell Quay (one hereditament of 45,371 sqft (4215 sqm)) and Abbey Lawns (nine hereditaments in 60,000 sqft (5574 sqm)). This suggests the town centre accounts for 391 office units totalling 518,956 sqft (48,211 sqm).

3.7 This is reasonably close to estimate included in the Regional Centres Study (see section 5.0) of 484,391 to 495,156 sqft (45,000 – 46,000 sqm).

3.8 The stock of floorspace at Shrewsbury's major out-of-town locations is summarised in Table 2 below.

Table 2 – Out-of-town Office Stock

Area	Number of Office/Hereditaments	Total Floorspace, sqft (sqm)
Oxon Business Park	27	82,337
Battlefield Enterprise Park	25	48,300
Monkmoor Road	3	6857 (637)
Shrewsbury Business Park	45	122,923
Longden Road	8	15,745
Total	**108**	**276,162 (25,655)**

3.9 There is very little office space at either Monkmoor Road or Longden Road which are lower quality industrial areas. Four schemes make up the office space at Battlefield (Capital Court, The Courtyard, Countrywide House and Park Plaza), while there is a substantial amount of space at Oxon and Shrewsbury Business Parks, with more under construction.

3.10 This information is drawn together in Table 3, where the totals for town centre and out-of-town offices are subtracted from Shrewsbury's overall total to establish the figure for the mid-town area.

Table 3 – Distribution of Offices in Shrewsbury

Area	Number of Office/Hereditaments	Number Proportion, percent	Total Floorspace, sqft (sqm)	Floorspace Proportion, percent
Town Centre	391	65.6	518,956 (48,211)	39.8
Mid-town	71	11.9	508,691 (47,257)	39.0
Out-of-town	108	18.1	276,162 (25,655)	21.2
Total	**596**	**100.0**	**1,303,809 (121,124)**	**100.0**

3.11 The town centre accounts for 65 percent of the premises and almost 40 percent of the floorspace. Although the mid-town area provides almost as much floorspace, it only has 12 percent of the office units, probably explained by the large units offered at Abbey Lawns, Old Potts Way and the public sector accommodation occupied by the Borough and County Councils.

3.12 The out-of-town areas are the most balanced in terms of proportion of units and floorspace provided, hovering either side of 20 percent of the overall supply.

Vacant Office Premises

3.13 A schedule of available floorspace being marketed in Shrewsbury has been compiled from Shropshire County Council databases, a trawl of commercial property agents and consultation with other stakeholders. A combined analysis is provided, as well as separate schedules for each of the three areas. The full vacant office schedules are included in Appendix 3.

3.14 There is 142,641 sqft (13,251 sqm) of vacant office space in Shrewsbury made up by 63 premises as Table 4 shows. There is only one property available larger than 6100 sqft (567 sqm), which is Mardol House on Claremont Street in the town centre. This could be subdivided on a floor-by-floor basis (down to 5316 sqft/494 sqm) but requires refurbishment and has no car parking. It has lain empty for five years because it is considered not cost effective to refurbish. Otherwise there is a reasonable supply of space through the various size bands.

3.15 Apart from very small suites or serviced offices, prime rentals are in the order of £10-12/sqft (£108-130/sqm) in the town centre. They rise to £12.50-13/sqft (£135-140/sqm) in mid-town areas, reaching their peak at the premier out-of-town business parks, achieving over £13/sqft (£140/sqm).

Table 4 – All Vacant Shrewsbury Offices

Size Band, sqft (sqm)	0-500 (0-46)	501-1000 (46-93)	1001 - 2000 (93-186)	2001 - 5000 (186-465)	5001 - 10,000 (465-929)	10,001 - 20,000 (929-1858)	20,000 plus (1858+)	Total
Floorspace, sqft (sqm)	3407 (317)	11,859 (1102)	19,519 (1813)	44,733 (4156)	40,623 (3774)	0 (0)	22,500 (2090)	142,641 (13,251)
Number	13	15	13	15	6	0	1	63

3.16 There are 17 vacant premises in the town centre providing 45,926 sqft (4267 sqm). They are predominately less than 3200 sqft (297 sqm) in size (see Table 5). Only one is available freehold and most are of average quality. Much of the stock is dated, often at first or second floor without adequate car parking. Only three premises are categorised as good. One property, Mardol House (22,500 sqft/2096 sqm) makes up almost half the floorspace.

Table 5 – Vacant Town Centre Offices

Size Band, sqft (sqm)	**0-500 (0-46)**	**501-1000 (46-93)**	**1001 - 2000 (93-186)**	**2001 - 5000 (186-465)**	**5001 - 10,000 (465-929)**	**10,001 - 20,000 (929-1858)**	**20,000 plus (1858+)**	**Total**
Floorspace, sqft (sqm)	1944 (181)	1363 (127)	6258 (581)	7761 (721)	6100 (567)	0 (0)	22,500 (2090)	45,926 (4267)
Number	6	2	4	3	1	0	1	17

3.17 Excluded from the analysis is Cambrian House Business Centre which is 16,529 sqft (1536 sqm), of which 53 percent is vacant. Potentially a further 8509 sqft (790 sqm) is therefore available made up of very small suites (200-800 sqft/19-74 sqm) which can be occupied in isolation or joined together to suit an occupier's needs.

3.18 Table 6 shows that there are 16 available premises in the mid-town area providing 33,636 sqft (3125 sqm) of accommodation. There is a good range of unit sizes up to 8703 sqft (809 sqm), including very small suites offered by Severn House Business Centre. Only one property is available freehold. A third are categorised as good, benefiting from being purpose built and having higher car parking ratios.

Table 6 – Vacant Mid-Town Offices

Size Band, sqft (sqm)	**0-500 (0-46)**	**501-1000 (46-93)**	**1001 - 2000 (93-186)**	**2001 - 5000 (186-465)**	**5001 - 10,000 (465-929)**	**10,001 - 20,000 (929-1858)**	**20,000 plus (1858+)**	**Total**
Floorspace,	731	1612	3612	7118	20,563	0	0	33,636

sqft (sqm)	(68)	(150)	(356)	(661)	(1910)	(0)	(0)	(3125)
Number	5	2	3	3	3	0	0	16

3.19 Out-of-town areas (Table 7) provide the greatest amount of vacant offices as a result of the proactive building programmes at Shrewsbury Business Park and Battlefield Enterprise Park. There is a wide size range on offer, and bigger buildings can be built on demand. Only one property is offered freehold, but again available land means businesses can request a bespoke solution. All the premises are either good or very good, being modern, purpose built, highly accessible and benefiting from good car parking.

Table 7 – Vacant Out-of-Town Offices

Size Band, sqft (sqm)	0-500 (0-46)	501-1000 (46-93)	1001 - 2000 (93-186)	2001 - 5000 (186-465)	5001 - 10,000 (465-929)	10,001 - 20,000 (929-1858)	20,000 plus (1858+)	Total
Floorspace, sqft (sqm)	732 (68)	8884 (825)	9649 (896)	29,854 (2773)	13,960 (1297)	0 (0)	0 (0)	63,079 (5860)
Number	2	11	6	9	2	0	0	30

3.20 There is nothing available at either Oxon Business Park or Longden Road and only one low quality office at Monkmoor Road.

3.21 In Tables 8 and 9 the proportion of vacant offices in the three subareas is shown. The speculative building programmes at Shrewsbury Business Park and Battlefield Enterprise Park means that the out-of-town area dominates the supply of vacant offices. This is both in relation to the other sub-areas and when judged against the overall stock of premises.

Table 8 – Distribution of Vacant Offices

Area	Vacant Floorspace, sqft (sqm)	Proportion, percent	Number of Vacant Office	Proportion, percent
Town Centre	45,926 (4267)	32.2	17	27.0
Mid-Town	33,636 (3125)	23.6	16	25.4
Out-of-Town	63,079	44.2	30	47.6

	(5860)			
Total	**142,641** **(13,251)**	**100.0**	**63**	**100.0**

Table 9 – Proportion of Vacant Offices

Area	Total Floorspace, sqft (sqm)	Total Number of Offices	Vacant Floorspace, sqft (sqm)	Proportion Floorspace Vacant, percent	Number of Vacant Offices	Proportion of Offices Vacant, percent
Town Centre	518,965 (48,211)	391	45,926 (4267)	8.8	17	4.3
Mid-Town	508,691 (47,257)	71	33,636 (3125)	6.6	16	22.5
Out-of-Town	276,162 (25,655)	108	63,079 (5860)	22.8	30	27.8
Total	**1,303,809 (121,124)**	**596**	**142,641 (13,251)**	**10.9**	**63**	**10.6**

Supply Pipeline

3.22 There are a number of premises in the pipeline that are proposed to come forward over the next few years which could add to the overall supply of space in Shrewsbury.

