



**Demand Assessment  
In Respect of  
Employment Space & Agri-Hub in Liskeard**

**On behalf of Liskeard Town Council**

**October 2018**



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## **1.0 Study Brief**

### **1.1 Appointment**

Stratton Creber Commercial were appointed in March 2018 by Liskeard Town Council and its partners for this project which are Bolitho Estates, Menheniot Parish Council, Cornwall and Isles of Scilly Local Enterprise Partnership, Liskeard Chamber of Commerce and Cornwall Quality Livestock Producers.

The brief of this study was to provide an independent assessment of demand to identify the need for the provision of further employment space and / or an Agri- Hub facility to serve Liskeard and its hinterland.

This was in response to Liskeard Town Council receiving negative feedback from the South East Cornwall agricultural sector regarding the closure of Liskeard Livestock Market at the end of December 2017 and being informed anecdotally by local businesses that more employment space is needed in Liskeard to boost and maintain the economic performance of the town.

### **1.2 Study Objectives**

The study objective is to advise as to the level of demand and barriers to deliverability of employment space and an Agri- Hub facility through assessment as to:

- Existing demand for additional employment accommodation
- Existing demand for a new agri-hub facility
- Proposals as to the most appropriate size and scale of provision
- Identify any recommended sector focus

The study is therefore intended to assess whether there is sufficient demand to support the delivery of employment space and/ or an Agri- Hub in Liskeard.

### **1.3 Study Methodology**

In response to the brief a three stage process was proposed as detailed below:

#### **Stage 1: Current Employment Space Review**

- Site inspections and meeting with key stakeholders to understand their aspirations.
- Baseline review to provide background and context involving desk-based review of work undertaken to date and findings in respect of Liskeard and hinterland.
- Consultation with key stakeholders and local businesses on business requirements.
- Identify and detail existing supply of employment space in Liskeard and its hinterland.
- Commentary on status of pipeline of a number of consented employment space schemes.

## **Stage 2: Assessment Employment Space and Agri- Hub Requirements**

- Analysis of the quantum of current demand, nature of the demand, historic take up rates and rental values.
- Survey and Press Release plus a mixture of desk and internet-based research, analysis of internal enquiry schedules and marketing lists plus discussion with local agents, businesses and developers to assess the need for employment space.
- Ascertain the need for an Agri- Hub type facility via a Survey.

## **Stage 3: Deliverability and Viability**

- Assessment of deliverability.
- Assessment and comment on the scale, density, type, specification and types of plots and completed space required.
- Comment on funding and viability of future schemes.
- Summary and recommendations.

### **1.4 Baseline Review**

A number of studies have been undertaken in respect of the provision of employment space of Cornwall as a whole and south east Cornwall over the last 5 years. It is important to consider, as part of this commission, the findings to date in respect of Liskeard.

We have therefore undertaken a baseline review of the following studies to provide background and context to this commission:

- Demand Assessment in respect of East Cornwall Innovation Centre prepared for Cornwall Council in July 2017 by AMION Consulting, Thomas Lister and Stratton Creber Commercial.
- Cornwall Employment Site Study prepared by Cornwall Development Company in 2012.
- Employment Land Review prepared for Cornwall Council in November 2010 by Nathaniel Lichfield and Partners.
- Draft Liskeard Neighbourhood Development Plan 2030 dated August 2017.

## 2.0 Introduction

### 2.1 Liskeard – The Place

Liskeard is a key town serving East Cornwall along with the towns of Bodmin, Launceston and Saltash.

Liskeard is one of the oldest market towns in Cornwall. The first known reference to Liskeard was in the Domesday Book in 1086 and in 1240 it was granted a Royal Charter. It has a long history of being the commercial and administrative centre of South East Cornwall and became a 'coinage town' at the centre of the mining administration. Liskeard has traditionally been a market town and the agricultural sector has underpinned it.



***'Agriculture is a key employment sector underpinning the economy of the town and this area of South East Cornwall'*** Cornwall Local Plan

East Cornwall had a total resident population in 2015 of 180,000<sup>1</sup>. It is characterised as a rural area and with an average of 94 residents per square kilometre, the population is significantly less dense in East Cornwall than that of Cornwall (155 residents per sq km) and England as a whole (413 per sq km).

Liskeard has a population of 9,415<sup>2</sup> but the surrounding hinterland for which it is the main service centre is believed to support approximately 33,000 people<sup>3</sup>.

In terms of a 15 minute drive time catchment analysis Bodmin, in East Cornwall, has the greatest resident population (discounting Saltash due to its proximity to Plymouth) followed by Liskeard. Liskeard has the highest Level 4 qualifications proportion (26%) followed by Launceston. In terms of a 30 minute drive time catchment, Liskeard has the greatest resident population but Launceston and Saltash have the highest Level 4 qualification proportion (23%)<sup>4</sup>.

***'East Cornwall has a different economy and property market conditions than the rest of Cornwall'***

Demand Assessment in respect of East Cornwall Innovation Centre, July 2017 by AMION Consulting, Thomas Lister and Stratton Creber Commercial

Liskeard is situated circa 20 miles to the west of Plymouth, 14 miles west of the Devon border and 12 miles east of Bodmin. Importantly, the town is located on the A38, which bypasses the town to the south, leading westwards to Bodmin and St Austell (via the A390 – 20 miles) and to Saltash to the east (13 miles). The A38 forms one of the main access roads in the County with access from Bodmin via Plymouth to Exeter and the M5 motorway which provides access to Bristol and the motorway network beyond.

<sup>1</sup> ONS mid-year population estimates (2015); ONS small area population estimates (2015)

<sup>2</sup> Census 2011

<sup>3</sup> Cornwall Local Plan

<sup>4</sup> Demand Assessment in respect of East Cornwall Innovation Centre on behalf of Cornwall Council prepared in July 2017 by AMION Consulting, Thomas Lister and Stratton Creber Commercial

Liskeard railway station is on the London Paddington-Penzance mainline and the Looe Valley branch line. Liskeard railway station is situated approximately 0.5 mile to the southern periphery of the town centre.

Liskeard has historically been a market town which continued to the end of 2017 when the livestock market in the town centre closed. The agriculture, forestry and fishing, construction and retail sectors between them provide nearly half of jobs in the Liskeard area.

The public sector, namely Cornwall Council, Liskeard Community Hospital and the Community College are significant employers in the town. There is no single large employer operating out of Liskeard. Small to medium employers are currently mainly accommodated at Holman Road, Heathlands, Miller Business Park and Moorswater Industrial Estate.

The City of Plymouth is within commuter distance of Liskeard with easy road access via the Tamar Bridge or with regular services from Liskeard railway station. Data shows that 16% of people in Liskeard travel between 20 km and 30 km to work compared to 5.2% in the rest of Cornwall and 5.3% in England<sup>5</sup>. This reflects the number of people commuting from Liskeard to Plymouth for employment.

## 2.2 Future Aspirations

The Draft Liskeard Neighbourhood Development Plan sets out that its aims under the heading 'A Place to Work and Learn' are to:

- Attract high quality employment, and training facilities, to meet the needs of business and the working age population
- Ensure the long-term sustainability of Liskeard as a thriving, prosperous place and modern market town
- Provide high quality services to local residents and the surrounding rural communities

The Plan goes on to state that it intends to '*promote quality employment growth*' and '*build on existing viable businesses which provide local employment opportunities and a range of services for both the people living in the town and surrounding area*'.

Importantly it lists that this should be achieved by:

- Relating the rate at which employment land becomes available to the rate at which additional housing is provided avoiding the town's residents becoming reliant on employment elsewhere.
- Providing a well located range of sizes and tenures of buildings and land, avoiding reliance on one large site by having several options, so that new businesses can set up, and existing businesses can expand and develop without having to leave the area
- Supporting provision for agricultural businesses to 'add value' to their produce
- Safeguarding existing employment land in accordance with Local Plan Policy 5
- Building on our local strengths including superfast broadband, mainline railway, close proximity to the A38 and attractive environment to promote local business opportunities and attract inward investment
- Supporting the growth of home based businesses
- Linking with the housing strategy to encourage appropriate houses that attract business/ entrepreneurs to the area

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<sup>5</sup> ACRE Rural Community Profile for Liskeard November 2013

- Supporting developments that are compatible with a sustainable transport strategy and maximise the use of “green” energy and sustainable building methods/ design

### **3.0 Cornwall Commercial Property Market Overview**

The property market has undergone a well-documented sustained period of downturn until recent years with the UK economy in recession. The market has been in recovery for the last few years, but the market remains fragile and developers/ investors continue to struggle to secure funding for more high risk propositions. Prevailing confidence levels in the BREXIT process during 2018 may lead occupiers to delay making any major new commitments such as re-locating or expanding their business space requirements.

Economic growth is expected to weaken in 2018 and 2019 and private consumption is projected to remain subdued as higher inflation, pushed up by the relatively recent depreciation of sterling, holds back household purchasing power. The unemployment rate is at a record low, but with slower growth this is unlikely to persist. Exchange rate depreciation should support exports, while import growth is projected to fall owing to weaker private consumption. An agreement about a transition period linked to the EU exit after March 2019 is assumed and should support growth in 2018 and in 2019, reducing the extent to which uncertainty weighs on domestic spending. The prospects of maintaining the closest possible economic relationship between the United Kingdom and the European Union would further support economic growth after Brexit.

High consumer debt growth, coupled with stagnant household incomes, is a major financial stability risk. Household debt has been rising gradually, reaching 140% of household disposable income. Banks' exposure to consumer loans is rising and write-off rates on such loans have been ten times higher than on mortgages over the past decade and defaults are much more sensitive to economic conditions. Introducing measures to ensure that household balance sheets remain sound, such as maximum debt-to-income ratios depending on borrowers' financial buffers, would bolster financial stability. Interest rates remain low at 0.75% having just been increased by 0.25% and there is likely to be a series of further small interest rate rises in the short to medium term.

Nevertheless, activity levels and sentiment within the commercial property appears to be slowly increasing which has resulted in material price growth in some areas. There continues to be ongoing demand for good quality property, although supply remains limited with a narrowing in the gap between prime and secondary stock in some sectors. Demand is predominantly for freehold stock.

