

EMPLOYMENT ASSESSMENT



Site at
Salamander Quay, Park Lane
Harefield,
Uxbridge,
UB9 6NZ

1.0 Introduction

- 1.1 The existing land use whilst this building has been in employment use for a number of years it is now predominantly vacant.
- 1.2 There are three small office suites in the building which remain occupied and these will be retained thereby resulting a mixed use proposal for the building.

2.0 Policy

- 2.1 In terms of local policy, the site is located in an area identified for employment use and is designated as a Local Significant Employment Location (LSEL).
- 2.2 LSELS are designated for office, research and light industrial development purposes (Use Class E(g)). Policy E1: Managing supply of Employment Land of the Local Plan: Part 1 (2012) states that the Council will accommodate employment growth by protecting Locally Significant Employment Locations (LSEL).
- 2.3 Policy DME 1 in the Hillingdon Local Plan: Part 2 (2020) confirms that LSELS are appropriate for those aforementioned uses that form Use Class E(g). Policy DME 1 sets out that proposals for other uses will be acceptable in LSELS only where there is no realistic prospect of the land being developed for light industrial, office and research & development activities.
- 2.4 Policy DME 1 is set out in full below:

“Policy DME 1: Employment Uses on Designated Employment Sites

A) The Council will support employment proposals in Strategic Industrial Locations (SILs) - Preferred Industrial Locations (PIL) or Industrial Business Parks (IBP) - in accordance with relevant policies in the London Plan.

B) The Council will support industrial and warehousing uses (Use Classes B1 (c), B2 and B8) and Sui Generis uses that are appropriate in an industrial area within Locally Significant Industrial Sites (LSIS).

C) The Council will support light industrial, office and research & development activities (B1 (a) (b) (c) Use Classes) within Locally Significant Employment Locations (LSELS).

D) Proposals for other uses will be acceptable in SILs, LSELS and on LSIS only where:

- i) There is no realistic prospect of the land being developed in accordance with criterion A, B or C; or*
- ii) Sites have been vacant and consistently marketed for a period of 2 years; and*
- iii) The proposed alternative use does not conflict with the policies and objectives of this Plan.*

E) Development adjacent to SILs, LSIS and LSELS must be located and/or designed so as to not to compromise the integrity or operation of these employment areas.

F) Proposals for small scale ancillary development which supports occupiers and the workforce on designated employment sites, such as 'walk to' services including workplace crèches, cafes and small scale food outlets, will be supported.”

2.5 For other uses (non business) the policy sets out that the site must have been vacant and consistently marketed for a period of 2 years and that in both such cases the proposal must not conflict with the other policies and objectives of this plan.

2.6 In addition, the conversion of offices to residential requires consideration of Policy DMH 3 of the Hillingdon Local Plan: Part 2 (2020) which states:

A) Where offices are found to be redundant, their demolition and redevelopment for office accommodation will be supported. Where this is not feasible or viable, proposals for the conversion of offices to residential which fall outside of current permitted development rights will be supported where:

i) the conversion of offices provide an external finish that is suitable to a residential building and in keeping with the character of the area;

ii) balconies and/or amenity spaces are designed into the development as integral facilities and the creation of well designed public realm and landscaping is demonstrated;

iii) any additional functional features that are needed such as pipes, flues or communications equipment are grouped together and routed through existing features where possible, and kept off publicly visible elevations; and

iv) proposed homes have a dual aspect wherever possible (see Mayor of London's Housing SPG). A sole aspect home overlooking a parking court or other shared use rear area will generally be unacceptable.

B) All conversions that fall outside of existing permitted development rights will be expected to accord with National and London Plan minimum space and parking standards and meet the requirements of all other policies in this plan, including those in Policy DME 3: Office Development.

2.7 Three small areas of the building will remain in office use as these small suites are subject of current leases and it is proposed to convert the long term vacant office space to form 34 apartments.

2.8 The NPPF reinforces the policy presumption in favour of development in sustainable locations by promoting the effective use of land in meeting the need for homes through supporting the development of under-utilised land.

2.9 In terms of policy and guidance, the NPPF identifies that planning policies and decisions should amongst other matters:

“promote and support the development of under-utilised land and buildings, especially if this would help to meet identified needs for housing where land supply is constrained and available sites could be used more effectively (for example converting space above shops, and building on or above service yards, car parks, lock-ups and railway infrastructure); and...”

3.0 Marketing

3.1 Since the majority of the building became vacant the site's owners have marketed extensively through a well-respected local company to seek a new office occupier(s) or indeed any other employment-based tenant.

3.2 As background the building was put up for sale at Auction in July 2024 and was marketed extensively up until that point on a 'to let' basis from 737 sq ft upwards and marketing began in 2019 with no tenants achieved.

- 3.3 The Marketing Report (Appendix A) which accompanies this submission identifies that:

“Harefield is a very small secondary office location in comparison to nearby towns such as Uxbridge and Watford which can be considered much larger commercial areas with purpose built offices and many more corporate occupiers.”