Shrewsbury Business Park

3.23 At Shrewsbury's premier office location there is a further 94,000 sqft (8733 sqm) under construction. In all the second phase will comprise a further 120,000 sqft (8733 sqm), equivalent to the first phase. This includes the proposed Lakeside Building, 25,000 sqft (2322 sqm), a flagship corporate headquarters development in a prominent location overlooking the by-pass. Other buildings include Mount McKinley House, 26,900 sqft (2500 sqm); Saturn House, 5000 sqft (465 sqm); and Ptarmigan House, 17,216 sqft (1600 sqm).

Shropshire Food Enterprise Park

3.24 A joint venture between Advantage West Midlands and Shropshire County Council, this specialised scheme at Battlefield Enterprise Park will extend over 7.3 hectares. Seven of the plots will be for production/processing units, one will be for a Food Enterprise Centre which will provide 12 workshops of 1500-3000 sqft (140-280 sqm). Only a very small proportion will comprise offices.

Shrewsbury Enterprise Centre

3.25 Advantage West Midlands are funding an Enterprise Hub at Battlefield Enterprise Park. This will provide 20,000 sqft of small business space on 'easy-in, easy-out' terms. Both workshop and office units will be provided in the scheme which is due to be built in 2007. Run by specialist private sector flexible workshop provider Evans Easyspace, it will also incorporate additional business support services.

Environmental Technology Centre

3.26 Supported by Shrewsbury & Atcham Borough Council, Shropshire County Council and Advantage West Midlands, the Centre will provide 9500 sqft (883 sqm) of offices for the specialist environmental technology sector, in which Shrewsbury has a particular strength.

3.27 Located in Coton Hill, 1500 sqft (140 sqm) has been set aside as incubator space for start-up companies, however two-thirds of the remainder has been pre-let to local businesses.

PLUMS Data

3.28 Shropshire County Council record extant planning permissions using their planning land use monitoring system. At April 1st 2006 there was permission for 511,023 sqft (47,474 sqm) of office space. 80 percent of this is in out-of-town locations and less than five percent in the town centre.

Summary

3.29 There is approximately 1.3 million sqft (121,124 sqm) of offices in Shrewsbury made up by 596 properties. In terms of floorspace this is split roughly 40:40:20 between the town centre, mid-town and out-of-town areas. Because the town centre has so many small properties however it accounts for 70 percent of the actual properties.

3.30 There is 142,641 sqft (13,251 sqm) marketed as vacant and available in Shrewsbury in 63 premises. This equates to 11 percent of the stock and premises. Slightly higher than is typical, but a result of the scale of development at Shrewsbury Business Park and Battlefield Enterprise Park. The vacant floorspace is split 32:24:44 between the town centre, mid-town and out-of-town areas.

3.31 There is a reasonable range of availability through all size bands, larger premises can be accommodated at either Battlefield or Shrewsbury Business Park.

3.32 There is a lack of freehold space available and a limited amount of good quality or large accommodation (above 5000 sqft (465 sqm)) in the town centre. Quality and prices rise as one moves out of the town centre, through the mid-town to out-of-town locations as a result of better, more modern, purpose built buildings, increased accessibility and higher car parking ratios.

4.0 DEMAND

Introduction

4.1 In this section the demand for offices in Shrewsbury is considered. It comprises consultations with public and private sector property market stakeholders; analysis of enquiries received by Shropshire County Council; considers the occupancy rates of some of the larger office schemes in the study area and outlines the sorts of things modern office occupiers are looking for when choosing premises.

Public Sector Enquiries

4.2 The prime public sector agency with regard to sites and premises marketing and enquiry management in Shrewsbury is Shropshire County Council. Between 2002 and 2006 they received 86 enquiries, almost two thirds for units of less than 1000 sqft (93 sqm), as Table 10 shows.

Table 10 – SCC Office Enquiries Size

Size Band, sqft (sqm)	2002	2003	2004	2005	2006	TOTAL
0–1000 (0-93 sqm)	14	14	10	10	7	55
1001–2000 (93-186 sqm)	4	4	0	2	2	12
2001–5000 (186 – 465 sqm)	3	3	2	0	0	8
5001-10,000 (465 – 929 sqm)	2	2	1	2	0	7
10,001-20,000 (929 – 1858 sqm)	1	1	2	0	0	4
20,001 plus (1858 sqm+)	0	0	0	0	0	0
Total	**24**	**24**	**15**	**14**	**9**	**86**

4.3 This demand for small space fits in with the general profile of businesses across the country. According to the Small Business Service 99.3 percent of enterprises are small, having up to 49 employees. However most of these are actually micro businesses with less than ten employees, indeed around 70 percent have no employees at all. In the West Midlands 95.1 percent of enterprises have less than ten employees. At typical occupational densities, nine employees would require only 1800 sqft of office space.

Consultations

4.4 The private sector property stakeholders consulted made a wide range of comments, covering all aspects of the market. To best illustrate the weight of feeling their views have been summarised in Table 11.

Table 11 – Property Market Stakeholder Comments

Contact	Comment
Local Agent	There is an oversupply of poor quality office space in the town centre. These offices have no car parking facilities or disabled access and therefore businesses do not want them. Compounded by poor public transport. Demand for offices is driven by the financial situation of a business. Businesses will down size if it will reduce overheads and save them more. The most popular sizes of office are 1500–2000 sqft (140-186 sqm). The town centre does have some new, good quality offices that are in demand (e.g. St John's Hill and the High Street).
Local Agent	Shrewsbury Business Park is popular with businesses seeking freehold properties. It benefits from good quality offices and has a hotel and nursery and is great for access. The Abbey Lawns development is popular. This mid-town location benefits from car parking availability as well as being next to a post office, pub and in walking distance to the town centre. There is a lack of town centre offices that have car parking for both staff and customers as well as having disabled access. Businesses want offices that have (in order of preference): car parking facilities, good quality specification, and disabled access. Location wise, Battlefield Enterprise Park and Shrewsbury Business Park are very popular. However a business that is interested in Shrewsbury Business Park, will not be interested in Battlefield Enterprise Park due to the mix of commercial and industrial units there. There is a definite demand for Cambrian House type serviced offices in Shrewsbury town centre, which offers small businesses short-term, flexible leases on 200-300 sqft (19-28 sqm) suites. Most new small businesses cannot afford to pay £13/sqft (£140/sqm) at Shrewsbury Business Park. The majority of businesses are looking for properties of around 1500 sqft (140 sqm). There are some businesses looking for 8000–10,000 sqft (743-929 sqm) as well as one-man companies looking for less than 750 sqft (70 sqm). Demand for offices on Shrewsbury Business Park is quite high due to the availability of freehold properties. There is interest in leasehold, but the majority of companies would rather buy their offices as an investment at the moment.

Contact	Comment
	There is an increasing need for offices around the 1500 sqft (140 sqm) size.
Local Agent	There are a lot of good quality offices available within Shrewsbury. The town centre offers quirky offices in grade II listed buildings while the business parks offer modern purpose built premises. There is plenty of stock available at the moment with a wide variety of choice – good range of locations, quality, size and tenure. There is however, a shortage of freehold properties, especially as more and more companies are looking to buy. The office market in Shrewsbury is very mixed. Property requirements change between each individual business. It appears that a lot of long established businesses are moving to the peripheral out-of-town business parks such as the Battlefield Enterprise Park and the Shrewsbury Business Park. There they can have purpose built offices with good car parking facilities. However, some businesses want to be in the town centre due to close proximity to services and public transport. The demand for businesses wishing to move to the peripheral business parks appears to be slowing down. There is a real demand for freehold properties as companies look to buy premises as investment opportunities. Most offices are letting relatively quickly (within three to six months). There is demand for a range of property sizes, generally the most popular are between 1000 and 2000 sqft (93-186 sqm).
Local Agent	Shrewsbury town centre offers offices in converted listed buildings that will always be in demand because the rent is much cheaper than other options in the town. At present there is enough supply to meet demand. However in the near future demand will exceed supply because the town will reach capacity. The majority of Battlefield Enterprise Park and Oxon Business Park have now been developed. Shrewsbury Business Park is the only place left. There is also very little choice on offer with regards to sizes. However, there is a good mix of both leasehold and freehold availability. Companies are looking to buy due to low interest rates and pension fund legislation. There is a shortage of good quality offices. And unless SABC ensures quality is at the heart of the planning applications, developers will continue to build poor quality space. Furthermore businesses will continue to move into them as there are no alternatives available. The majority of businesses are not looking for premises in the town