The relatively low bank lending base rate and increased availability of finance continues to make commercial property more attractive as an investment medium as parties have entered the market seeking higher returns than many other investments have to offer. It has also improved the affordability position of property for both owner occupiers and investors and led to many tenants/leaseholders purchasing freehold interests in premises to benefit from mortgage rates often similar or below that of rental levels.

Activity in the Cornish commercial property market has largely mirrored trends we have witnessed in the UK wider commercial property market.

Cornwall has historically had a weak economy resulting in relatively low property values and this has been particularly evident in East Cornwall. This combined with often high site abnormal costs (linked to the County's mining heritage, poor infrastructure and flooding issues) has resulted in high quality commercial property development usually being unviable without public funding.



Lack of evidence of demand has been a key constraint as clearly developers will not build out employment space if there is no indication of demand. Historically, Cornwall has been poor at monitoring demand.

***‘Low values perpetuate a situation of poor quality stock and little investment’***

Employment Space Action Plan, Amion 2017

The commercial property market in Cornwall has traditionally been characterised by:

- Truro being the administrative centre for the County, a popular location, traditionally attracting higher values than in other settlements.
- Industrial estates, business parks and employment land with good access to the A30 trunk road attracting higher values.
- A diverse market with the towns having widely varying economies depending on their location and heritage.
- Strong owner occupier market compared to its investment market.
- Few national covenants.
- The market being constrained due to poor infrastructure.
- The industrial sector being stronger than the office sector.
- Lack of supply of high specification new build development schemes due to them often being unviable even at the peak of the market unless public grant funding is available.
- History of latent demand.
- Limited inward investment from out of County.

### 3.1 Industrial Sector

This is the most robust sector of the commercial property market and rents and prices have steadily improved throughout 2017 and the first half of 2018. Many occupiers have purchased freehold interests in premises over recent years either for direct owner occupation or via their pension funds and demand has been robust for freehold interests in modern well-located units.

Demand in Cornwall continues to be led by trade-counter operators and local company expansion. Supply of industrial premises is currently low and the lack of supply for high quality stock across most sectors is impacting activity levels. Within the county there has been limited new development of industrial accommodation with brand new units attracting a premium over second hand stock and strong competing demand for well-located good quality space.

Proximity to the “A” road network continues to be an important factor for occupiers seeking industrial space. We expect to see demand continuing to outstrip supply in 2018 driving rents and prices up further.

Demand is particularly strong from the motor trade industry, with an increase in demand from operators who are finding it increasingly difficult to secure suitable premises. Many landlords shy away from disposing of units to motor trade users due to the perceived dirty nature of this type of use and often more management intensive.

### **3.2 Office Sector**

Sentiment amongst local agents in this sector is that demand has not significantly altered during 2017 with demand remaining relatively depressed. Many occupiers have remained in their existing premises to avoid the costs of re-locating unless the premises cannot be modified and are no longer fit for purpose. This has been coupled with there being relatively few newcomers to the County seeking office premises and more homeworking. Consequently, rents and values have largely remained static.

Demand continues to be greatest for modern or refurbished open plan office accommodation with good levels of car parking and small suites.

The General Permitted Development Order has made it easier for offices to be converted to residential accommodation. We have seen some evidence of this happening in business park and traditional office locations in Truro and we may see more landlords/ investors exploit this opportunity in the future decreasing the supply of office accommodation. We have also seen an increase in D1 use occupiers, such as childcare operators and medical/ beauty treatment operators, taking office accommodation. This may also reduce the supply of office accommodation.

### **3.3 Development Sector**

In the aftermath of the recession and in continuing times of funding difficulties and viability issues, there are a lack of speculative schemes being progressed within Cornwall. Cornwall and the Isles of Scilly ERDF Priority 2 and Priority 4 funding for workspace has closed reducing the speculative workspace being delivered throughout the County.

New development is often dependent upon pre-lets or pre-sales, although some speculative industrial schemes have occurred in established industrial areas such as Treleigh Industrial Estate and Church View Business Park, Falmouth. The office market lags the industrial sector and with values at current levels and lack of the availability of grant funding, there is little prospect of new speculative schemes being brought forward in the immediate future. As a result, we may see more schemes involving the refurbishment of existing stock, particularly where older stock might fall victim of the Minimum Energy Efficiency Standards, which started to apply from 1st April 2018.

As part of the study commercial property agents were formally consulted. The agents highlighted that the key factors currently constraining development investment in Cornwall are:

- Low confidence and high levels of uncertainty due to the economic outlook and weak conditions in the property market.
- Business, developers, investors struggling to secure bank finance.
- High quality commercial development historically being unviable due to low property values, poor infrastructure and high abnormal costs which has been compounded by weaker values following the downturn.

- Lack of supply of development land due to poor planning application, developers land banking and infrastructure constraints.
- Risks associated with potential void costs.
- Perceived lack of demand for commercial property despite some evidence of latent demand creating uncertainty.
- High quality premises often being unaffordable for local, small, businesses.
- Insufficient supply of high quality accommodation to stimulate the market place.
- Fragmented ownership of sites and growth areas resulting in piecemeal development and difficulties in site assembly.
- Securing planning permission for development often being challenging, time consuming and involving investing in a scheme at risk.
- The public sector contracting resulting in less development, occupier demand and support for economic development infrastructure projects reducing opportunities to secure public funding for upfront development costs.

## 4.0 Liskeard Commercial Property Market

### 4.1 Background

Generally, the commercial property market in Liskeard has struggled compared to other parts of the County and this has been evidenced by weaker rental and sales values across the sectors compared to those achieved in other parts of the County.

In 2012 a Study<sup>6</sup> commissioned local commercial property agents to comment on the Strengths, Weaknesses, Opportunities and Threats of Liskeard from a development and commercial property perspective. We have liaised with the same agents as part of this commission and they consider that the issues tabularised below have remain unaltered and relevant.

**Table 1: SWOT Analysis of Liskeard**

Strengths	Weaknesses
<ul style="list-style-type: none"><li>• Proximity to A38.</li><li>• On the mainline railway.</li><li>• Wide catchment area for mid and east Cornwall.</li></ul>	<ul style="list-style-type: none"><li>• Location<ul style="list-style-type: none"><li>'Competition from Bodmin and Plymouth which are better positioned for distribution logistics'</li></ul></li><li>• Poor retailing centre.</li><li>• Limited population.<ul style="list-style-type: none"><li>'Well established economy but modest in size and therefore only relatively modest future growth and demand will occur from employment space'</li></ul></li><li>• Infrastructure</li><li>• Topography</li><li>• No particular industry focus</li><li>• Lack of national occupiers</li></ul>

<sup>6</sup> Cornwall Employment Sites Study by Cornwall Development Company July 2012

Opportunities	Threats
<ul style="list-style-type: none"> <li>• Lower land and property values than in Plymouth and Bodmin.</li> <li>• Available land supply.</li> </ul>	<ul style="list-style-type: none"> <li>• Majority of land is designated for residential development.</li> </ul> <p>‘Land owners are holding land, waiting for values to return to make developments attractive, therefore there is a lack of supply of available land ready for development’.</p> <p>‘Insufficient allocated land supply reduces the chance of speculative development’.</p>

The report by CDC commented that *‘there appears to be very low levels of demand, but as there is little stock on the market, this could in turn be suppressing demand further.’* It also highlighted that Liskeard as a location does not appear to be as popular as the more strategic locations of Bodmin and Saltash.

Historically the supply of new employment space in Liskeard over recent years has been hampered by viability issues and difficulties evidencing demand to support investment.

In July 2012 the Cornwall Employment Sites Study identified 20 potential employment sites in Liskeard but we do not believe any of these sites have been delivered to date. Although the conditions of the economy and commercial property market have improved over recent years the strength of the economy and commercial property market continue to be an important factor in the delivery of employment sites.

***‘for many years...there have been a lack of new employment spaces other than very small spaces other than at a very small scale and land historically allocated for employment has not come forward’***

In terms of viability no private sector developer nor organisation would be able to deliver high quality workspace in the present market conditions in Liskeard without considerable public funding.

***Draft Liskeard Neighbourhood Development Plan***

The lack of suitable employment space is believed to have resulted in some employers relocating from Liskeard to find suitable accommodation adversely impacting on resident’s ability to secure employment locally.

The population has grown at a higher rate than employment in the area and this resulted in *‘many young people struggling to find work, cyclical unemployment problems have been more difficult and wage rates are persistently low’*<sup>7</sup>.

The draft Liskeard Neighbourhood Development Plan has highlighted that the continued growth of housing without matching local jobs growth and new enterprise can only exacerbate this situation and that *‘a strong strategy linking housing provision to employment land provision to redress the balance needed.’*

<sup>7</sup> Draft Liskeard Neighbourhood Development Plan, 2018

In respect of Liskeard a recent study<sup>8</sup> found that the town had one of the lowest year's supply of industrial accommodation at under one year in East Cornwall in May 2017, but it had over 3 years' worth of supply of vacant office accommodation.

In 2017 Liskeard Business Park was operating at capacity and the study commented that *'additional provision could potentially be sustained within the town albeit more likely in the form of workshops rather than offices'*<sup>9</sup>.

Liskeard and the surrounding area has not benefitted from the same level of European grant funding that other parts of the County have received to enable the development of employment space to create high value jobs.

In 2017 a study commented that *'there was also evidence to suggest that targeted investment is required as the east of the County currently has fewer employment opportunities and businesses engaged in knowledge intensive sectors' relevant to the district and England as a whole*<sup>10</sup>

In 2017 the study commissioned a business survey to assess demand. The survey showed that the second highest level of demand for offices within East Cornwall was in Liskeard at 7,700 sq ft of offices and 2,900 sq ft of workspace including offices.

The authors of this study also consulted with local and regional agents active within the study area. In terms of Liskeard as a potential location for a scheme most of the agents felt that it was a good location for *'small industrial units but with caution expressed as to interest most likely being derived from the motor industry'*. Concern was raised *'as to whether any office element would be required and noted that there are multi-let office buildings within the town centre with some current availability at rental levels between £7-8 psf.'*

In terms of East Cornwall as a whole the report concluded that there was clear evidence of a lack of available high-quality premises suitable for innovation, SMEs and there were levels of demand for *'smaller high quality managed workspace, but it would need to be flexible in size, nature and tenure'*.

