

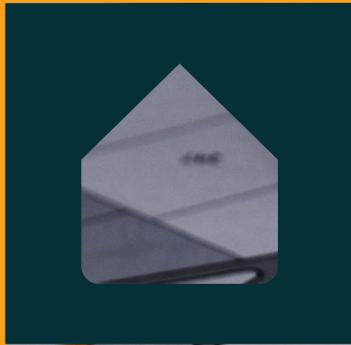
Lanwades Woodland Park, Kentford

(former Animal Health Trust)

Hybrid planning application

Economic and Market Evidence

Prepared for: Lochailort
Kentford Ltd
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1 INTRODUCTION

- 1.1 The site is located at the former Animal Health Trust Research Centre, which is approximately 120 acres in size and located on the western periphery of the village of Kentford.
- 1.2 The site includes just over 30 buildings – ranging in age, size and specification. The existing buildings have been used for a variety of purposes including laboratories, a Centre for Small Animal Studies (CSAS), a Centre for Equine Studies (CES), Cancer Therapy Centre, MRI and x-ray buildings, a visitors’ centre, intern accommodation building, offices, a hydrotherapy unit, and associated stables, kennels and barns. These have all been added over time resulting in a bespoke set of buildings purposely configured to meet the needs of the former occupier.
- 1.3 The former occupier, the Animal Health Trust, ceased in 2020, and since then the site has been (unsuccessfully) marketed for a new use. However that marketing, undertaken by Bidwells as one of the most respected national R&D firms who manage and provide agency work for Cambridge Science Park, has been unable to find a new occupier.
- 1.4 As we set out in the rest of this report; the activity formally undertaken on the site by the AHT has either been transferred to commercial veterinary practices - against which the AHT was unable to compete, or, for the R&D activity, has transferred to other charities or commercial R&D not tied to the local area.
- 1.5 There is no clear economic harm flowing from the closure with the former R&D and Practice activity simply being undertaken elsewhere. While the site, at the time of closure, employed 250 people, The most recent employment data for Kentford shows that in January 2025 there were only 15 people unemployed across the whole Ward. It is very clear that the loss of site has not been detrimental to the village economy.
- 1.6 We have also considered the need/rationale for new economic floorspace here. Planning policy generally seeks to secure the re-provision of lost floorspace. However, in this case, the closure of the AHT predates the Councils economic evidence base with all activity having ceased at its base date. In the case of the most recent LSH employment land evidence, this post dates the closure of the site by over 4 years.
- 1.7 The Councils economic evidence (Employment Land Review, 2021) promoted a strategy of ‘consolidation’ in the ‘small and remote’ Kentford market (page 84, no para numbers). Kentford is one of only two locations identified for ‘consolidation’ in the evidence base – so one of only two locations where a loss of local floorspace was supported by the Councils consultants.
- 1.8 However; while we recognise that there is clearly no significant need for any new floorspace in this location, the development provides an opportunity to modestly boost the supply of local quality space in a ‘walk to work’ environment.
- 1.9 As part of the 1st phase of development we propose the reuse of the listed stable buildings would appear to represent a opportunity for modest provision flexible employment (E class) and community uses that could be used for a range of light industrial / workshop / studio activity as needed. The size of that unit limits the scale of new space that can be offered. But, additional provision, subject to successful operation/letting of the stables can be provided in the later phase. However – this is always expected to be modest given the size of the local market and reflecting the ‘consolidation’ advice set out by the Councils own consultants.
- 1.10 In the next section of this report we briefly outline the history of the site – noting how the site has been piecemeal developed over a long number of years by the former AHT.
- 1.11 We also briefly review the marketing material provided by Bidwells (appendix). The two streams are related because the inability to re-let the site can be attributed to the fact that the market for this type of space has moved on – legacy and remote institutional style offers no longer meets market expectations.
- 1.12 Bidwells are exceptionally well respected agents in their market, and specialise in R&D space. The fact they were engaged to market the site clearly demonstrates that the site is not attractive for the sites previous R&D related use.
- 1.13 We then move on to consider other reasonable alternatives drawing on the Councils recent economic evidence base and material provided to the ongoing EiP.
- 1.14 As we set out the Council has adopted an assessment of need, that was undertaken post the closure of the AHT and the removal of economic activity from the site, and the Council has modestly over-provided land to meet this need. More locally we note that the evidence base recommends consolidating economic space in Kentford – as opposed to growing it.
- 1.15 Finally we look at the proposed economic offer on site. While the Councils evidence base would appear to suggest no economic space is justified there is a opportunity to reuse some buildings on site for a new ‘walk to work’ local workspace offer. There is also scope to provided additional newbuild space in Phase 2. This could complement, but not be sufficiently large in scale to compete with nearby Landwades and the Garden Community offer while no over-providing. In a weak market area any significant new provision would directly compete with the existing offer – the Council having already made provision for new space for growth as part of its local plan strategy.