Contact	Comment
	centre as they are unsuitable and the car parking situation is dire. Instead, businesses are looking to move to peripheral locations such as the out-of-town business parks. There is a need for better quality offices in Shrewsbury. This is more of an issue than shortages of particular sizes. There are not many companies that require larger space of over 5000 sqft (465 sqm). Offices at Abbey Foregate, Oxon Business Park and Shrewsbury Business Park are the most popular. Shrewsbury Business Park is the most recent scheme and therefore most in demand. However, it suffers as the offices are poorly designed and cheaply built. The majority of businesses require good car parking, purpose built offices and broadband availability, particularly growing and start up businesses. Over the last five years, the majority of the professions have been deserting the town centre in favour of peripheral locations to benefit from good car parking ratios and purpose built space.
Local Agent	The good quality offices available are in out-of-town locations, whereas town centre offices are dated and suffer from a lack of car parking. There is a shortage of freehold properties in Shrewsbury. The town centre is attractive which may encourage businesses to look at Shrewsbury in preference to other competing towns. Businesses are increasingly looking to move from the town centre to peripheral areas such as the Shrewsbury Business Park. The need to be based in the town centre is lessening. This is reflected in the shorter time that it takes to let an office on the business parks compared to an equivalent office in the town centre. Most popular sizes are 500–1000 sqft (46-93 sqm).
Local Agent	Shrewsbury town centre offices remain popular as the rents are cheap. There are sufficient leasehold offices of good quality available in the town. Indeed there is possibly an over supply as companies are looking to buy premises. The biggest issue in Shrewsbury is geographical. All of the available good quality offices are one location where businesses do not necessarily want to be, i.e. Shrewsbury Business Park. There needs to be new schemes in west Shrewsbury, similar to Abbey Lawns. Abbey Lawns is of good quality and location but is fully occupied. There

Contact	Comment
	needs to be more offices in mid-town locations so that businesses can then benefit from the proximity to the town centre as well as having car parking. Businesses are predominantly looking for car parking, access to amenities (shops, banks, etc) and flexible lease terms. Offices below 1000 sqft (93 sqm) are generally letting very quickly (two to three months) and are the most popular. Properties above that are taking a little while longer (over six months in some cases, but depends on location and quality). There is some demand for offices of over 10,000 sqft (929 sqm), however the town's current stock is fully occupied. Areas can, and have, become popular due to the availability of offices. Shrewsbury Business Park offers good quality offices. However, not many businesses want to be based out there. From a demand point of view, west Shrewsbury is the most in demand, as there is nothing there at the moment, SABC need to release more land for development around Oxon Business Park. There appears to be an increasing need for offices of around 1000 sqft (93 sqm). For new and emerging businesses there appears to be a trend for 'all inclusive' leases, to cover all costs including heating, water and electricity (except telecoms).
Regional Developer	Town centre no longer regarded as a suitable place to develop offices. Small operations will still locate there because of the cheap nature and small scale of premises there. Lack of car parking putting occupiers off, combined with outdated buildings, which are difficult to convert. Mid-town locations offer scope for redevelopment to provide good quality accommodation with car parking close to amenities of the town centre. Out-of-town parks need small scale ancillary services, e.g. shop, bank, café, to improve their attractiveness.
Local Developer	Modern, purposes built offices with plentiful car parking in demand. Strong freehold also in demand at the moment. Appears to be a lack of good quality, large offices in the town centre, forcing companies to move to more peripheral locations. Knows of three or four major office businesses that would have been lost from Shrewsbury if the out-of-town business parks did not exist. Although car parking might appear adequate in the town centre in the

Contact	Comment
	morning, those using their car during the day are inconvenienced by not having dedicated easily accessible spaces, when they return later in the day.

Occupancy Rates

4.5 In Table 12 we illustrate the performance of a number of office schemes, which shows the high occupancy rates common throughout Shrewsbury. Where the occupancy rate was included in SABC's 2005 report, 'Economic Assessment and Employment Land Study', they have been included.

Table 12 – Selected Schemes Occupancy Rates

Property Scheme	Total Floorspace, sqft (sqm)	Unit Size Range, sqft (sqm)	2005 Occupancy Rate, percent	2006 Occupancy Rate, percent	Comments
Abbey Lawns, Mid-Town	58,781 (5441)	841-13,211 (78-1227)	100	100	Fully occupied within 6-12 months of construction
Darwin Court, Oxon Business Park, Out-of-Town	17,922 (1665)	772-2524 (72-234)	94	100	Recent development Freehold sales offered
Sweetlake Business Village, Out-of-Town	15,745 (1463)	1487-3013 (138-280)	N/k	100	Reasonably modern scheme
Emstrey House, Shrewsbury Business Park, Out-of-Town	7348 (683)	1538-3647 (143-339)	N/k	100	Modern building Subdivided into three units
Global House, Shrewsbury Business Park, Out-of-Town	6661 (619)	1216-1797 (113-167)	N/k	100	Modern building Subdivided into five units
Network House, Oxon Business Park, Out-of-Town	5226 (485)	526-1533 (49-142)	N/k	100	
Old Grammar	3200	200-1000	N/k	100	

Property Scheme	Total Floorspace, sqft (sqm)	Unit Size Range, sqft (sqm)	2005 Occupancy Rate, percent	2006 Occupancy Rate, percent	Comments
School House, School Gardens, Town Centre	(297)	(19-93)			
New Zealand House, Mid-Town	15,250 (1417)	1905-7893 (177-733)	N/k	93	
Park Plaza, Battlefield Enterprise Park, Out-of-Town	19,283 (1791)	924-4408 (86-410)	N/k	92	Subdivided into eleven units
Alaska Building, Shrewsbury Business Park, Out-of-Town	3905 (363)	312-1238 (29-115)	N/k	92	Modern, glass-fronted building Subdivided into seven units Serviced offices
The Courtyard, Battlefield Enterprise Park, Out-of-Town	10,564 (981)	1509-1514 (140-141)	N/k	85	Subdivided into seven units
Longbow Professional Centre, Harlescott Lane, Mid-Town	22,664 (2105)	2294-8900 (213-827)	50	82	Recently completed Three sold, one leased, three under offer
Prospect House, Belle Vue, Mid-Town	32,411 (3011)	1192-8748 (111-813)	81	75	Good quality conversion
Countrywide House, Battlefield Enterprise Park, Out-of-Town	9581 (890)	2332-2462 (217-229)	N/k	75	Subdivided into four units
Severn House Business Centre, Spring Gardens, Mid-Town	2162 (201)	96-450 (9-42)	N/k	66	Serviced offices, 12 units in total
Mercury House, Shrewsbury Business Park,	9792 (910)	900-2000 (84-186)	N/k	51	New building Subdivided

Property Scheme	Total Floorspace, sqft (sqm)	Unit Size Range, sqft (sqm)	2005 Occupancy Rate, percent	2006 Occupancy Rate, percent	Comments
Out-of-Town					into six units
Ashwood House, Shrewsbury Business Park, Out-of-Town	9188 (854)	1001-4555 (93-423)	N/k	51	New building Subdivided into four units
Cambrian House Business Centre, Town Centre	16,435 (1527)	158-2843 (15-26)	65	47	Owners not marketing property due to redevelopment plans
Capital Court, Battlefield Enterprise Park, Out-of-Town	8872 (824)	1382-4801 (128-446)	N/k	0	Brand new development Comprises three buildings – one under offer to financial business

4.6 At the out-of-town locations, occupancy rates are generally high. The most mature, Oxon Business Park is fully occupied; at Battlefield Enterprise Park and Shrewsbury Business Park, where the construction of new offices continues, occupancy is around 70 percent.

4.7 The mid-town schemes are also popular, especially Abbey Lawns which is fully occupied. New Zealand House, Severn House and Prospect House all perform well, although they have vacancies this is to be expected of such schemes catering to small businesses where there is usually a relatively high turnover of tenants.

4.8 There are fewer, dedicated multi-let schemes in the town centre, mainly a result of the historic nature of much of the property, which relies on building conversions to create office accommodation. Cambrian House Business Centre exhibits a particularly low occupancy rate (47 percent), however the landlord is not marketing the building as they would like to redevelop it for housing. There is nothing fundamentally wrong with the premises, which is still attractive to office occupiers, as recently as June 2005 there were 22 tenants, compared to the current six.

Emerging Office Trends

4.9 As property agents, BE Group has noticed a number of trends from modern businesses looking for office space. These are common characteristics of demand in most areas where the company has had experience.