Our baseline review of previous studies has revealed that evidence databases have consistently shown that there is a greater level of demand in terms of both enquiries and quantum of floorspace for industrial space, rather than offices within Liskeard and the East of Cornwall as a whole. As commercial property agents our market experience and knowledge support this trend.

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<sup>8</sup> Demand Assessment in respect of East Cornwall Innovation Centre on behalf of Cornwall Council prepared in July 2017 by AMION Consulting, Thomas Lister and Stratton Creber Commercial

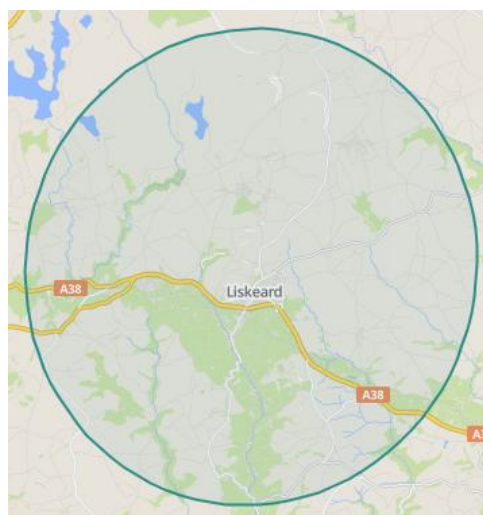
<sup>9</sup> Demand Assessment in respect of East Cornwall Innovation Centre on behalf of Cornwall Council prepared in July 2017 by AMION Consulting, Thomas Lister and Stratton Creber Commercial

<sup>10</sup> Demand Assessment in respect of East Cornwall Innovation Centre on behalf of Cornwall Council prepared in July 2017 by AMION Consulting, Thomas Lister and Stratton Creber Commercial

## 4.2 Current Availability & Take Up

The following data has been compiled using Rightmove and Estates Gazette Interactive data.

In terms of analysing the Liskeard commercial property market we have adopted a 3 mile radius around the town centre as illustrated on the plan adjacent.



It is important to note that transactions are often unrecorded if they occur directly between landlords and tenants. This can lead to demand and activity being underestimated and this is particularly the case in more rural towns such as Liskeard due to it being a close knit business community.

### 4.2.1 Office Sector

There is currently 5,317 sq ft of office accommodation available within Liskeard and a surrounding 3 miles radius. The accommodation is all available on a leasehold basis and there is currently no space available on a freehold basis (April 2018). The accommodation is available to lease at rents ranging from £5.50 psf to £11.90 psf depending on the unit size, specification and location. The average asking rent reflects £8.66 psf.

Address	Overview
Unit 6B Heathlands Industrial Estate, Heathlands Road, Liskeard	Detached building Purpose built offices Re-let Good specification 1,345 sq ft Asking rent: £16,000 pa (£11.90 psf)
Unit A South West Water Business Park, St Cleer, Liskeard	Secondary cellular office suites in shared building Secondary specification Located in St Cleer Re-let Suite A3: 366 sq ft Suite A4: 205 sq ft Asking rents: £2,196 pa and £1,230 pa (£6 psf)
BFM House, The Parade, Liskeard	Converted period building Town centre location Re-let Suite 4: 491 sq ft Asking rent: £3,950 pa (£8.04 psf)
Momentum House, Unit 26, Pensilva Industrial Estate, Pensilva	Industrial location Recently refurbished but basic specification offices Re-let Suite 2: 165 sq ft Suite 3: 169 sq ft Suite 4: 354 sq ft Suite 5: 212 sq ft Asking rents: £1,500 pa to £3,200 pa (£9.00 psf)



Barras Street, Liskeard	Town centre location Office suites in shared building Converted building Very basic specification office Not being marketed by local commercial agent Re-let Suites of 50 sq ft to 480 sq ft Asking rents unclear
Moorswater Industrial Estate, Liskeard	Detached building in industrial location Basic specification Re-let 1,180 sq ft Asking rent: £10,000 pa (£8.47 psf)

In terms of demand and take up Estates Gazette Interactive has recorded 7 office leasehold transactions over the last 10 year period, relating to a total of 12,648 sq ft and predominantly relating to space in Loveny House in Miller Business Park and BFM House, The Parade. Of these transactions, one relates to a suite of under 500 sq ft, two within the 500-1,000 sq ft range and the largest two relate to units of 3,438 sq ft and 3,703 sq ft respectively. Rentals for the smaller units equate to £6.50 psf the highest rental achieved relates to Loveny House at Miller Business Park, let in 2014 at an achieved rental of £11.55 psf.

The only serviced office/workshop space in Liskeard is within the Council-owned and operated Liskeard Business Park, located to the eastern periphery of the town, off Holman Road. The Business Park includes 13 offices of which two are used by management staff within a single office block plus additional workshop units, each of up to around 678 sq ft, arranged in terraces.

Liskeard Business Park is currently operating at full occupancy, although it is understood that there are generally between 1 and 2 offices available. Office enquiry levels are few and far between but for industrial units around 2 enquiries per week are received. Many of the enquiries for the industrial space is for storage or is motor trade related, both of which are resisted. The centre manager identified demand for larger units of say 1,500 sq ft by way of 'grown-on' space.

There is no other managed workspace currently available within Liskeard.

#### 4.2.2 Industrial Sector

Current industrial availability relates to 3 leasehold units providing 5,936 sq ft with all 3 units being available within Miller Business Park. Miller Commercial are marketing Units 5- 6 which comprises 4,900 sq ft at an asking rent of £25,000 pa (£5.10 psf overall) and Bruton Knowles are marketing Units 10 & 11, both of which comprise 518 sq ft, at an asking rent of £9.27 psf. All of these units provide purpose built industrial space on a business park close to the town centre.

Stratton Creber Commercial were marketing Unit 6a Doublebois Industrial Estate, which comprises 1,944 sq ft of accommodation, but it went under offer after less than two weeks of marketing and a sale of the freehold has been agreed to a potential owner occupier who has a plumbing, heating and renewable energy business.



The industrial market within Liskeard is relatively active, with around 92,000 sq ft having transacted over the past 10 year period mainly relating to Heathlands Industrial Estate, Moorswater Industrial Estate and Miller Business Park. Significantly circa 83,000 sq ft of this has been disposed of on a leasehold basis rather than freehold.



The average unit size transacted is 3,064 sq ft and rentals have tended to range between £3 psf to £7.25 psf.

There are very few industrial units providing in excess of 5,000 sq ft in Liskeard and this is likely to have constrained the average unit size reported above. Liskeard Town Council has been advised by members of the local business community that they have been forced to relocate from Liskeard in order to find larger premises that suit their business requirements.

The Thomas Lister report in 2017 looked at office and industrial requirements by town and out of the 8 towns analysed in East Cornwall, Liskeard was found to have an annual take-up of 1,265 sq ft of offices which reflected a 3.1 year supply ranking it 4th overall and in terms of industrial 11,013 sq ft average annual take-up which reflected in 0.7 years supply ranking it 2nd overall.

### **4.2.3 Active Enquiries**

The two main sources of data we have analysed are:

- The Stratton Creber Commercial property enquiry database.
- Survey to local businesses circulated via Chamber of Commerce and responses to adverts by Liskeard Town Council and Stratton Creber Commercial.

### **4.2.4 Stratton Creber Commercial Property Database**

Stratton Creber Commercial is one of the south west's longest established firms of Chartered Surveyors, serving Cornwall and Devon from its offices in Plymouth, Truro and Exeter.

All offices have a dedicated Agency department giving advice on a range of commercial property sectors. Our teams in Plymouth, Truro and Exeter are some of the most active commercial agents in the region having been recognised as the most active agents in Somerset, Devon & Cornwall and been awarded regional "Most Active Agents" awards by the Estates Gazette in 2009-2010 and 2010-2011.

We have also been named the most active commercial property agent in Devon for the ninth consecutive year, meaning the firm has let, sold and acquired more than anyone else in the county's commercial sector. The Most Active Agent Award for Devon 2018 was received from EGi, the online arm of Estates Gazette, the property industry's leading journal.

Stratton Creber Commercial provides advice on the acquisition and disposal, both freehold and leasehold, of all kinds of commercial property, ranging in size from some of the largest buildings, sites and development schemes in the region to some of the smallest. The three offices work closely together to make sure that all clients' requirements are serviced throughout the region.

The company currently has around 240 properties being marketed across the region by the three offices.

An important element of the Commercial Agency role, is the maintenance of property enquiry lists. For this we the company has a specialist computer software package.

#### **4.2.5 Enquiries**

There are currently 149 active enquiries relating to persons/companies seeking offices or industrial accommodation within the entire East Cornwall<sup>11</sup> area. Of these only 49 relate to office accommodation (33%) and the remaining 77% to industrial enquiries.

For the Liskeard area only, we have registered 8 active enquiries in the last 3 years<sup>12</sup> for industrial accommodation and 2 enquiries for office space.

For reasons of confidentiality it is not possible to provide further detail in respect of the nature of applications/enquiries; however, the above provides some indication as to the limited nature of demand for offices in comparison with that for industrial, with four times the number of industrial enquiries.

#### **4.2.6 Availability & Take Up**

Take up relates to the number of commercial property transactions completed and availability relates to the number of properties we are currently actively retained to market on either a freehold or leasehold basis.

In Liskeard since May 2015 we have disposed of seven industrial units and currently have one under offer. We have not disposed of any office accommodation.

#### **4.2.7 Survey to Businesses**

To assess demand for new employment space in Liskeard a survey has been undertaken with a view to providing an additional primary data source. The survey has kindly been circulated to businesses in PL14, PL13, PL12 and PL17 postcodes on databases held by Liskeard Town Council and Liskeard Chamber of Commerce.

In addition, Stratton Creber Commercial and Liskeard Town Council have advertised the study in local press, at Liskeard Agricultural Show on 14<sup>th</sup> July 2018 and canvassed local business owners to complete the survey.

The survey was designed to be straightforward to complete to encourage people to respond.