2 RESEARCH AND DEVELOPMENT LAND & PROPERTY

The (former) Animal Heath Trust

- 2.1 The AHT operated from the site until 2000 when the trust entered liquidation. The timing was partly related to covid which stressed the already vulnerable trust and forced its closure and ultimate liquidation.
- 2.2 In addition to recent impacts from Covid 19 the Trust had been struggling for a number of years and had been running a considerable operating deficit.
- 2.3 In the financial year ending 2018 accounts showed revenue of £15m against costs of £17m and the trusts accountants raised concerns regarding pension deficits that would have further undermined the AHTs ability to survive covid.
- 2.4 Kentford is remote from the main cluster and with only the AHT in situ, was not attractive as an ongoing research location or able to affect diversity of R&D used.
- 2.5 Regarding the research function additional private facilities have opened in recent years – specialising in the treatment of large animals and duplicating some of the more commercial services formally operated by the trust. This has increased competition from the private sector reduced income streams further undermining viability.

Marketing

- 2.6 In line with council policy and best practice the site has been, and continues to be marketed for, a new R&D occupier – via sale or lease.
- 2.7 This has been undertaken by Bidwells who are leading experts in the R&D sector having managed Cambridge Science Park since its inception and continue to provide advice regarding leasing and letting as part of their role as instructed agents on CSP and other R&D locations.
- 2.8 Bidwells have confirmed that the only enquiries are ‘high level’ – contact is often made because we simply tick a couple of the many boxes an occupier may have and therefore a quick email or phone call can confirm if the site is genuinely suitable or not. In these instances, the agents repping the occupier has enquired, asked for details and confirmed they will be in touch should it be suitable or a further conversation has taken place to discuss the occupier use, price range, preferences, etc. This allows the agent to discount options they do not deem suitable.
- 2.9 If the occupier were very keen, Bidwell’s say that they would expect the agent or occupier to call back / enquire further or request a viewing.
- 2.10 Bidwell’s have confirmed that in this case further conversation was had over the phone, which confirmed the site was unlikely to be the right fit.
- 2.11 The lack of commercial interest in the site is directly related to its isolated location and dated not fit for purpose facilities for modern R&D. The growth of the Cambridge cluster and the availability of new space, in addition to historic stock providing budget options in stronger locations.
- 2.12 Science and R&D activity is increasingly reliant of a cluster economy, where many related firms co-locate. This is opposed to the stand alone institutional model previously adopted here. This drive to clustering has driven the growth of the Cambridge. The continuation of cluster growth fuels Cambridges position as a “Scientific Superpower. Renowned hub of advanced R&D and tech, which continues to be a key local and national priority, with strong policy support coupled with financial investment. Kentford, given its marginal location, lack of related R&D firms and obsolete (in comparison) stock, cannot compete resulting in the lack of commercial interest.
- 2.13 The fact the AHT had been running operational deficits in the years pre-dating covid strongly suggests that is not commercially feasible to operate the site as is. So the absence of successful inquiries to re-occupy the site following marketing would aligns.
- 2.14 Long standing operational challenges would undermine investor confidence to provide a new R&D offer here – even before the significant competition for the Cambridge cluster is considered.
- 2.15 As set out in the appendix there is no reasonable prospect of a new R&D use for the site.

3 REASONABLE ALTERNATIVES

- 3.1 Following policy and best practice we have considered 'reasonable' alternatives to re-use the buildings or land.
- 3.2 However; Kentford is a small and fragmented local market which the Councils own economic evidence sought 'consolidation' of its employment offer. There is already a supply of local quality space at the nearby Landwades Business Park – which is currently advertising around 16,000 sq ft of 'flexible' space for small businesses. In addition development is progressing at the Kennet Garden Community and also new land allocations made in the emerging development plan.
- 3.3 Regarding Kennet Garden Community – the application promoted around 400 new jobs including new 'local' employment opportunities and new business space. Any economic offer at Kentford, established or new, needs to compete with this new garden community offer.
- 3.4 The Councils also has a new plan, with a modest over-provision of floorspace. It is important to note that the Councils economic evidence base post dates the closure of the AHT by a number of years and, as noted in the introduction there is very limited unemployment in the local area – this would not suggest a pressing need to re-provide the lost economic floorspace and were significant quantum delivered – this would be in excess of the plan period need and balance.
- 3.5 We discuss some of these issues in more detail below.