4.10 The trend is for smaller office suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) are wanting serviced offices or similar types of easy-in, easy-out schemes that lower their risk exposure. Whilst small businesses (with 10-49 employees) are looking for offices in the region of 2000-3000 sqft (186-279 sqm), often they are satellite facilities for larger companies.

4.11 Improving technology means specifications are changing, for example wireless networks will soon make raised floors superfluous and make the conversion of Victorian buildings and the like easier.

4.12 In line with a healthy economy, rising aspirations and a concentration on higher value added activities companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes in the region, which pushes up rentals by £0.50-1.00/sqft (£5–10/sqm) on average. Furthermore occupiers (looking for more than 2000 sqft/186 sqm) tend to want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc

4.13 Car parking remains a big problem for occupiers everywhere as the public sector try to limit spaces in response to the sustainability agenda. The lack of public sector control means they cannot rely on public transport especially in rural areas and there is a strong demand for car parking space. Developers are starting to charge per car park space in major cities, and this is now hitting city outskirts.

4.14 Freehold demand remains strong as a result of the continuing low interest rates, poor stockmarket pension performances and increased private sector interest in property investment. This has resulted in an overheated investment market, rising values, lowering yields and lead to response from property developers that are now more willing to offer speculative, freehold buildings. Aside from this, on the leasehold side, there is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.

4.15 In the currently tight job market and with increasing employee legislation, organisations are taking more care of their staff in ensuring accommodation is close to amenities, especially retail and leisure facilities.

4.16 Higher quality occupiers, especially those linked to the Regional Economic Strategy's growth sectors will be concerned about access to an appropriate pool of skilled labour, which will drive demand towards research facilities and higher education institutes.

4.17 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.

4.18 International access and clustering around like-minded companies will also drive demand to key business park locations, with good availability of 'white collar', knowledge-based, skilled staff. However certain businesses will require a central conurbation, those in the professions, creative industries, where face-to-face contact is important or where public transport is important to attract staff.

Summary

4.19 Most enquires for offices are for small suites of up to 1000-2000 sqft (93-186 sqm). This is mainly because most businesses are actually very small, in the West Midlands 95 percent have less than ten employees.

4.20 Local property experts confirm the small nature of most office enquiries, the lack of quality accommodation in the town centre (which suffers from poor accessibility and car parking which are such important features) and increasing demand for mid-town and out-of-town locations depending on the nature of the business. They also report the demand for small serviced accommodation, modern, purpose-built space and freehold options.

4.21 The strength of the office market in Shrewsbury, partly due to its County town status, is shown by the high occupancy rates at most office schemes.

4.22 Emerging office trends will continue to drive the nature of demand being seen in Shrewsbury. Modern businesses crave better quality accommodation, good accessibility and car parking, freehold availability, flexible lease terms, small sizes.

5.0 FUTURE TRENDS

Introduction

5.1 In this section we consider forecast trends in the local economy, especially in relation to the office sector. This specifically looks at West Midlands Regional Assembly's Regional Centres Study which was carried out to inform the Regional Spatial Strategy.

Regional Centres Study 2006

5.2 The purpose of this report is to identify those centres in the region where major new retail, leisure and office development should be focused over the period to 2021. It assesses how growth across the region should be accommodated within planning constraints and to generate the greatest overall economic benefit.

5.3 In setting the context for the research, it highlights that only 31 percent of the office floorspace completed in the last three years throughout the region has been in town centres. This is because of the:

- Existence of major out-of-town employment land allocations
- Lower costs of out-of-town accommodation
- Difficulties of town centre development land assembly
- Competition in town centres for higher value uses.

5.4 Shrewsbury is in the fourth of five tiers in the office town centres hierarchy, and although highlighted as performing healthily (although with some room for improvement), the research recognises the severe constraints limiting expansion of the town centre office supply – these relate to land ownership, physical/topographical (River Loop), infrastructure and Conservation Area issues.

5.5 According to their analysis the town centre has between 2850 and 3210 people involved in office based employment, and a total of 490,000-495,000 sqft (45,000-46,000 sqm) of floorspace.

5.6 Based on local and regional forecasts office-based employment is expected to rise by between 900 and 1200 jobs, leading to a need for 215,000 sqft (20,000 sqm) of new office floorspace to 2021 in the town centre. It also indicates that office employment will rise by 2200-2500 jobs in the rest of the town and Borough, equating to a further 430,000 sqft (40,000 sqm) of floorspace.

5.7 Recognising the physical restrictions in Shrewsbury town centre, which will make the development of this amount of floorspace difficult it suggests that a sequential approach be taken, using mid-town sites.

National Trends in the Office Market

5.8 The report also assesses national trends in the office market. It states that demand for offices is becoming more sophisticated in terms of accessibility, efficiency and sustainability of buildings and locations. It analyses the market in two ways – spatially and functionally. In terms of the former the main distinction is between town centre and out-of-town/business park locations. Furthermore offices seeking to locate in town centres will progressively develop into 'urban fringe' areas.

5.9 Generally out-of-town users tend to attach greater importance on-site car parking, security and highways accessibility; while town centre occupiers prefer proximity to public transport and access to amenities. Both users share a need for good IT infrastructure and comfort cooling.

5.10 The quality of property is also becoming an increasingly important factor in recruiting and retaining staff. Although hot-desking and homeworking are being used to improve efficiency it has not led to the expected outcome of higher density use so far (according to the limited research undertaken in this field). Although the average office density will increase, of more significance is the increased demand for high quality space and more investment in property.

The Future

5.11 There are no forecasts that cover the immediate period at Borough level. However existing forecasts (from Cambridge Econometrics, (CE) 'An Economic Strategy for Shropshire') point to a continued employment increase of 4.7 percent between 2005 and 2015 in Shropshire.

5.12 CE have also looked at different employment sectors and considered how these will fare to 2015, unsurprisingly the service sector increase will continue. Sectors that will decline include: agriculture, food, basic metals, other mining, mechanical engineering and public administration. Health and social care is a strengthening sector and is identified as a clear opportunity for growth, as are hotel and catering and computer services which are forecast to experience high levels of growth.

5.13 In conjunction with this economic forecast it is worth reiterating some of the findings of the Government's Foresight programme - a think tank predicting future trends and influences on the UK's socio-economic environment.

5.14 It expects that structural forces at work in the economy will create an explosion of SMEs (small and medium enterprises) in the near future. Currently the UK has around 4.3 million such businesses an 8.5 percent increase from 2003. This rapid growth and change is being driven by:

- Revolutionary advances in computing and communication technologies, especially the internet.
- Advances in other technologies such as material sciences and biotechnology
- Growth in knowledge-intensive work supplanting labour-intensive industries
- The rise of intellectual capital as the key value creation.

5.15 This will lead to new opportunities for SMEs. Many more will be in technology intensive sectors. Other opportunities will arise from large corporations outsourcing, unbundling or investing in start-ups. There will be parallel opportunities in the public sector – in health, caring services for the elderly and the disabled.

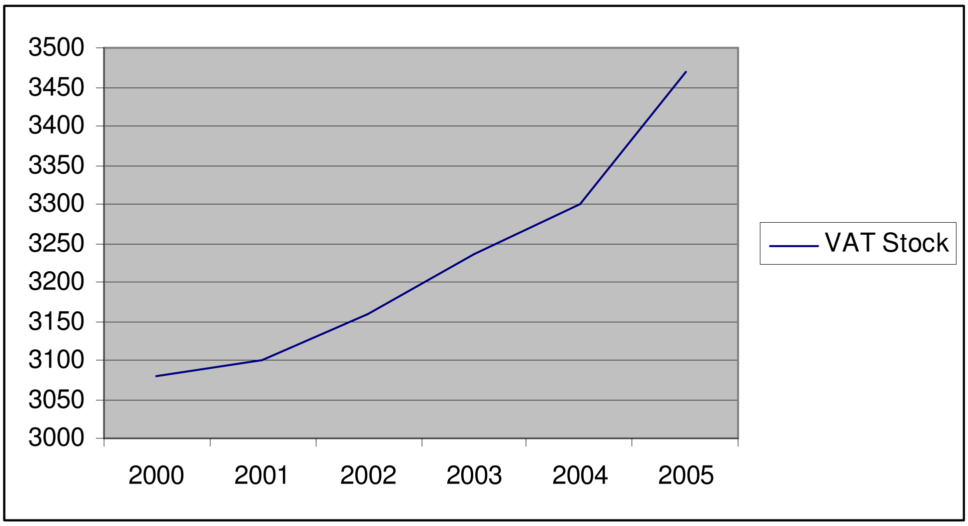
5.16 The majority of today's SMEs will not exist in 2015 and the majority of SMEs that will exist in 2015 do not exist today. This will obviously lead to very dynamic business profiles in all areas increasing the emphasis on planning policy to be equally dynamic and flexible.