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<sup>11</sup> Includes: Callington, Gunnislake, Launceston, Liskeard, Looe, Millbrook, Saltash, Stoke Climsland, Torpoint and Bodmin

<sup>12</sup> Up to May 2018

Survey questions and a brief description of potential responses was as follows:

<p>What sector best describes your business?</p>	<p>Agricultural or farm based <input type="checkbox"/></p> <p>Professional sector <input type="checkbox"/></p> <p>Financial sector <input type="checkbox"/></p> <p>Manufacturing or factory <input type="checkbox"/></p> <p>Retail or leisure <input type="checkbox"/></p> <p>Industrial <input type="checkbox"/></p> <p>Storage and distribution <input type="checkbox"/></p> <p>Veterinary / medical <input type="checkbox"/></p> <p>Vehicle repair and MOT <input type="checkbox"/></p>
<p>What type of premises do you currently occupy or need?</p>	<p>Agricultural or farm based <input type="checkbox"/></p> <p>Town centre office <input type="checkbox"/></p> <p>Business park office <input type="checkbox"/></p> <p>Manufacturing or factory <input type="checkbox"/></p> <p>Retail/ café/ town centre <input type="checkbox"/></p> <p>Industrial <input type="checkbox"/></p> <p>Home based <input type="checkbox"/></p>
<p>How many people does your business currently employ?</p>	<p>Less than 5 people <input type="checkbox"/></p> <p>5 to 10 people <input type="checkbox"/></p> <p>10 to 20 people <input type="checkbox"/></p> <p>20 to 30 people <input type="checkbox"/></p> <p>30 to 50 people <input type="checkbox"/></p> <p>50 to 100 people <input type="checkbox"/></p>
<p>How many people might your business employ if your needs for premises are met?</p>	<p>Less than 5 people <input type="checkbox"/></p> <p>5 to 10 people <input type="checkbox"/></p> <p>10 to 20 people <input type="checkbox"/></p> <p>20 to 30 people <input type="checkbox"/></p> <p>30 to 50 people <input type="checkbox"/></p> <p>50 to 100 people <input type="checkbox"/></p>

Are you actively seeking/ likely to seek new offices space in the next 5 years?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, how many desk spaces would you require?	
Are you currently seeking a desk space for yourself with WIFI that you are able to hire on a flexible basis?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are you actively seeking/ likely to seek new industrial space in the next 5 years?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, how many sq ft would you require?	..... sq ft
Are you actively seeking/ likely to seek in the next 5 years a serviced plot of land on a Business Park for you to develop your own unit on for your business?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If so what size plot would you require?	..... acres
Are you actively seeking/ likely to seek town centre retail space in the next 5 years?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, how many sq ft would you require?	..... sq ft
Are any of these important in terms of accommodation choice (please tick all that apply):	Modern building <input type="checkbox"/> Easy access to A38 <input type="checkbox"/> Out of town centre <input type="checkbox"/> Close to similar businesses <input type="checkbox"/> In town centre <input type="checkbox"/> Digital connectivity <input type="checkbox"/> Rental terms and pricing <input type="checkbox"/> Car parking <input type="checkbox"/> Flexible lease terms <input type="checkbox"/> Access for large HGV vehicles <input type="checkbox"/> Good loading access <input type="checkbox"/> High eaves height in industrial / workshop accommodation <input type="checkbox"/>

A total of 8 completed surveys were returned which is considered to provide useful data to further analyse demand for a new employment space.

The following graph provides a summary of the business sector types that responded to the survey:

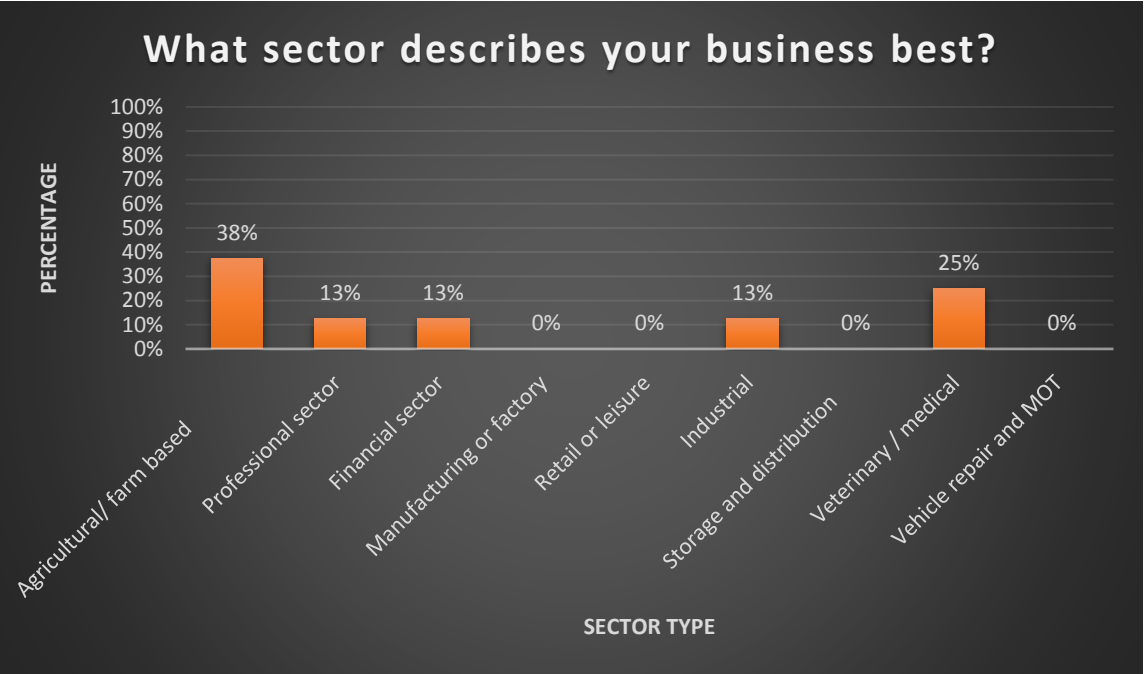


Table 2

We are aware of two veterinary practices that potentially need to expand/ relocate in the short to medium term. Car parking, good accessibility and a prominent site are important factors to them for the successful operation of their business.

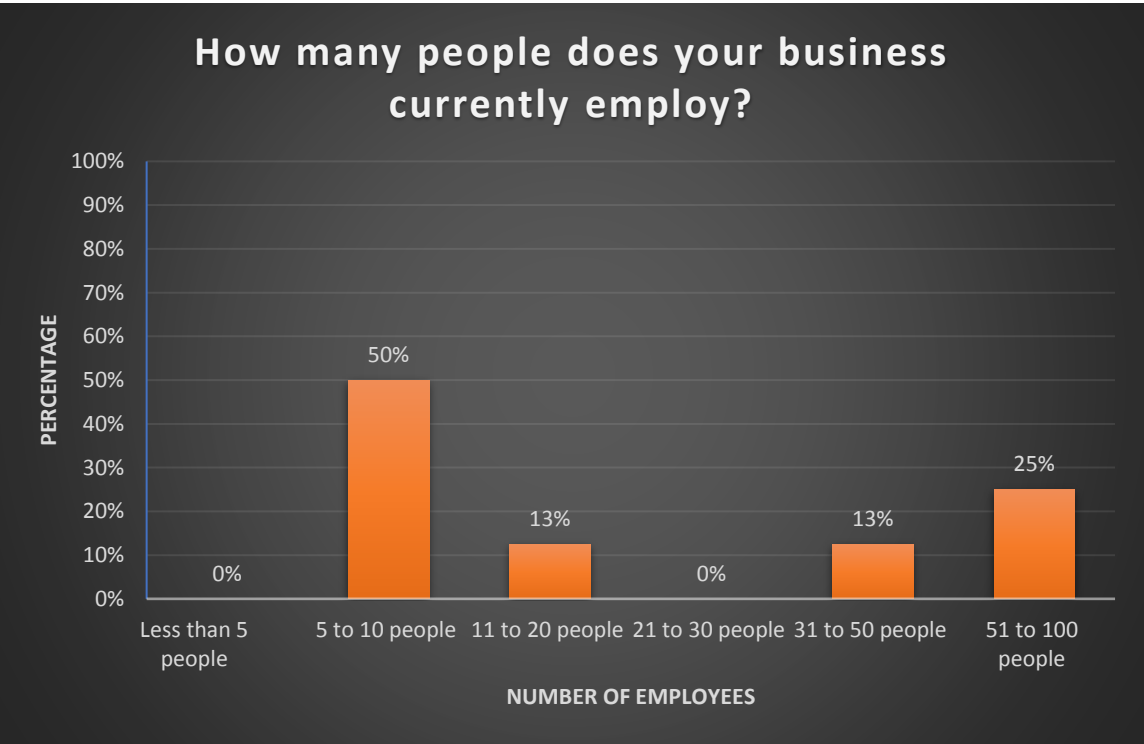
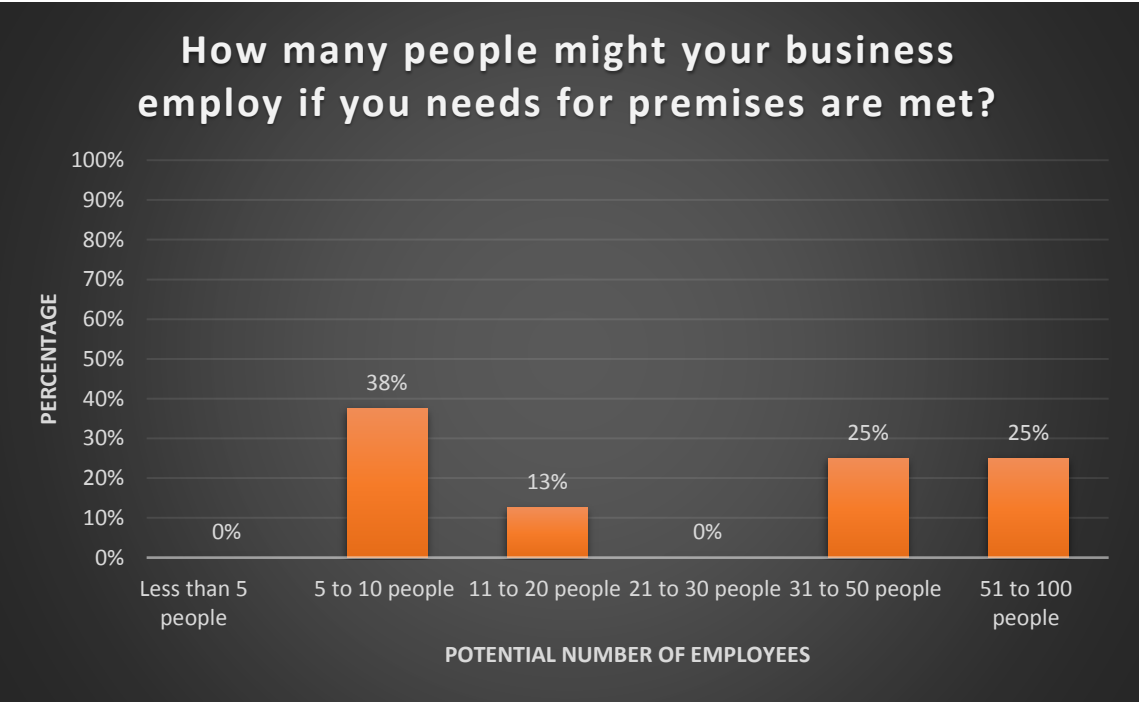