- 3.4 This marketing assessment and report concludes:

“Given the above market dynamics of occupiers seeking best in class space, and the fact that the space has been heavily marketed over the past 4 years with little result indicates that there is very little demand for office space at Salamander Quay. The park needs significant investment to improve the quality of the suites in order to get it into a lettable condition, but given the letting traction over 7

the marketing period there is no guarantee this investment will pay off as the location is very secondary for office occupiers and there is no amenity on site.”

4.0 Employment Assessment

- 4.1 As set out above there has been no significant interest over a period of intensive marketing in excess of that required by Policy DME1 (two years) in continuing the lawful use of the site as offices (Class E) and given its form and layout it clearly has very little alternative use(s) other than as a residential conversion.

- 4.2 Given this prolonged period of vacancy and marketing it is submitted that the residential change of use of the majority of the building as proposed does not conflict with the key development plan policy in terms of Policy DME 1 (d) which advises:

D) Proposals for other uses will be acceptable in SILs, LSELs and on LSIS only where:

- i) There is no realistic prospect of the land being developed in accordance with criterion A, B or C; or*
- ii) Sites have been vacant and consistently marketed for a period of 2 years; and*
- iii) The proposed alternative use does not conflict with the policies and objectives of this Plan.*

- 4.3 In this particular case, as set out in the marketing report, there is no realistic prospect of occupation of the building for Class E uses and the site has been marketed since 2019.

- 4.4 The three small office suites currently in use within the building will be retained in Class E use thereby creating a mix of uses within the site.

- 4.5 On that basis the provision of much needed further housing reusing the currently long term vacant parts of this building would not in itself conflict with the policies and objectives of the development plan.

- 4.6 It can therefore be concluded from this policy synopsis that given its prolonged period of vacancy and longevity of marketing activity that the conversion of the vacant elements of this overall building to form sustainable housing development would be compliant with the development plan and framework guidance.**

Appendix A – marketing update

Salamander Quay, Harefield, Uxbridge, UB9 6NZ



Marketing Report

January 2025

Introduction

BFS were appointed to market Salamander Quay in September 2019 on behalf of the previous owners. This updated report has been commissioned by Mountley who recently purchased Salamander Quay.

Salamander Quay comprises a purpose built office building located on the outskirts of the village of Harefield, 20 miles west of Central London. The building is within 3 miles of Junction 17 of the M25. Denham train station is 3 miles to the south and Rickmansworth train station is 4 miles to the north which provide services into Central London.

Salamander Quay totals 23,854 sq ft split up in multiple smaller units ranging from 1,000-1,500 sq ft.

The building was put up for sale in an Auction in July 2024 and was marketed extensively up until that point on a 'to let' basis from 737 sq ft upwards.

Harefield Office Market

Harefield is a very small secondary office location in comparison to nearby towns such as Uxbridge and Watford which can be considered much larger commercial areas with purpose built offices and many more corporate occupiers. There is very limited stock in the surrounding area and much of this - Royal Quay for example, has been converted to residential under permitted development rights.

Salamander Quay benefits from the following specification:-

- Central Heating and comfort cooling
- Raised Floors
- Carpet
- Parking at 1:250 per sq ft
- LG7 Lighting

Internally the space is dated and can be considered Grade B in nature. The quoting rent for the scheme is £24.50 per sq ft which is set at a level to attract interest. As a comparison prime quoting rents in Watford range from £45-£39.50 per sq ft and Uxbridge rents are £39.50-£35.00 per sq ft. Grade B space is available in this market at a similar quoting rent to that of Salamander Quay.

In a post Covid world occupier trends have shifted away from sites such as Salamander Quay, which has no additional facilities in terms of a café or a gym, to locations and buildings that have a strong focus on staff well-being and being based in areas with high levels of amenity near their offices to attract and retain the best staff. This is even more in focus in a world of hybrid working and working from home where businesses are trying to encourage their staff back to the office and Salamander Quay does not provide the services the modern occupier requires. It is also a fully car borne location with the nearest train station over 3 miles away so the staff that work at Salamander are reliant on having a car to get to work which does not appeal to much of the younger generation of workers.

Within this we have seen a 'flight to quality' from occupiers seeking best in class Grade A offices in good locations. This is evidence by the fact that in 2022 74% of take up across the South East was for Grade A stock. This trend has continued and in 2024 again 74% of take up was on Grade A space. Given the specification of Salamander Quay the scheme can be considered Grade B which therefore appeals to broadly only a quarter of office occupiers.

Marketing & Viewings

During the period of marketing Bray Fox Smith and our joint agents have carried out the following marketing initiatives:-

- Production of marketing brochure (attached) and linked to all relevant commercial property search engines including Bray Fox Smith, Colliers websites, Rightmove, Zoopla, Novaloca and Prime Location
 - [Salamander Quay, Harefield - Bray Fox Smith](#)

- Marketing Board



- Mailouts to occupiers within a 10 mile radius and to all local and national office agencies who may be acting for tenants with requirements for Harefield & surrounds.