5.17 We will also see new ownership patterns (with more companies owned by women, minorities, and people in their 20s and 60s); intangible assets as the main drivers of value; SMEs acting in collaborative groups, in procurement for example; access to more financing options; and proportionately more companies trading internationally.

VAT Registrations

5.18 This business growth, predicted above, is already happening in the Borough, for example, there are now 3470 VAT registered businesses in the Borough, a 12.6 percent increase from 2000 (see Figure 1).

Figure 1 – Numbers of Businesses by VAT Registrations



Summary

5.19 The Regional Centres Report is extremely bullish about the increasing need for offices in Shrewsbury town centre over the next 15 years. Another 215,000 sqft (20,000 sqm) will be required in the town centre, a further 430,000 sqft (40,000 sqm) in the rest of the town and Borough (i.e. mostly in the rest of Shrewsbury – mid-town and out-of-town).

5.20 The report also outlines the needs of modern businesses – better facilities, car parking, public transport, accessibility, etc.

5.21 Service sector growth is fuelling the need for more offices, which is compounded by the rise in numbers of businesses and their decreasing average size. This is increasing the need for office schemes offering small suites on flexible lease terms. This trend is clearly shown in Shrewsbury as the number of businesses has grown by over 12 percent between 2000 and 2005.

6.0 COMPANY SURVEY

Introduction

6.1 A business survey has been carried out to establish some empirical evidence of demand, and substantiate findings in other sections of this report. It is another strand of evidence that will be used to inform the study's conclusions and recommendations.

Methodology

6.2 A questionnaire (which is included in Appendix 4), with explanatory covering letter and pre-paid reply envelope, was sent out to 200 local companies. The companies targeted were split equally between the three distinct areas – town centre, mid-town and out-of-town. Based on there being close to 600 office units in the town this is a substantial sample. We set out to achieve a minimum 40 percent response rate.

Response

6.3 The postal response achieved was 23 percent – a reasonably good outcome. Building on this, we completed follow up telephone calls to elicit better co-operation from businesses. These actions significantly enhanced the numbers of responses.

6.4 Overall 104 completed questionnaires have been completed, 52 percent of the total originally targeted, see Table 13.

Table 13 – Company Survey Responses

Total Questionnaires Issued	Number of Companies	Percent
Responses Received	104	52.0
Too Busy / Unwilling	19	9.5
Still awaiting (following reminder)	77	38.5
Total	**200**	**100.0**

6.5 The split of responses between the different areas, is relatively representative of the original sample sent as shown in Table 14, just slightly underweight in terms of out-of-town responses.

Table 14 – Company Location

Area	Number Sent	Number Received
Town Centre	67	37
Mid-Town	67	35
Out-of-Town	66	32
Total	**200**	**104**

Company Size

6.6 The 104 companies taking part in this survey employ 1259 people. Of these, just over 30 percent (378) are part time employees.

6.7 The responses very much fit the profile of small company employment. Only nine percent of the responding companies employ more than 50 people, whilst the majority (58 percent) employ ten or less. The company profile breakdown can be seen below in Table 15.

Table 15 – Company Profile

Company Size, number of employees	Number of Companies	Proportion, percent
1	9	8.7
2-5	30	28.8
6-10	22	21.2
11-20	17	16.3
21-30	7	6.7
31-40	3	2.9
41-50	2	1.9
50+	9	8.7
Not stated	5	4.8

6.8 There is a corresponding breakdown in the size of premises occupied. Emphasis is much more on offices of 5000 sqft or less (65 percent), with 30 percent of companies being based in premises of less than 1000 sqft. This shown in Table 16.

Table 16 – Size of Premises Occupied

Size, sqft (sqm)	Number of Companies	Proportion, percent
N/a (Work from home)	13	12.5
0 - 500 (0-46)	17	16.3
501 – 1000 (46-93)	14	13.5
1001 –2000 (93-186)	21	20.2
2001 – 5000 (186-465)	16	15.4
5001 – 10,000 (465-929)	9	8.7
10,001 – 20,000 (929-1858)	5	4.8
20,001 + (1858+)	1	1.0
Not stated	8	7.7

Current Premises

6.9 Companies were asked to indicate the type of property they currently occupy i.e. offices, serviced offices or high-tech space. Table 17 contains these responses. It shows that some 74 percent of the companies are occupying conventional office premises. Far less (eight percent) are in either serviced offices or high-tech accommodation. A further thirteen companies indicated they operate from home, rather than occupying commercial premises.

Table 17 – Responses by Premises Type Occupied

Type of Accommodation	Number of Companies	Proportion, percent
Office	77	74.0
Home	13	12.5
Serviced Office	7	6.7
High-tech/Lab	1	1.0
Other	6	5.8

6.10 Companies were asked to indicate whether they own or rent their property. Of those answering, or it being a relevant question, more than twice as many lease their premises.

6.11 64 businesses stated that they have moved premises within the last ten years, mainly from town centre or mid-town locations. Only three have moved from out-of-town locations, because presumably they will have moved there quite recently anyway. 19 of the companies have also been drawn into the town from outside it, including some from places such as London, Birmingham, Wales and the North West.

Table 18 – Where Companies Moved From

Area	Number of Companies	Proportion, percent
Town centre	23	35.9
Mid-Town	18	28.1
Out-of-Town	3	4.7
Shropshire	13	20.3
Elsewhere	5	7.8
Not stated	2	3.1

6.12 Over half the companies (34) moved because they needed larger premises, 12 wanted better car parking. Ten of the businesses decided on Shrewsbury as a home for their business because it is perceived as offering a central location. Other common reasons for moving included wanting better accessibility (nine companies) and more modern accommodation (seven businesses).

6.13 In terms of the characteristics of their premises or location that attracted the business there specifically, by far the most common were good quality premises, having available car parking and the property being of the correct size. These factors are shown in Table 19.

Table 19 – Reasons for Choice of Premises

Reason	Score
Good quality premises	75
Correct size of premises	72
Car parking availability	70
Car accessibility	43
Nice environment	32
Financial attractiveness	28
Close to shops/services/infrastructure	16
Desirable lease terms	13
Prominence	12
Public transport accessibility	9
Customer location	7
Freehold availability	9

Proximity to home	3
Disabled access	3
Location of comparable businesses	3
Limited choice at time of moving	3

Note: Respondents were asked to rank the three most important reasons, some did so, others ranked anything between one and six. The top ranked reason scored three, the second two, and the bottom, one.

6.14 Leading on from this the companies were then asked, if the premises they moved to had not actually been available, what would they have done instead, again they were requested to rank the top three options accordingly. The most popular option was a business park, as shown in Table 20 below, however the town centre is almost as popular.

Table 20 – Alternative Preferred Locations

Preferred Locations	Score
Out-of-Town	88
Town Centre	74
Mid-Town	59
Stayed in previous location	42
Elsewhere in Shrewsbury	32
Telford	5
Elsewhere outside Shrewsbury	5

Note: Respondents were asked to rank the three most important reasons, some did so, others ranked anything between one and six. The top ranked reason scored three, the second two, and the bottom, one.

Future Accommodation Requirements

6.15 Companies were asked to indicate whether they were considering moving or acquiring further premises within the next two to three years. 27 indicated they are looking for premises, a couple of them dependent on existing lease renewal negotiations. The breakdown of forecasted future space needs, by location, property type and size, are shown in Table 21. Although asked, only four companies provided indicative budgets for the offices desired, providing little scope for analysis.