Table 3

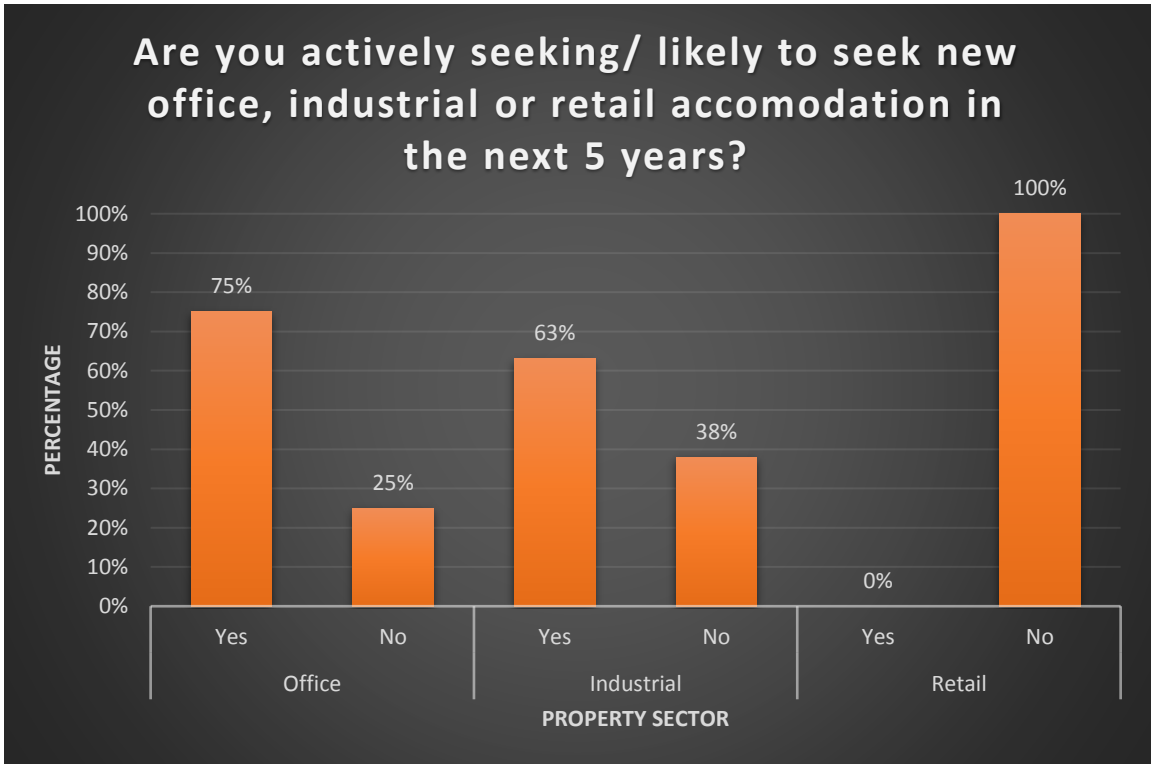
The data above suggests that the majority of respondents are small local businesses with 5 to 10 employees. One of the employers with 51 to 100 employees is not located in Liskeard but is looking for a small office in Liskeard.



**Table 4**

The above table suggests that the provision of commercial accommodation is fundamental to businesses growing and employing more staff thereby boosting the local economy.

The survey showed that none of the respondents are currently seeking a desk space with WIFI on a flexible basis. In addition, none of the respondents are seeking retail accommodation to support their business.

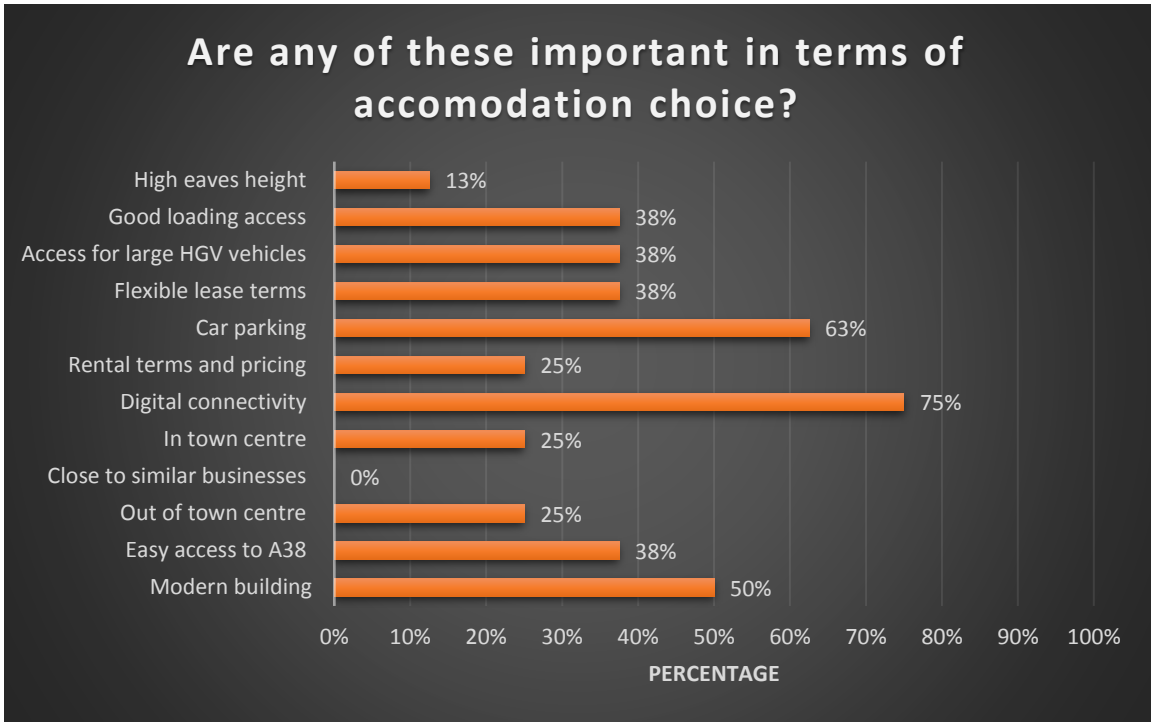


**Table 5**

A large majority are seeking or likely to seek new office or industrial premises over the next 5 years. 75% of respondents indicated they would require office space as shown by the table above and stated that they would require office accommodation to suit the needs of between 93 and 113 desks. Based on 100 sq ft being allowed per desk this suggests a future requirement for between 9,300 sq ft and 11,300 sq ft of office accommodation. It is important to note that 1 respondent was responsible for requiring 80 – 100 of these desk spaces which reflects circa 86% of the total requirement. As such if this requirement did not materialise the level of demand could alter significantly.

In terms of industrial accommodation 63% of respondents stated that they were likely to require accommodation in the next 5 years and the survey responses showed an aggregate requirement of 5,000 sq ft.

Adequate car parking and digital connectivity plus modern accommodation are the highest ranking requirements for the respondents seeking new business premises as shown by the table below.



**Table 6**

We have also been made aware of several other confidential requirements during this commission which we have factored into our supply and demand analysis.

**4.3 Market Balance – Supply vs. Demand**

Cornwall has relatively few large employers and the employment market is characterised by a high proportion of smaller businesses. This is reflected in the nature of the enquiries received by commercial property agents which tend to mainly be from local businesses and for relatively small amounts of space.

Notwithstanding this, take up and demand often seems better than expected for good quality stock or land in the right location.

The term ‘latent demand’ is frequently used when discussing the Cornish property market. By this it is meant that demand tends to materialise when new supply becomes available and be stronger than anticipated. Businesses do not register their interest with commercial property agents or consider re-locating until they become aware that suitable premises are available.

***‘It raises the question of how apparently low levels of reported demand can be reconciled against strong demand when new developments do come onto the market and reasonably low levels of vacancy?’***

**Cornwall Employment Land Review by Nathaniel Lichfield & Partners, November 2010**

Latent demand is difficult to account and plan for and inadvertently unduly limits the supply of new employment space because developers do not accurately perceive the right levels of demand or cannot forecast them with any certainty. It acts as a barrier to private or public sector speculative development.



As well as having serious financial consequences for developers and investors over-development or the failure of a scheme can adversely affect the commercial property market dampening rental and sales values. As such a 'built it and they will come' approach is imprudent at best.

Notwithstanding this a supply of high quality sites and employment space at the right time and in suitable locations is fundamental to future economic performance.

Cornwall has a high proportion of homeworkers who do not require formal workspace preferring the lifestyle choice of working from home and thereby avoiding the associated costs of securing office space.

Demand and transactions can be unrecorded if they occur directly between landlords and tenants. This can lead to demand and activity being underestimated and this is particularly the case in more rural towns such as Liskeard due to strong local connections.

There is clearly a greater level of demand in terms of both enquiries and quantum of floorspace for industrial space, rather than offices within the East of Cornwall, as evidenced from the enquiry schedule.

The evidence base is however relatively restricted in nature and this is considered most likely due to the following:

- Internet – there is now a tendency for prospective occupiers to rely on regular internet searches, rather than registering with local agents. This is due to readily accessible information from all agencies through the likes of Rightmove, Zoopla, EGi, Showcase etc. Local and National Commercial agents also all widely advertise through their own property websites with specific property enquiries being readily and easily searched.
- Lack of available accommodation - it is evident that there is very little quantum of high quality office space available throughout the East Cornwall area. There is similarly little or no managed office and workspace availability.

The above is evidenced very readily through both local knowledge and any quick research undertaken through the internet, such that potential enquirers quickly establish the position with little requirement to discuss or register with commercial agents.