Since our marketing began in 2019, we have sent further information to 30 parties totalling 165,000 sq ft who have enquired for more information on Salamander Quay. Of that interest we secured 4 viewings over a 3 year period, the last being in January 2023. A list of interested applicants is below:-

DATE	AGENT/OCCUPIER	SIZE (sq ft)	LOCATION	COMMENTS	VIEWED?
4/2/24	Nomad Properties	10,000	Harefield, Rickmansworth, Watford and surrounds	Seeking commercial space to provide a serviced office offering. Didn't view due to remote location.	No
10/12/23	Soul Foods Group (c/o Brasier Freeth)	2,600-4,000	Rickmansworth & 5 miles	Renewed enquiry for company based in Rickmansworth. Freehold or leasehold and would prefer to stay in Rickmansworth. Will consider 'leafy' areas. Didn't view due to quality of space.	No
01/10/23	Medpure	1,500-2,000	Stockley Park, Uxbridge and surrounds	Based in serviced offices on Stockley Park looking to expand. Viewed but discounted due to poor condition of the suites.	Yes
10/6/23	NHS Blood Donation Centre	3-5,000	Uxbridge, Hemel, Watford	Office or retail space preferred. Needs to be ground floor DDA compliant. Discounted due to preference for town centre.	No
27/01/23	Pacific	1,200 – 2,500	Harefield & surrounds	Finance consultancy firm based in Stanmore seeking additional	Yes

	Corp			offices around Harefield. Were happy to commit to a short-term lease but fell silent once terms were offered despite numerous chasers.	
19/01/23	Aver Logistics	700 – 1,000	Harefield & surrounds	Seeking office space for immediate occupation as they have outgrown their existing small office which was effectively a cut out of a small industrial unit and was heavily dilapidated. Decided to refit and stay in existing premises	Yes
08/11/21	NATO	500	Northwood + 5 miles	This would be an office for 1-3 NATO members who would normally be based out of their Northwood site. We couldn't provide a small enough suite for them.	Yes
01/10/20	Ruby Grange Care Home	1,200 – 1,500	Watford & Rickmansworth + 5 miles	Seeking office space for 8 members of staff, training room, interview room and PPE storage. Rejected as they wanted to be closer to Watford and felt Salamander lacked in amenity.	Yes

Since Bray Fox Smith have been involved in Salamander Quay there have been no new lettings which highlights the lack of appeal of the location and quality of the offices for modern day occupiers in a post Covid environment. Indeed since our involvement tenants have left the park – the largest being CSL who occupied c10,000 sq ft and relocated to Croxley Business Park in Watford - a large Grade A business park with lots of on site amenities including a café and gym.

Given the downward trajectory of interest and lettings, the landlord did not want to invest the significant capital investment required in order to improve the quality of the space and therefore the chances of letting the space.

Current Site Use

The current site is fully vacant save for 3 long leaseholders (effective freehold) who bought their units prior to our involvement.

Unit number	Tenant	Unit Size
Suite S, 2 nd Floor	Stress Management Company	1,312 sq ft

Suite G, Ground Floor	Ashmans	1,293 sq ft
Suite O, 1st Floor	Tracline (sub let to another tenant)	1,286 sq ft

These occupants have been in situ for a long time. Our understanding is Stress Management no longer require their unit and have been looking at options to exit. The Tracline unit is owned privately by the previous director of the firm and our understanding is this has been sub let out to another party but the ultimate owner would consider offers for their interest.

The neighbouring building, Bankside has been fully let since BFS's involvement in the scheme. Alcatel renewed their lease in June 2023 for a further 10 years, with a 5th year tenant only break option at the current passing rent of £20 per sq ft. They were also provided with 15 months initial rent free period.

Whilst it could be argued that this demonstrates demand for the location, Bankside is a purpose built 2 storey office with a double height reception and good floorplates whereas Salamander is made up of multiple small office suites in a poor condition. Equally, as demonstrated in the terms agreed, the landlord at the time was very keen to keep Alcatel as a tenant in the building as if they had vacated then the re-letting prospects would have been similar to experience of Salamander Quay with a long letting void, and very little tenant interest. Were Bankside to become vacant it has very little future value as an office building. It will require significant capital investment in order to get it into a lettable state and the payback on that investment will not be viable as the market rent for the space is only £20 per sq ft, coupled with a lengthy void period and holding costs.

Given the above market dynamics of occupiers seeking best in class space, and the fact that the space has been heavily marketed over the past 4 years with little result indicates that there is very little demand for office space at Salamander Quay. **The park needs significant investment to improve the quality of the suites in order to get it into a lettable condition, but given the letting traction over the marketing period there is no guarantee this investment will pay off as the location is very secondary for office occupiers and there is no amenity on site.**

I trust this is helpful but please let me know if you require any further information.

Regards,



Toby Lumsden
Director



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