Table 21 – Property Requirements by Location and Type

Existing Location	Preferred Area	Required Size, sqft	Tenure and Quality
Town Centre	Town Centre	0 – 500	Moderate Freehold

Existing Location	Preferred Area	Required Size, sqft	Tenure and Quality
Town Centre		501 – 1000 x 2	Prestigious/New Leasehold
Town Centre		501 – 1000	Moderate Freehold
Town Centre		501 – 1000	Moderate Licence
Town Centre		2001 – 5000	Prestigious/New Freehold
Town Centre		2001 – 5000	Prestigious/New Freehold
Town Centre		2001 – 5000	Moderate Leasehold
Town Centre		2001 – 5000	Prestigious/New Freehold
Town Centre		2001 – 5000	New/Moderate Freehold/Leasehold
Town Centre		2001 – 5000	Moderate/Basic Freehold/Leasehold
Town Centre		5001 – 10,000	Moderate Leasehold
	Sub-total	**19,011 – 44,500**	(1766 – 4134 sqm)
Town Centre	Mid-Town	501 – 1000	Moderate Freehold/Leasehold
Town Centre		1001 – 2000	Moderate Leasehold
Mid-Town		2001 – 5000	Moderate Leasehold
Town Centre		2001 – 5000	Prestigious/New Moderate/Freehold
	Sub-total	**5504-13,000**	(511 – 1208 sqm)
Mid-Town	Town Centre / Mid-Town	501 – 1000	Moderate/Budget Leasehold
Town Centre		1001 – 2000	Moderate Freehold
	Sub-total	**1502-3000**	(140 – 279 sqm)
Mid-Town		0 – 500	Basic/budget Licence
Town Centre	Anywhere	501 – 1000	New/Moderate Freehold/Leasehold
Mid-Town		501 – 1000	Freehold/Leasehold
Mid-Town		2001 – 5000	New/Moderate Leasehold/Freehold
Mid-Town		5001 – 10,000	Prestigious/New Leasehold
	Sub-total	**8004 – 17,500**	(744 – 1626 sqm)
Out-of-Town	Oxon Business Park	1001 – 2000	Moderate Leasehold
		5001 – 10,000	Prestigious/New Freehold
	Sub-total	**6002 – 12,000**	(558 – 1115 sqm)
Out-of-Town	Battlefield Enterprise Park	2001 – 5000	Prestigious/New Freehold
Mid-Town		10,001 – 20,000	Prestigious/New Freehold
	Sub-total	**12,002 – 25,000**	(1115 – 2323 sqm)
	Total	**52,025 – 115,000**	**(4833 – 10,684 sqm)**

6.16 The weight of demand is for town centre premises, where 12 respondents are looking for space. Four companies would prefer an mid-town location, there are two companies that would consider either town centre or mid-town. Another five do not mind, just as long as they can stay in Shrewsbury somewhere. There are only four requirements for out-of-town business parks. None of the companies are looking to leave the Borough.

6.17 The most common unit sizes companies are looking for are 501-1000 sqft (46-93 sqm) and 2001-5000 sqft (186-465 sqm), accounting for eight and ten requirements respectively.

6.18 There is a relatively even split of requirements between new/prestigious and moderate quality premises. There is only one company looking for budget accommodation. Similarly there is an equal split between freehold and leasehold need.

6.19 The other important factors that businesses will be considering in the choice of property are shown in Table 22 – the recurring themes being car parking and accessibility.

Table 22 – Most Important Factor(s) When Seeking Alternative Accommodation

Factor	**Number of Companies**	**Proportion, percent (Out of 27)**
Car parking availability	8	29.6
Access	8	29.6
Cost	7	25.9
Location	3	11.1
Good transport links	2	7.4
Good bus service	2	7.4

Comments

6.20 Some respondents made additional comments relating to the wider business environment, with some making several comments. As can be seen in Table 23, which summarises them, the mooted congestion charge is a source of consternation, especially for those in the town centre. Improvements to public transport are wanted by both town centre and out-of-town businesses.

Table 23 – Company Comments

Aspect	**Number of Companies Mentioning**
Congestion charge is unnecessary/would be	19

detrimental to town centre businesses	
The lack of car parking is a big problem	13
More public transport is needed	13
Parking restrictions are a big problem	2
Creating of finding premises with DDA access is an issue	2

Town Centre Analysis

6.21 The company responses from each of the three sub areas are analysed separately here to see if there are differences in their profile and needs. Those in the town centre tend to be in small premises, two thirds are in less than 2000 sqft (186 sqm), employing between two and five people, with a greater proportion of part-timers. These businesses account for 35 percent of the responses, but only 19 percent of the survey sample's workforce.

6.22 19 businesses have moved over the last ten years, a third relocated within the town centre, another two came from mid-town locations. Ten, over half, actually came from outside the Borough. At the time, they were looking for good quality premises of the correct size; where they differ from the average response is in requiring a nice environment (with shops and services, etc) but car parking is not so important. If their original premises had not been available, these companies would have preferred another town centre location, ranked three times more favourably than the closest alternative, mid-town.

6.23 Half of these businesses are considering a move, the highest proportion of any of the three groups. Most want to stay in the town centre and are looking for 501-1000 sqft (46-93 sqm) and 2001-5000 sqft (186-465 sqm) premises. These needs are evenly split between moderate and good quality, leasehold and freehold premises. The most common future drivers of choice are cost and car parking availability

Mid-Town Analysis

6.24 More than a third of these companies work from home, accounting for almost all those identified in the survey. The key driver in their previous relocation was the desire for good quality, appropriately sized premises with car parking. These businesses are less tied to their current location than the other two groups, willing to consider either town centre or out-of-town premises if needs be. For those looking to relocate, there are no common premises themes, whether by location, size, tenure or quality.

Out-of-Town Analysis

6.25 The most common size of premises occupied is 1001-2000 sqft (93-186 sqm), accommodating up to 20 people, a larger typical business profile than for the other two areas. Car parking availability and accessibility were key reasons driving premises choice for those businesses that have relocated over the last ten years

6.26 If their original premises had not been available, these companies would have preferred another business park location three times more favourably than the closest alternative, mid-town. Many have come from the town centre, but not a lot more than from mid-town or outside Shrewsbury as a whole.

6.27 Only three of these companies are considering a move, the lowest proportion, not surprising given that many of them will have relocated relatively recently.

Summary

6.28 The 104 responses represent an approximate 17 percent sample of Shrewsbury's business, they are reasonably representative of the general business population – many are very small – and they are split relatively evenly between the three sub-areas.

6.29 There has been a shift of businesses from the town centre to the business parks as they look for more modern, better quality, appropriately sized premises in accessible locations with plentiful car parking. And there is no doubt Shrewsbury needs these types of locations because they are popular.

6.30 However there is a significant proportion of the business population that want to stay in the town centre. They also want modern premises with better facilities, and the pent-up demand suggests a shortage of suitable offices in the town centre. They are also very concerned about the congestion charge proposals.

6.31 There are no real trends in quality or tenure of premises required, although the most in-demand sizes are 501-1000 sqft (46-93 sqm) and 2001-5000 sqft (186-465 sqm).

6.32 Referring the property need back to the findings in Section Four, where the supply of available premises in the town centre was assessed, it suggests there are 17 buildings. If the requirements are multiplied accordingly to represent the total business population (by six) then there are potentially some serious shortages. Irrespective of this, there does appear to be a lack of 501-1000 (46-93 sqm) and 2001-5000 sqft (186-465 sqm) units, and good quality and freehold space generally.

Table 24 – Shrewsbury Town Centre Office Supply and Demand Analysis

Requirement Property Size, Sqft (sqm)	Office	
	Available Units	Number of Requirements
0 - 500 (0-46)	6	1
501 – 1000 (46-93)	2	5
1001 – 2000 (93-186)	4	1
2001 – 5000 (186-465)	3	6
5001 – 10,000 (465-929)	1	1
10,001 – 20,000 (929-1858)	0	0
20,001 + (1858+)	1	0
Freehold	1	8
New / Prestigious / Good	3	5

7.0 CONCLUSIONS

7.1 The office market in Shrewsbury is relatively strong based on an affluent, well skilled population; the town's status in the County and having a number of good quality developments such as Abbey Lawns, Oxon Business Park and Shrewsbury Business Park. Local property experts report good activity and developers remain interested and continue to build new office schemes.

7.2 There is approximately 1.3 million sqft (121,124 sqm) of offices in Shrewsbury made up by 596 properties. In terms of floorspace this is split roughly 40:40:20 between the town centre, mid-town and out-of-town areas. Because the former has so many small units however it accounts for 70 percent of the actual properties. There is 142,641 sqft (13,251 sqm) marketed as vacant and available in 63 premises. This equates to 11 percent of the stock of premises. Slightly higher than is typical, but a result of the scale of speculative development at Shrewsbury Business Park and Battlefield Enterprise Park.

7.3 Office demand is being driven by the increasing size of the service sector, the growth in numbers of (smaller) businesses and increasing aspirations, reflected in a desire for better quality, larger, more modern accommodation. This is also partly to help attract and retain a business's all-important workforce.

7.4 Public sector forecasts expect the need for a substantial amount of new office floorspace over the next 15 years – 215,000 sqft (20,000 sqm) in the town centre, 430,000 sqft (40,000 sqm) outside it. Given the well recognised physical constraints preventing development in the town centre, only a relatively small proportion can be built there. The rest will have to be built outside the River Loop, either in mid-town or out-of-town locations.

7.5 Most demand is actually for very small units, up to 1000/2000 sqft (93-186 sqm) as evidenced by public sector enquiries data, the company survey and local property experts' comments.