Whilst the above is likely to be the case, it is notable that there is generally less interest shown for commercial properties within the East of Cornwall than for other areas of Cornwall.

The Demand Assessment in respect of East Cornwall Innovation Centre prepared for Cornwall Council in July 2017 by AMION Consulting, Thomas Lister and Stratton Creber Commercial analysed average annual take-up rates of offices in Liskeard and arrived at an annual take up figure of 1,265 sq ft and 11,013 sq ft for industrial accommodation.

Adopting these rates then this suggests current office supply equates to 4.2 years currently exists and 0.5 years supply of industrial accommodation exists. However, most of the office accommodation that is currently available is not modern nor fit for purpose when it comes to modern working requirements.

***'Responding solely to the 'perceived' or actual demand risk place undue constraint on Cornwall's economic prospect'.***

**Cornwall Employment Land Review by  
Nathaniel Lichfield & Partners,  
November 2010**

## **4.4 Conclusions Drawn**

Our data suggests that Liskeard currently has circa 5,317 sq ft of office space currently available and that 12,648 sq ft has been transacted over the last ten years. Of the available space it is all extremely dated and not purpose built modern space. It is all only available on a leasehold basis. Our survey and additional data collated suggests there is or is likely to be demand for circa 14,300 sq ft of office space in the next 5 years.

In respect of the industrial market Liskeard currently has circa 5,936 sq ft of space currently available and that 92,000 sq ft has been transacted over the last ten years. Our survey and additional data collated suggests there is or is likely to be demand for at least 13,000 sq ft of industrial space in the next 5 years plus potential demand for a 15 to 20 acre site for a distribution centre and demand for two smaller serviced 0.5 acre sites for businesses to develop their own premises. SCC also has 8 active requirements for industrial premises in South East Cornwall and the applicants would consider Liskeard as a location if suitable premises were available.

Our survey has indicated that the most important factors for the respondents were modern buildings, good levels of car parking, digital connectivity and good access to the A38.

## 5.0 Agri- Hub Facility

### 5.1 Former Liskeard Livestock Market

The former Livestock Market in Liskeard is located off Dean Street and was a traditional town centre Livestock Market situated near the town centre's retail area and the railway station. Part of the site also comprises a public car park and other uses and in total the site extends to circa 1.2 hectares (3 acres).

The Livestock Market has played an influential role in establishing Liskeard's identity and its market day activity was of historic importance to the economy of the town and its hinterland.

The majority of the site is owned by Cornwall Council. In recent years the Livestock Market was leased to Kivells for several years who exclusively operated the Livestock Market. In 2017 it was one of 16 livestock markets operational

In 2016 Kivells advised Cornwall Council that they are *'fully committed to maintaining viable livestock markets at Liskeard and Hallworthy until such time as it is possible to produce a new Agri-Business Centre, with an associated livestock market fully capable of serving the farming community within the current Liskeard/ Hallworthy catchment areas. Any new development will require a high level of partnership working to bring it about. However, if it is deemed to be in the interest of Liskeard and Hallworthy and the wider rural community Kivells will endeavour to secure such an objective.'*<sup>13</sup>

The Livestock Market ceased trading at the end of December 2017. We have consulted with Kivells and they have advised that the decline of Liskeard Livestock Market was a product of the following forces<sup>14</sup>:

- Movement away from Livestock Farming to Arable Farming in south and east Cornwall
- Access difficulties presented by the markets town centre location and the use of ever larger transport to collect and deliver stock
- Fewer buyers seeking larger numbers of stock and the need of guaranteed loads for any visit to a given centre
- Limited and tired facilities presenting handling and welfare issues
- The perceived re-development value of the site leading to a decline in confidence in the markets future with numerous development schemes talked about over the last 20 years
- Increased competition from other forms of Livestock Marketing including:
  - Farmer direct sales – breeding stock
  - Agent led private treaty sales/ store breeding stock
  - Dead weight – finished cattle, lamb and pigs
  - Internet transactions – store and breeding stock

Kivells have stated that the decline in stock numbers in the areas surrounding Liskeard was due to land being switched to various arable based systems and that at the same time town centre Livestock Markets such as Liskeard faced stronger competition from other methods of Livestock sale and that this competition is evermore fierce today.

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<sup>13</sup> Report by LHC into Liskeard Cattle Market Site, 2016

<sup>14</sup> Kivells response to the stakeholder questionnaire produced by SCC on the demand for a Livestock Marketing Centre in the Liskeard Area

We have received verbal feedback from local farmers expressing frustration that the former Liskeard Livestock Market was not operated to its full potential by Kivells for the few years preceding its closure and that minimal inward investment was made to ensure the facility remained fit for purpose.

***‘I was disappointed that Liskeard Market wasn’t used for many other purposes like a collection centre or small tool auctions prior to its closure. I feel it was an opportunity missed by Kivells and they refused permission to anyone else to use it as they were the leaseholder.’ James Moon, Cornwall Quality Livestock Producers***

The site is now the subject of re-development discussions. In 2016 Cornwall Council commissioned a study to look at potential re-development options for the site and work is still ongoing to in this respect. The site has been earmarked for a mixed use scheme including a medium sized food store, car parking, a new civic square and flexible pannier market with high quality public realm, workspace and cultural space. The funding and delivery method of any re-development scheme is yet to be finalised following a failed ERDF application in April 2018.

Liskeard Town Council had been told anecdotally that the closure of the Livestock Market is having a serious detrimental impact on the local agricultural sector and there are concerns that it will adversely affect the wider economy of the town.

## 5.2 Changes to Livestock Markets

Across England the number of livestock markets has declined over many years. In 1990 there was an estimated 259 operating livestock markets compared to 97 price reporting to AHDB in 2017<sup>15</sup>. This is believed to have occurred due to a plethora of factors including:

- Impact of livestock disease, especially Foot and Mouth Disease
- Developments in livestock production
- Increased competition from the deadweight sale of finished livestock
- Impact of the Over Thirty Month Slaughter Scheme
- TB control requirements
- Falling number of abattoirs
- Compliance pressures on livestock markets to meet regulatory standards and compliance inspections
- Land/ planning issues and the conflict that the type of use brings to residential areas such as traffic congestions and movements early in the mornings, noise, smells etc
- Environmental policy changes

Livestock markets have seen a gradual but significant rationalisation over recent years across the UK with small town centre markets most adversely affected. In addition to Liskeard the livestock markets that are believed to have ceased operation and/ or selling stock over the past 15 to 20 years in Cornwall, Devon and Somerset are St Austell, Highbridge, Taunton, Helston, Barnstaple, Yeovil, Bideford and Wadebridge.

***‘Many local authorities have increasingly not wanted to own and maintain a livestock market site and have been keen to see markets moved and the sites, particularly those near town centres re-developed.’***

Review of Livestock Markets in England AHDB May 2018

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<sup>15</sup> Review of Livestock Markets in England AHDB May 2018

Although the overall number of livestock markets has reduced there has also been significant investment in some new strategically located facilities such as Sedgemoor, which effectively replaced Highbridge and Taunton, providing better access and facilities. This has released older sites for re-development.

The general trend up until the last few years was that market operators were making low level of profits from commission sales and therefore it was difficult to make a business case for new market facilities funded solely by private operators especially if bank funding is required. This also applies to justifying investment in modernising existing older markets.

However there have been examples whereby groups of investors, including operators and end users, have co-financed development as they consider the provision of a modern livestock market is essential for safeguarding the future of agriculture.

**Table 7: Combined market throughputs of finished and cull livestock in the South West Region**

	2006	2009	2016	% change over 10 year period
<b>Prime Cattle</b>	36,118	24,601	15,860	-56.09%
<b>Cull Cows</b>	18,893	25,816	17,400	-7.9%
<b>Prime Sheep</b>	379,974	328,933	339,538	-10.64%
<b>Cull Ewes</b>	132,477	118,262	111,717	-15.67%

Source: AHDB/LAA/IAAS

There have been increases in deadweight selling resulting in more livestock bypassing livestock markets altogether.

**Table 8: Estimated share of primary livestock marketing's – 2000 to 2016**

	Marketing Type (%)	2000	2006	2009	2015	2016
<b>All Cattle</b>	<i>Liveweight</i>	39.4	23.2	24.4	18.1	16.3
	<i>Deadweight</i>	60.6	76.8	75.6	81.9	83.7
<b>Total Sheep</b>	<i>Liveweight</i>	56.2	45.3	57.1	55.7	56.5
	<i>Deadweight</i>	43.8	54.7	42.9	44.3	43.5
<b>Clean Pigs</b>	<i>Liveweight</i>	n/a	0.7	0.5	0.5	0.5
	<i>Deadweight</i>	n/a	99.3	99.5	99.5	99.5

Source: AHDB/LAA/IAAS

Liveweight sheep sales have generally recovered to the levels seen prior to the Foot and Mouth Disease crisis and seem to be fairly evenly split between deadweight and liveweight sales. Liveweight cattle sales continued to decline with 83.7% being sold deadweight in 2016 compared to 60.6% in 2000.

Many markets have been forced to diversify to supplement their livestock sale revenue. Typically, this is in the form of non- livestock based sales at the market facility to include car boot sales, antique and collectable fairs, machinery and vehicle sales, farmers markets and rare breed sales/ shows. This maximises the use of the facility and can be operated so that it does not conflict with livestock sales days.

The larger modern out of town facilities have been designed as 'Agri- Hubs' and are equipped with modern technology. They often accommodate a restaurant/ café and range of units which can be leased on commercial terms to feed merchants, meeting room space, offices/ workshops for businesses specialising in professional services to the agricultural services, banking outlets and even uses such as barbers. The aim of this is to effectively provide a 'one stop shop' for farmers to come and attend market and deal with other business needs at the same time optimising the time spent away from the farm. Importantly it also provides a networking opportunity as farming can be isolated by its very nature.

The rental income from leasing commercial units helps support the viability of operating a livestock market and is becoming an increasingly important factor in the long term success of livestock markets.