The Councils Economic Evidence (LSH – September 2024 & Ramadus 2021)

- 3.6 We are fortunate that the Council has very recently updated its economic evidence so we have a current view of market need/demand. It is also helpful that the economic evidence post dates the closure of the AHT by a number of years.

Need for jobs

- 3.7 The base date for the Councils evidence (LSH) is set at 2024 – with demand calculated for the period 2024 – 41. This evidence post dates the closure of the AHT by 4 years and so, the loss of the site, its activity and employment opportunities, would already be already considered in the Councils economic baseline.
- 3.8 Any new jobs offered on this site looking forward would be 'net additional' to the Councils evidence base and its assessment of need.

Need for additional land

- 3.9 Having identified the need for additional jobs, requiring nearly 90ha of new land, the Council has confirmed to the Local Plan Examination (Matter 8 SQ) that it has sufficient supply to exceed this 'need'. It has confirmed to the Inspector that additional employment land is not needed.

Approach to land at Kentford

- 3.10 The 2021 Employment Land Review (Ramadus) assessed the Councils stock of land and did not include the AHT in its baseline – assumingly because the former bespoke economic use had ceased.
- 3.11 It is unclear whether the Consultants recommendation to consolidate stock in Kentford partly referred to the closed, inactive site or another. The AHT site was not identified in the 2021 assessment and so not audited. But it was common knowledge that the AHT had closed and its activities now undertaken elsewhere. Even assuming the Consultants had omitted any consideration of this site – the consolidation and replacement 'elsewhere' would not support a strategy to grow the economic offer by replacing the AHT space.
- 3.12 The ELR did assess the other parts of the villages stock – focused on Landwades business park which was noted as being 'non strategic' and we performing well. Two other sites were also assessed – the vet practice south of Bury Road, which the report notes is only suitable for ongoing office/vet use. A third site at East of Gazeley Road (1ha) was discussed as 'challenging' should the site needed to be offered to the market.
- 3.13 Overall the assessment concluded that Kentford was 'small and remote' and that the Council should adopt a strategy of 'consolidation' – i.e. that space should be released in the village and 'made good' in more appropriate located (i.e. less small and remote) locations.

Summary

- 3.14 As presented in the Councils upto to date evidence base, and as confirmed to the ongoing EIP there is a significant supply of land that would need to compete with any new economic offer at Kentford. Any significant new provision at AHT would be in excess of the Council identified need and in addition to its committed supply.
- 3.15 The site was no longer in operation at the base date of the Local Plan evidence.
- 3.16 Seeking to grow the economic offer at Kentford would run directly counter to the clear advice provided to the Council to support the new development plan.

- 3.17 The 2021 ELR, which assessed the Districts sites, concluded that a strategy of consolidation should be adopted here.
- 3.18 Building on the Councils evidence base, it is reasonably clear why the site has failed to be attractive to a new economic use. As set out the Council evidence base Kentford is a small and remote market where the consultants recommended consolidation as opposed to expansion.
- 3.19 The lack of a strong local market has been reflected in the disparate inquiries that have been received and, even for these enquiries, it is unclear why they need new space at the AHT site when there is established small unit supply at Lanwades and a forthcoming local supply at the emerging Garden Community.

Local need for space

- 3.20 The District level evidence would not support a new economic use in Kentford and makes a clear recommendation to consolidate space in the village.
- 3.21 We have briefly looked at more upto date local data for Kentford to see how well the local economy has performed since the closure of AHT. Very local (sub district) data is currently difficult to source with the Census yet to report this level of detail. Even when the Census does report there are concerns regarding covid and to what extent that may have influenced the labour / economic related evidence.
- 3.22 However, from what data is available, including more recent data from the ONS Labour Force Survey, there is no pressing need for additional jobs in Kentford – even with the AHT now closed.
- 3.23 The Labour Force Claimant Count for Kentford (Ward E36005523 : South) suggests there are only 15 people unemployed across the whole ward – around 1.5% of the total and significantly lower as a percentage than the UK as a whole (4.5% as at Jan 2025).
- 3.24 So; in terms of quantum, there is no local supply of labour that is seeking employment and the Jan 2025 data confirms that the loss of the AHT is 2000, which at the point of closure employed around 250 people, has not been detrimental to the local Kentford economy with any (former) local workers finding jobs elsewhere.
- 3.25 In terms of the type of jobs needed in the local economy the most recent census has reported the residents industrial structure – i.e. the types of jobs taken by local residents and this suggests that largest group are office sector jobs. Of the 1,500 residents identified in the Census most are office sectors including 400 public administration education & health (SIC O,P,Q0 , 300 in Finance (K, L, M & N) and a further 100 in other small sectors that are generally office. There are very few local residents whose sector or industry would translate into a need for industrial space with only 100 ‘manufacturing’ jobs in the entire ward (RM063 - Industry by economic activity status)