7.6 There is strong demand for freehold offices as a result of low interest rates and pension legislation but there are very few options available to satisfy this, especially in the town centre. Although larger offices could be built at either Battlefield Enterprise Park or Shrewsbury Business Park.

7.7 Modern, dynamic, high growth businesses increasingly require good quality accommodation, maximum accessibility, substantial car parking, open plan space, a nice environment and flexible lease terms. Business parks play a very important role in satisfying the need for such space.

7.8 The town centre lacks quality, purpose built offices and developing new ones remains problematical due to a lack of space, conservation area issues and difficulties in assembling multi-owned sites. This is resulting in pent-up demand for premises there.

7.9 The mid-town locations have proved to be very popular, e.g. Abbey Lawns, as they combine the accessibility and car parking of an out-of-town location with the facilities offered by a town centre within reasonable walking distance.

7.10 The out-of-town locations have also proved popular and there is a mix of high quality (Shrewsbury Business Park), medium quality (Battlefield and Oxon Business Parks) and low quality (Longden Road and Monkmoor Road) locations. However they only account for 20 percent of the office businesses in Shrewsbury, and given the higher rentals in these areas, only a certain proportion of companies can afford these locations.

7.11 The town centre remains an important location for 40 percent of businesses who require cheaper space or need to be in close to proximity to public transport, shops or visiting customers. The company survey highlighted the number of businesses to whom a town centre location is important, even though there are vacant properties on the business parks to move into if they wanted to. The mid-town locations offer the ability to accommodate businesses in close proximity to the town centre, but which cannot find appropriate space within the River Loop itself. It also is the base for a large proportion of home-based businesses.

8.0 RECOMMENDATIONS

8.1 This report is to help formulate planning policy with respect to offices in the Local Development Framework. It is also to look at two issues: the potential redevelopment of Cambrian House Business Centre and the size restriction imposed at Shrewsbury Business Park.

8.2 SABC are concerned about maintaining the vitality and viability of Shrewsbury town centre if companies are able to move to out-of-town business parks, however there will remain a substantial proportion of companies who will wish to remain in the town centre. These companies value the town centres services, public transport accessibility and being close to customers more than accessibility and car parking. There is a need to bring forward better quality and freehold premises in the town centre to satisfy the pent-up demand.

8.3 The town centre currently accounts for 60 percent of businesses, doubling the size of Shrewsbury Business Park (say another 30-40 businesses) will reduce this proportion slightly, but not by much. There is a need for more offices in all parts of Shrewsbury because of the growth in the service sector. The town centre will not lose its vitality because of perceived competition from out-of-town business parks.

8.4 Shrewsbury has to accept that this office growth cannot be accommodated in the town centre because of the physical restrictions to doing so. Therefore opportunities in mid-town locations should be promoted as well as expanding out-of-town business parks. This will lead to more businesses and more demand in all three sub-areas of Shrewsbury. The growth in numbers of businesses and employment will outweigh any marginal effect of business loss from the town centre to more peripheral locations.

8.5 The 4000 sqft (372 sqm) restriction at Shrewsbury Business Park should be removed. It merely hampers free market operation, reducing the marketability of the buildings and the ability of occupiers to secure funding to purchase them. Shrewsbury needs high quality developments such as this to attract inward investment. The 4000 sqft (372 sqm) restriction effectively cuts out 90-95 percent of potential occupiers, as so many businesses are so small (as are, consequently, the enquiries for space coming from them).

8.6 The companies who will look at Shrewsbury Business Park will be high growth, dynamic businesses who value accessibility and are willing to pay higher prices. They will also be more footloose, there is a danger of losing them to other locations such as Telford potentially. Although Oxon Business Park and Battlefield Enterprise Park are possible alternative locations, these are more mixed, also accommodating light industrial businesses, and so may not be suitable for everyone.

8.7 Shrewsbury town centre lacks purpose-built offices and plentiful opportunities to build more. Given the expected future need for office space it seems nonsensical to allow existing dedicated, relatively modern office developments such as Cambrian House to be lost from the office portfolio. It has performed well as offices in the past and all trends suggest its combination of small, flexible office space with car parking close to the amenities of the town centre will continue to prove very popular.

8.8 More freehold office space should be encouraged, as should an expansion of the popular and successful Oxon Business Park.

8.9 Mid-town offices provide a winning combination of town centre amenity with out-of-town accessibility. Further developments such as Abbey Lawns should be positively encouraged (and the closer to the town centre the better). The tight town centre area, defined by the River Loop, is artificially small and difficult to develop. Mid-town locations are the natural outlet for those businesses looking for 'town centre' locations but which cannot be satisfied, whether because a lack of buildings generally or those of the appropriate size, quality or tenure.

8.10 Given that forecasts suggest the town centre will need a further 215,000 sqft (20,000 sqm) of office floorspace any opportunities to provide modern, open plan buildings should be capitalised upon. Although there is 45,000 sqft (4181 sqm) currently vacant in the town centre, much of it is low quality.

8.11 Of the 430,000 sqft (40,000 sqm) forecast to be required in the rest of the town and Borough most of this will be in Shrewsbury's environs (i.e. mid-town and out-of-town). There is 100,000 sqft (9290 sqm) currently vacant in this area, with around a further 100,000 sqft (9290 sqm) in the pipeline at Shrewsbury Business Park. The remaining 230,000 sqft (21,367 sqm) will be split between out-of-town locations such as Shrewsbury Business Park, Oxon and Battlefield (and potentially a new out-of-town business park location), but up to half should be developed in mid-town locating if possible (as close to the town centre or public transport as is practical).

8.12 To summarise, the policy implications for SABC are:

- Continue to plan for further office development in all three sub-areas of Shrewsbury
- Allocate further employment land in out-of-town locations
- Recognise the differing needs of businesses – therefore range and choice must be provided, by location, size, tenure, quality
- Intensify office development in the town centre and mid-town areas to make the best use of scarce land resources
- Apply the sequential approach to major office development in mid-town, encouraging edge-of-town centre locations
- Retain existing town centre offices where possible, especially if they are reasonably modern, purpose-built or fit-for-purpose
- Help promote new development areas in the town centre for mixed-use purposes, but with a substantial office component.

Appendix 1

Consultees

Advantage West Midlands
Alaska Estates
Balfours
Barbers
Julian Spencer & Company
Morris Property
Nock Deighton
Pooks
Richard Cooper Commercial
Samuel Wood & Company
Severn House Business Centre
Shrewsbury & Atcham Borough Council
Shropshire County Council
Swains
Towler Shaw Roberts

Appendix 2

Study Area Plan

Appendix 3

Vacant Office Schedules

TOWN CENTRE

Address	**Size, sqft**	**Price, £/sqft**	**Tenure**	**Quality**
Mardol House, Claremont Street	22,500	10.00	Leasehold	Good
Princess House, The Square	6100	10.00	Leasehold	Good
Claremont House, Claremont Bank	3160	9.10	Leasehold / Freehold	Good
5 Claremont Buildings, Claremont Bank	2350	7.90	Leasehold	Average
38 Castle Street	2251	4.40	Leasehold	Budget
1st and 2nd Floor Offices, 18 Pride Hill	1632	4.30	Leasehold	Budget
Tower Park, Ennerdale Road	1566	12.00	Leasehold	Not known
2nd Floor Offices, Crown House, St Mary's Street	1547	5.10	Leasehold	Average
1st and 2nd Floor Offices, The Claremont Chambers, 7a Claremont Hill	1513	6.20	Leasehold	Average
23 Chester Street	741	8.10	Leasehold	Average
London House, Town Walls	622	11.20	Leasehold	Average
2nd Floor Offices, 45 High Street, Shrewsbury	437	8.00	Leasehold	Average
Room 4 & 5, 1st Floor, Wyle Cop Chambers, 77 Wyle Cop	400	13.70	Leasehold	Average
Room 1, 2 & 3, 1st Floor, Wyle Cop Chambers, 77 Wyle Cop	335	12.90	Leasehold	Average
First Floor Office, Winchester House, St Mary’s Street	295	10.00	Leasehold	Average
Suite 3, Bellstone Court, Bellstone	243	13.10	Leasehold	Average
High Street Chambers	234	8.50	Leasehold	Average