### 5.3 Consultation

We have undertaken formal and informal consultation with the following key stakeholders in respect of the potential for a new Agri- Hub Facility:

- **Kivells**

Kivells managed the former Livestock Market at Liskeard and currently manage Exeter Livestock Centre, Holsworthy Livestock Market and Hallworthy Stockyard. Mark Bunt at Kivells has verbally advised that he does not consider that it is viable to have a new market in Liskeard *'or they would be doing it'*. They remain keen to support Liskeard as a town and rural community but believe the future of operating livestock markets successfully is to have larger purpose-built facilities that can operate as a *'one stop shop'* for farming clients enabling them to fulfil all their business needs whilst attending market. This model is working for them successfully at Exeter Livestock Centre which they have operated since April 2012. We understand that Kivells are currently investigating options for a new consolidated purpose-built livestock market on the A30 highway. Kevin Hicks from Kivells has provided a written statement commenting that:

***"A localised small centre in South East Cornwall could be damaging to the ability to collect sufficient numbers of Livestock to attract the best buyers to an otherwise sustainable market on the A30 corridor benefitting the whole of East Cornwall".*** Kevin Hicks, Kivells

Kivells are proposing the closure and merger of Hallworthy Livestock Market into a new Agri-business centre with a Livestock Market as its core on the A30 trunk road and that *'Kivells as a firm are able to deliver this.'*

In 2014 the English Beef and Lamb Executive (EBLEX) was commissioned to produce a report entitled *'Examining the Case for the Development of an Agri-Food/ Rural Business Centre Cluster to Maximise Trading and Advice Opportunities, to Enable the Cornish Rural Business Community to Achieve its National Potential'* on the future needs of the Livestock Marketing in Cornwall.

We have not been privy to sight of a copy of this report but are led to believe it concluded that Cornwall should be served by two strategically located Livestock Marketing Centres including one in East Cornwall which Kivells argue should be within the A30 corridor and serve South East Cornwall as well as the rest of East Cornwall to ensure critical mass to compete against other methods of trading livestock. Indeed Kivells believe the positioning of a Livestock Marketing Centre *'away from the A30 corridor in East Cornwall either in the North East or the South East quarters will not*



*have the sufficient robust business model to have a sustainable future' and 'the creation of either such a centre could undermine the window of opportunity which currently exists to create a strategically located Livestock Marketing Centre to service the whole of East Cornwall including South East Cornwall farming businesses.'*

- **Stags**

Stags currently manage Tavistock Livestock Centre, South Molton Market and Honiton Livestock Market as well as conducting On Site sales. Chris Clapham at Stags advised that he considered that there was sufficient demand and critical mass in the area to enable a new Livestock



*'Stags are very supportive of an initiative to build a new 'Agri-Hub' to include a new Livestock Market/ Collection Centre on the outskirts of Liskeard, following the sad closure of the market in the town. I know there is a large amount of both cattle and sheep in the area that are having now to travel long distances to be sold at other livestock centres. A well-run livestock market that has been purpose built with good access...will undoubtedly thrive and bring in new business to the town.'*

Chris Clapham, Stags

Market in Liskeard to be run viably and successfully.

- **Cornwall Development Company**

We met with David Rodda of Cornwall Development Company to discuss his thoughts on whether Liskeard could support a new Livestock Market and/ or Collection centre facility. He warned that there are ongoing discussions for various new facilities in other parts of the County and that there would be insufficient demand to support all of them. He also flagged that the development of this type of facility will be unviable and would involve significant sums of capital. In his opinion, the costs associated with providing a collection centre rather than a livestock market, could be significantly less. He considered there was a definite need for a collection centre in the area but was more cautious about whether a new livestock centre could be justified in Liskeard.

- **National Farmers Union (NFU)**

We have met with Ian Maddever, NFU Senior Agent for St Austell, Bodmin and Liskeard and NFU Group Secretary. He advised that the former market in Liskeard historically had a *'good reputation for high trade'* and that livestock always sold well. He advised that there were now more alternatives to selling stock via a Livestock Market with more stock being sold direct to abattoirs. He considered there was a need for a livestock collection centre to improve the current handling/ transferring of livestock from smaller farm lorries to larger haulage vehicles for transport via road. He also commented that any new facility needed to be suitable for a range of uses and be part of a larger, more diverse scheme to help justify the infrastructure, improve the viability and create a sense of place.

- **Cornwall Quality Livestock Producers (CQLP)**

We met with James Moon a director of CQLP and tenant farmer of Bolitho Farm, Liskeard. He was extremely supportive of a new Collection Centre facility being developed in Liskeard to support local farmers. He commented that he believes that circa 30% of livestock was sold at markets and the remaining 70% went direct to abattoir or collection centres. James Moon expressed concerns at the town losing its identity as a market town and would no longer be able to support the number of banks, solicitors and accountants that it currently does which is largely underpinned by the strong agricultural sector in this area and would see a further decline in the town centre.

### 5.3.1 Survey to Farmers

To assess demand for a new livestock market/ facility in Liskeard a survey has been undertaken with a view to providing an additional primary data source. The survey has kindly been circulated to farmers in PL14, PL13, PL11, PL12 postcodes on databases held by NFU, Liskeard Town Council and Stags.



In addition, Stratton Creber Commercial and Liskeard Town Council have advertised the study at Liskeard Agricultural Show on 14 July 2018 and specialist sheep sale at Bolitho Farm on 31 July 2018 and invited farmers to complete the survey.

The survey was designed to be straightforward to complete within a minimum period of time to encourage people to respond.

Survey questions and a brief description of potential responses was as follows:

Did you use the former Liskeard market for sales or purchasing livestock in the last year it traded?	YES <input type="checkbox"/> NO <input type="checkbox"/>
Did you use the former Liskeard market for sales or purchasing livestock in the last five years it traded?	YES <input type="checkbox"/> NO <input type="checkbox"/>
If yes, what type of livestock?	
How frequently did you attend the market?	Twice weekly <input type="checkbox"/> Weekly <input type="checkbox"/> Fortnightly <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> 1 or 2 times a year <input type="checkbox"/>
Which livestock markets do you now use?	
How far is this in miles is for you to travel?	Less than 15 miles <input type="checkbox"/> 15 to 25 miles <input type="checkbox"/> 25 to 40 miles <input type="checkbox"/> 40 to 60 miles <input type="checkbox"/> More than 60 miles <input type="checkbox"/>
Do you use your own farm transport to get to the market?	YES <input type="checkbox"/> NO <input type="checkbox"/>



If "No" do you use an outside haulage company?	YES <input type="checkbox"/> NO <input type="checkbox"/> Please specify below
What are the disadvantages of using this market over having a facility in Liskeard?	
What are the advantages of using this market over the former market in Liskeard?	
Do you use online / telephone bidding at market if it's available or prefer to attend in person?	
Do you use a collection centre? If so, please specify which one(s)?	YES <input type="checkbox"/> NO <input type="checkbox"/>
If your animals are going to a collection centre, please detail how they get transported?  Do they have to be transferred from one vehicle to another at any point?	YES <input type="checkbox"/> NO <input type="checkbox"/>
How do you sell your livestock?	<p>.....% private trade</p> <p>.....% trader</p> <p>.....% direct to abattoir</p> <p>.....% collection centre</p> <p>.....% at a livestock market</p> <p>.....% other (please specify)</p>
What are the benefits of not trading via a livestock market? (please tick any that apply)	<p>Better for animal welfare <input type="checkbox"/></p> <p>Less time spent away from farm <input type="checkbox"/></p> <p>Lower transport costs <input type="checkbox"/></p> <p>Better prices <input type="checkbox"/></p> <p>More price certainty <input type="checkbox"/></p> <p>Easier <input type="checkbox"/></p> <p>Less paperwork <input type="checkbox"/></p> <p>No commission <input type="checkbox"/></p> <p>Other (please specify) <input type="checkbox"/></p>
What are the advantages of trading at a livestock market? (please tick any that apply)	<p>Social interaction <input type="checkbox"/></p>

	<p>Interaction with reps and Merchants <input type="checkbox"/></p> <p>Better information sharing between Farmers <input type="checkbox"/></p> <p>Potential for higher prices <input type="checkbox"/></p> <p>Shorter distance for transportation <input type="checkbox"/></p> <p>Lower transport costs <input type="checkbox"/></p> <p>Can sell and buy at the same time <input type="checkbox"/></p> <p>Ability to see livestock in person <input type="checkbox"/></p> <p>Other (please specify) <input type="checkbox"/></p>
Do you prefer alternative methods of trading livestock over the use of a livestock market?	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
What would be the most useful to your business to have closer to Liskeard? (please tick any that apply)	<p>Livestock market <input type="checkbox"/></p> <p>Collection centre <input type="checkbox"/></p> <p>Facility that acts as both <input type="checkbox"/></p>
<p>How important is the provision of this type of livestock market/ collection centre in protecting your business in the future?</p> <p>1 = Very Important</p> <p>5 = Not at all Important</p>	

In total 98 completed surveys were returned which is considered to provide a good data set upon which to further analyse demand for a new livestock and/ or collection centre facility.

The survey showed that 71% of the survey respondents used the former Liskeard Livestock Market in its final year of trading up to 31 December 2017 as shown in Table 9 below and 87% used it during the last five years that it traded for sales or purchasing and operated by Kivells as shown in Table 10.

This suggests that the survey respondents have been directly affected by the closure of the market in Liskeard and used the facility when it was in operation.