Table 3.1 Employment Structure of Kentford Residents

A, B, D, E Agriculture, energy and water	68
C Manufacturing	107
F Construction	150
G, I Distribution, hotels and restaurants	238
H, J Transport and communication	115
K, L, M, N Financial, real estate, professional and administrative activities	273
O, P, Q Public administration, education and health	406
R, S, T, U Other	115
Total	1,472

- 3.26 The very low number of economically inactive residents would suggest that this area would benefit from a increase in local labour – firms looking to locate in this area would have no labour supply to draw on making it economically unattractive to locate towards.

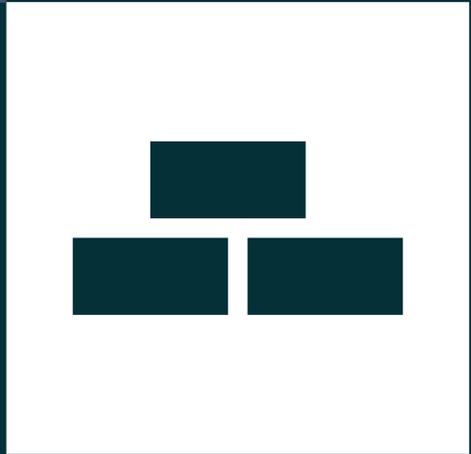
The proposed economic offer

- 3.27 Building on the above analysis, that would not support re-provision, we consider that could be appropriate here.
- 3.28 The proposal is for a high quality residential development that dovetails with the existing village. As noted the village does have some limited employment opportunities and a successful small unit/enterprise development at Lanwades.
- 3.29 While there is no clear case of market demand for more economic space, and the ELR suggests less, we consider that some limited economic offer make the site more attractive overall and provide potential new residents with an opportunity to work very close to home. We know that the residents in this area are generally already in office related sectors and a small office/workshop/SME provision would fit this profile.

- 3.30 Also while homeworking has undermined the main office market, and homeworking common, there is some demand for flexible space including some co-working / shared space which offer an alternative between working from home or the traditional office.
- 3.31 So we have scoped some limited E class provision – across the two phases, looking to provide ‘flexible space’ within the listed stables building as part of Phase 1 with potential for further space in the later phase. This is currently illustrated as independent (i.e. own front door) units but could come forward in a different format.
- 3.32 Subject to market conditions at the time, and the success of Phase 1, there is scope to extend this offer access to phase 2 via a new purpose built building. This could be let as small workshop units with their own independent access and so would not need the critical mass that is needed to attract formal workspace/flexible space operators. We recognise that it may directly compete with Lanwades and hence we are cautious re the scale of the offer and the need to assess local vacancy rates to ensure that when phase 2 is taken forward, it does not undermine the established secondary stock.
- 3.33 This is in addition to other employment on the site – including education, health (care home) and retail. The total number of jobs is set out in Economic Benefits report.

4 SUMMARY & CONCLUSIONS

- 4.1 While an 'employment site' the former AHT has a complex, but market specific to their specialised economic offer, history.
- 4.2 The site was developed over many years for this specific activity. This was at a time when significant parts of R&D took place in instructional space, on sites similar to Kentford.
- 4.3 But the market has moved on. The AHT could not compete commercially to deliver its services; actively moved to other large animal practices.
- 4.4 Meanwhile the R&D market moved to 'cluster' and research activity here was lost to Cambridge.
- 4.5 The site has been successfully marketed by Bidwells as set out in the annex. Bidwell's are perhaps the main relevant agent to this market and, while unsuccessful here, demonstrates that all efforts were made and the right, and most relevant to the market agents use.
- 4.6 It is relevant that there is no economic need for more floorspace in the area, and the loss of the site occurred well before the local plan and its evidence base. It was not assessed as an employment site in 2021.
- 4.7 For any new use the new development plan already makes adequate provision, and were this site to be promoted for a new economic use, this would be in excess of the areas identified need.



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