MID-TOWN

Address	**Size, sqft**	**Price, £/sqft**	**Tenure**	**Quality**
Part Ground, First & Second, 163 Abbey Foregate	8703	13.00	Leasehold	Average
New Park House, Brassey Road	6070	12.30	Leasehold	Good
Suite 2 Prospect House, Belle Vue	5790	8.00	Leasehold	Good
Unit E1, Longbow Professional Centre, Harlescott Lane	2647	9.60	Leasehold/ Freehold	Good
36 Old Coleham	2321	5.10	Leasehold	Budget
Suite 9 Prospect House, Belle Vue	2150	10.00	Leasehold	Good
Suite 1, Lewis Marshall Holdings Building, Harlescott Lane	1485	9.20	Leasehold	Budget
1st Floor Offices, 43 Nettles Lane	1105	5.40	Leasehold	Average
Ground Floor Offices, New Zealand House	1022	10.00	Leasehold	Average
Suite 1, Unit H1, Longbow Professional Centre, Harlescott Lane	995	8.50	Leasehold	Good
1 - 3 Monkmoor Road	617	11.10	Leasehold	Average
Severn House Business Centre, 66 Spring Gardens	223	29.50	Leasehold	Average
Severn House Business Centre, 66 Spring Gardens	168	29.20	Leasehold	Average
Severn House Business Centre, 66 Spring Gardens	132	29.50	Leasehold	Average
Severn House Business Centre, 66 Spring Gardens	112	29.00	Leasehold	Average
Severn House Business Centre, 66 Spring Gardens	96	34.00	Leasehold	Average

OUT-OF-TOWN

Address	Size, sqft	Price, £/sqft	Tenure	Quality
Jupiter House, 3 The Creative Quarter, Shrewsbury Business Park	8000	13.10	Leasehold	Very good
Sycamore House, 4 The Professional Quarter, Shrewsbury Business Park	5960	13.00	Leasehold	Very good
Grosvenor House, Capital Court, Knights Way, Battlefield Enterprise Park	4801	11.00	Leasehold	Good
Ashwood House, 7 The Professional Quarter, Shrewsbury Business Park	4555	13.00	Leasehold	Very good
Maple House, 2 The Professional Quarter, Shrewsbury Business Park	4315	144.84	Freehold	Very good
Rowan House (South), 1 The Professional Quarter, Shrewsbury Business Park	3525	13.30	Leasehold	Very good
Portman House, Capital Court, Knights Way, Battlefield Enterprise Park	2689	11.00	Leasehold	Good
Cedar House, Plot 3a, Shrewsbury Business Park	2686	13.00	Leasehold	Very good
Rowan House (North), 1 The Professional Quarter, Shrewsbury Business Park	2483	12.90	Leasehold	Very good
Willow House West, 5 The Professional Quarter, Shrewsbury Business Park	2471	12.50	Leasehold	Very good
Countrywide House Suite 1, Knights Way, Battlefield Enterprise Park	2329	9.50	Leasehold	Good
Suite B, Mercury House, 2 The Creative Quarter, Shrewsbury Business Park	2000	13.00	Leasehold	Very good
Suite D, Mercury House, 2 The Creative Quarter, Shrewsbury Business Park	2000	13.00	Leasehold	Very good
9 The Courtyard, Yeomanry Road, Battlefield Enterprise Park	1500	9.00	Leasehold	Good
Unit 11, Park Plaza, Battlefield Enterprise Park	1465	9.20	Leasehold	Good
Kensington Court, Capital Court, Knights Way, Battlefield Enterprise Park	1382	11.00	Leasehold	Good
Suite A, Spruce Building, Plot 3c, Shrewsbury Business Park	1302	12.60	Leasehold	Very good
Suite A, Willow House East, 5 The Professional Quarter, Shrewsbury Business Park	1000	13.20	Leasehold	Very good
Suite E, Mercury House, 2 The Creative Quarter, Shrewsbury Business Park	900	13.00	Leasehold	Very good
Building One, Ground floor, Suite A, Charlesworth Court, Battlefield Enterprise Park	855	10.20	Leasehold	Good

Address	Size, sqft	Price, £/sqft	Tenure	Quality
Building One, 1st floor, Suite C, Charlesworth Court, Battlefield Enterprise Park	855	10.20	Leasehold	Good
Building Two, Ground floor, Suite A, Charlesworth Court, Battlefield Enterprise Park	855	10.20	Leasehold	Good
Building Two, 1st floor, Suite C, Charlesworth Court, Battlefield Enterprise Park	855	10.20	Leasehold	Good
Building One, Ground floor, Suite B, Charlesworth Court, Battlefield Enterprise Park	786	10.10	Leasehold	Good
Building Two, Ground floor, Suite B, Charlesworth Court, Battlefield Enterprise Park	786	10.10	Leasehold	Good
Building One, 1st floor, Suite D, Charlesworth Court, Battlefield Enterprise Park	733	10.20	Leasehold	Good
Building Two, 1st floor, Suite D, Charlesworth Court, Battlefield Enterprise Park	733	10.20	Leasehold	Good
1st Floor Unit, 7b, Plot 9 Knights Way, Battlefield Enterprise Park	526	9.00	Leasehold	Good
Unit 1, Hartley Business Centre, Monkmoor Road	420	7.10	Leasehold	Budget
Ground Floor Offices, Alaska Building, Shrewsbury Business Park	312	30.70	Leasehold	Very good

Appendix 4

Survey Questionnaire

SHREWSBURY & ATCHAM BOROUGH COUNCIL OFFICE SURVEY

Your Details

Company: ____
Contact Name: ______________________ Position: ______________
Address: ____
____
Tel No: ______________________
Business Activity: ____

Employees

1. Number of **full-time** workers ________ and **2. part-time** workers ____________

Current Accommodation

Type of accommodation

3. Office ☐ Hi- tech/Lab ☐
Serviced office ☐ Other ☐

4. Freehold ☐
Leasehold ☐
License ☐

5. Size of unit

0-500 sqft	☐	501-1000 sqft	☐	1001-2000 sqft	☐
2001-5000 sqft	☐	5001-10,000 sqft	☐	10,001-20,000 sqft	☐
Larger, sqft	____________				

Please complete questions 6 – 9 if your business has moved location to its current premises ***within the last 10 years.*** If not, please continue on to question 10.

6. Where did you move from? Street: ______________________________
Town: ______________ Postcode: ____________

7. Please state the top three reasons why your company decided to move?

1) ____
2) ____
3) ____

8. Please rank the top three reason(s) in order that attracted you to your current location, write 1, 2 or 3:

☐ Car accessibility	☐ Location of shops/services/ infrastructure	☐ Location of comparable businesses
☐ Public transport accessibility	☐ Prominence	☐ Nice environment
☐ Car parking availability	☐ Financial attractiveness	☐ Limited choice at time of moving
☐ Correct size of premises	☐ Desirable lease terms	☐ Customer location
☐ Good quality premises	☐ Freehold availability	☐ Supplier location
☐ Other (please state) ______________________________		

9. If your current premises had not been available, what would you have done? Please rank the top three preferred areas in order, write 1, 2 or 3:

☐ Stayed in previous location

Moved into premises at:

☐ Shrewsbury Town Centre

☐ Edge of Shrewsbury Town Centre

☐ A business park in Shrewsbury (please state) ____________

☐ Elsewhere in Shrewsbury (please state) ____________

☐ Another location outside Shropshire (please state) ____________

Future Accommodation

10. Are you considering moving premises within the next:

0-12 months?	Yes	☐	1-3 years?	Yes	☐
	No	☐		No	☐

If yes to either of the above, please respond to questions 11a –11h otherwise go directly to question 12.

11. What type of accommodation will you be looking for? (please tick main type/use)

11a. Office ☐ Hi-tech/Lab ☐ Serviced office ☐

11b. Tenure required? Freehold ☐ Leasehold ☐ License ☐

11c. Quality of premises preferred?

Prestigious/New ☐ Moderate ☐ Basic/Budget ☐

11d. Will this be **additional** ☐ or **alternative** ☐ to existing property?

11e. Indicatively, what budget do you have (if known) £__________/ sqft/sqm (please delete)

11f. What size of unit/site will you be looking for?

0-500 sqft	☐	Site size, acres ______________________________
501-1000 sqft	☐	
1001-2000 sqft	☐	
2001-5000 sqft	☐	
5001-10,000 sqft	☐	Larger unit, sqft ______________________________
10,001-20,000 sqft	☐	

11g. General location - please indicate preferred area(s) below:

Shrewsbury town centre	☐	Oxon Business Park	☐	Elsewhere in Shrewsbury	☐
Edge of Shrewsbury town centre	☐	Abbey Lawns	☐	Anywhere in Shropshire	☐
Shrewsbury Business Park	☐	Battlefield Enterprise Park	☐	Outside Shropshire	☐

Other ____

11h. What do you consider to be the most important factor when seeking alternative accommodation? Please state below.

____
____
____

Additional Comments

12. If you have any additional comments please use the space below.

Suggested topics might include:

- Road infrastructure
- Public transport
- Staff availability
- Congestion charge
- Business support
- Lack of property options
- Planning issues