

Review of Alma Park Industrial Estate

As part of the Grantham Capacity Study, we have also been asked to consider whether the Alma Park Industrial Estate may have long term potential to be considered for alternative use.

The Brief

The purpose of this exercise is to assess how this part of the town could feature in the town's overall growth. The reasons for this are:

1. Alma Park Industrial Estate is located north east of the town centre meaning the majority of commercial traffic needs to go through Grantham to reach the A52 and A1. For occupiers this adds additional time and fuel cost to journeys and contributes towards the congestion within the town centre.
2. The proposed southern extension which will incorporate a relief road connecting the A1 with the A52 can deliver a substantial amount of employment land. That could, in part, accommodate the businesses on Alma Park Industrial Estate who may wish to relocate.

We now assess this in further detail.

Alma Park Industrial Estate

This is an established industrial estate served by Alma Park Road and Londonthorpe Road. In order to travel west towards the A1 and A52 towards Nottingham occupiers need to drive along Harrowby Lane through primarily residential areas and the town centre.

The Estate comprises a range of mainly purpose built steel framed industrial buildings occupied by a range of businesses including Windfield Engineering, Newark Concrete, Quality Furniture Limited, Chandlers Oil and Gas and various vehicle related users. There is also a small modern business park of industrial starter units known as Limesquare Business Park. From our understanding of the estate there are many different land owners including owner occupiers and investors.

Recent rental evidence shows that smaller units of between 2,500 sq ft and 5,000 sq ft are achieving rental values in the order of £3.20 to £4.50 per sq ft.

Opportunity for Relocation

As serviced employment land is released at the southern quadrant, there will be opportunities for businesses on the Alma Park Industrial Estate whose property requirements may have changed or who are in a poor quality buildings to relocate. As a result, this may free up certain sites within the industrial estate. There is a possibility that over time the area could be master planned and some of the peripheral sites on the southern edge close to the existing residential areas could be redeveloped for residential purposes. However, this will very much depend upon when land becomes available.

The fragmented nature of the ownerships means that this would only realistically take place over a period of many years.

In addition other considerations are relevant. Should an occupier seek to vacate from the Alma Park Industrial Estate it is more likely that if the existing building is still in a reasonable condition the existing use value would exceed the value of the land for residential development.

It is possible that, in certain circumstances, some of the Alma Park Industrial Estate could be redeveloped for housing and employment uses slowly replaced towards the southern end of the town, however, this is likely to take a considerable amount of time and happen on a piecemeal basis.

By way of a suitable case study we would cite the Nottingham Waterside area as a good example. This area was master planned in 2004 as a major leisure and residential waterside destination. It currently comprises a range of established industrial and roadside occupiers held in multiple ownership of a similar nature to the Alma Park Industrial Estate. Over the previous 11 years development activity has been limited. Some development that has taken place has included a riverside apartment scheme next to the Yacht Club which makes use of the substantial frontage onto the River Trent.

Blueprint Developers are now on site building a scheme of townhouses and flats at Trent Basin, again benefitting from river frontage. The remainder of the estate away from the river remains an active industrial area. Although we would expect further residential development to take place along the River Trent, the wholesale transformation of the area to a residential and leisure destination is not unlikely and traditional employment issues will remain.

We would therefore suggest that SKDC does not rely on the long term relocation of the occupiers at the Alma Park Industrial Estate into other areas of Grantham including the Southern Quadrant in order to free up brownfield land for residential development.