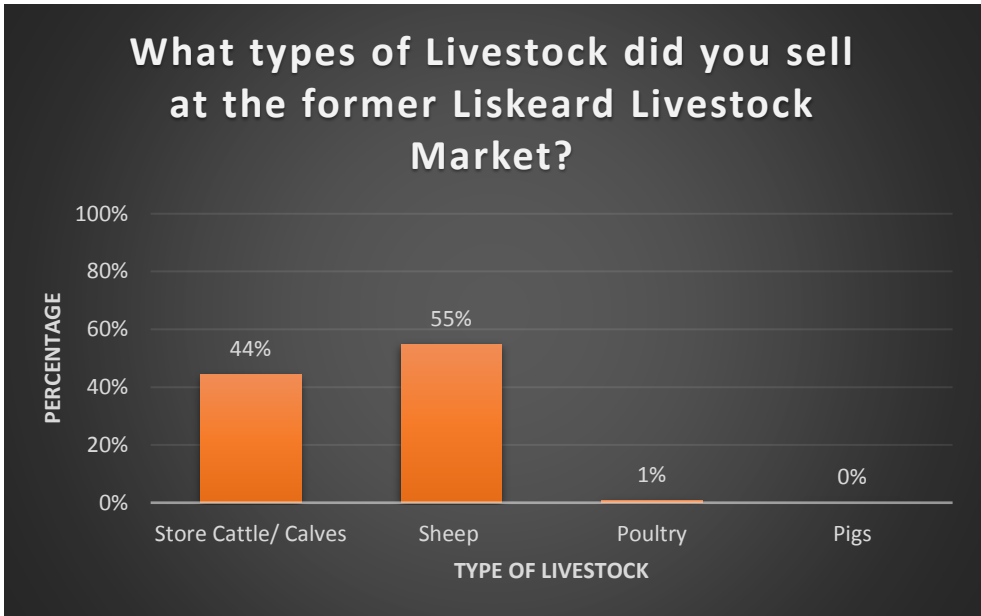


Table 9



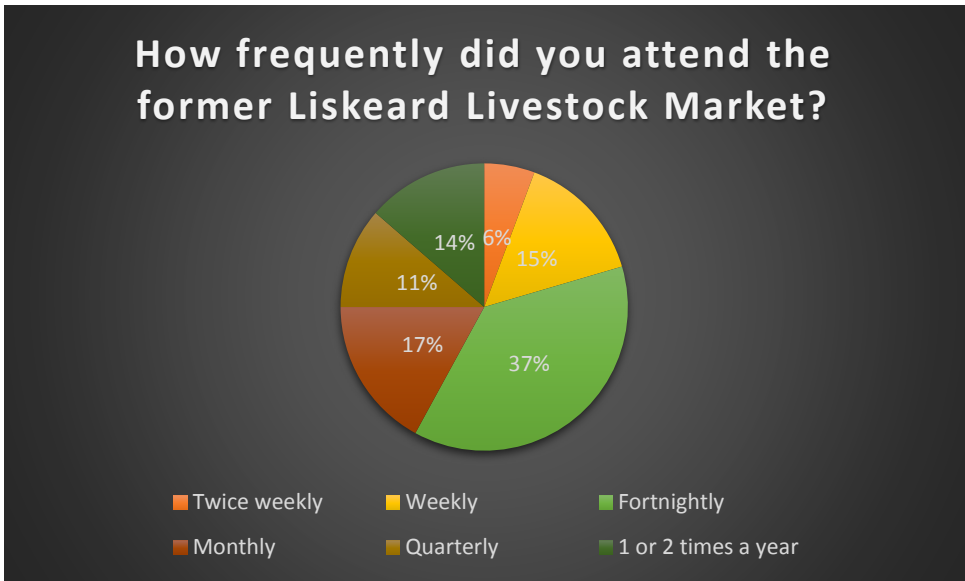
Table 10

Question 3 of the survey has shown that 55% of respondents sold sheep at the former Liskeard Livestock market and 44% sold store cattle/ calves. Christmas poultry sales were also held.



**Table 11**

As shown by the table below respondents, 37%, attended the market fortnightly, 17% monthly, 15% weekly, 14% one or two times a year, 11% quarterly and 6% twice weekly.



**Table 12**

Following the closure of Liskeard Livestock Market many farmers have been forced to travel further afield to different Livestock markets. A significant proportion, 35%, now attend Hallworthy which is circa 22 miles from Liskeard. Following that Holsworthy and Exeter are the most popular markets which are 29 and 57 miles from Liskeard respectively with 20% of respondents saying they attend each of these markets. Truro, Sedgemoor and Tavistock were then ranked as being used by 16%, 6% and 3% of the farmers surveyed respectively.

Over 50% of farmers reported that their journey the farm to the market was more than 26 miles with 37% travelling 26 to 40 miles and 27% travelling 41 to 60 miles and 7% travelling over 60 miles. A larger majority of 81% of farmers used their own farm transport to get to a livestock market.

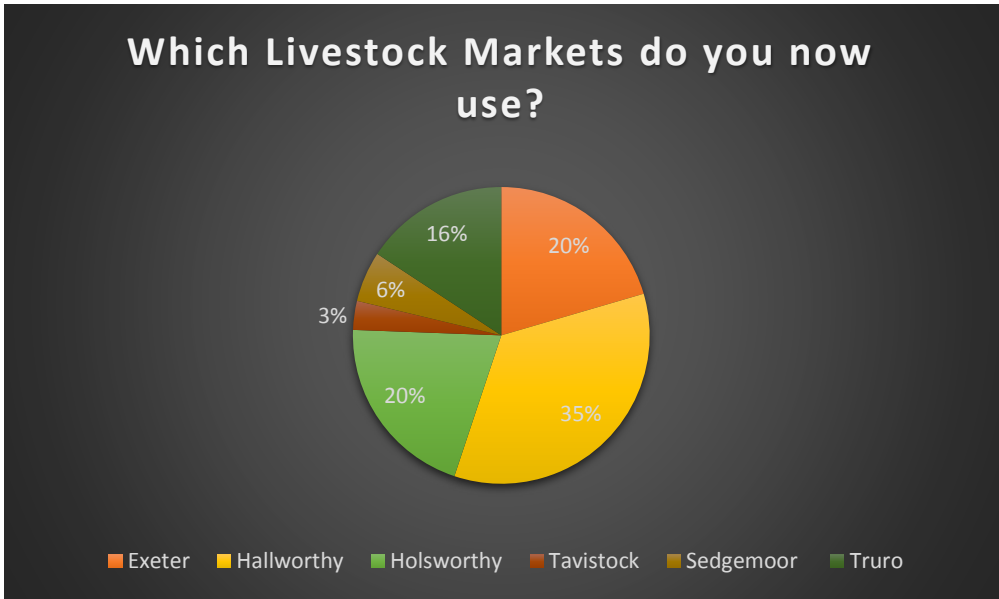


Table 13

In terms of the benefits of trading livestock via methods other than a livestock market less time spent away from the farm (20% of respondents), better for animal welfare (18%), no commission (17%) and more price certainty (12%) were the highest scoring reasons as shown in the table below. Of note 9% of respondents said they believed there are no benefits of not trading via a livestock market.



Table 14

In total there was 193 responses to this question about the benefits of not trading at a livestock market compared to an overwhelmingly high response rate of 483 to the question about the advantages of trading at a livestock market.

From the responses received about the advantages of trading at a livestock market all potential answers received a similar number of responses with each reason scoring between 10% and 15% as shown by the table below.



Table 15

The survey suggested that online/ telephone bidding is not currently used by most of the respondents. Clearly this would save time spent away from the farm and potentially this could become more important as younger generations take over family farming businesses.

In terms of the type of new facility that the respondents felt would be most useful to their business to have closer to Liskeard 50% felt as a facility that acted as a collection centre and livestock market on alternative days would be most beneficial followed by 40% saying only a livestock market and 10% saying a facility that acted only as a collection centre.



**Table 16**

An overwhelming 68% majority stated that a new Livestock Market/ Collection Centre facility in Liskeard was ‘Very Important’ in protecting the future performance of their business and 87% of the 98 respondents to the survey felt it was ‘Important’, ‘Fairly Important’ or ‘Very Important’.

There is evidence from the Survey of strong local demand for a new facility in Liskeard to support the future of the agricultural sector in the area which in turn underpins and safeguards the local economy.

The increased time spent away from the farm and higher costs associated with travelling further to access a Livestock Market rank most highly of the disadvantages of having to use an alternative Livestock Market following the closure of the facility in Liskeard.

It is clear from the survey results that if Hallworthy Livestock Market is also closed in the future this could exacerbate the issues the survey some of the respondents have reported.

However, if a new facility is opened on the A30, in the Bodmin or Launceston area, consideration needs to be given to the poor road access to these towns from South East Cornwall. Road safety is also an important consideration and we are advised by Liskeard Town Council that the existing routes already have high accident rates. Accidents clearly add to journey times and this could pose an animal welfare issue.

The distance from Liskeard town centre is circa 15 miles to either Bodmin or Launceston but both have a journey time of in excess of 30 minutes especially when transporting livestock. Farmers who live in the PL10, PL11, PL12, PL13 postcodes and further East will ensure even longer journey times.

***‘The road access is poor to Bodmin and Launceston and both are difficult journeys from Liskeard, with few layby’s that are suitable for large vehicles, and we have experienced road rage from other road users due to not being able to safely pull in to let them pass.’ Mr & Mrs Easterbrook***

Hallworthy is circa 22 miles with a journey time of approximately 45 minutes from Liskeard so the distance and time spent travelling may be reduced if a new facility is opened



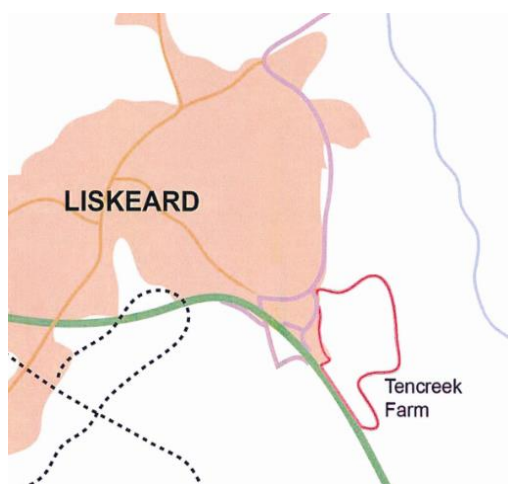
## 6.0 Potential Employment Sites

Liskeard benefits from a number of potential and consented development sites. We have detailed the key sites below.

### 6.1 Tencreek Farm, Plymouth Road, Liskeard, PL14 3PS

This is a site which already benefits from planning consent and forms part of a wider residential development scheme. The site currently comprises greenfield land and is located immediately to the west of the A38 to the southern eastern periphery of Liskeard but in close proximity to other commercial premises.

The overall site extends to circa 18.80 hectares (46.45 acres) of sloping agricultural land which is divided into several fields.



The site benefits from outline planning permission ref PA15/09821 which was obtained by the site owners, Wilton Homes West Ltd in 28 September 2016 and is described as a mixed use urban extension with up to 275 dwellings, 6.2 hectares (15.32 acres) of employment space including a doctor's surgery, 4.1 hectares (10.13 acres) of public open space, a class C2 care home of up to 60 bed spaces, amended access from the A390, creation of a new access onto Roseland Lane and associated infrastructure works.

Stratton Creber Commercial and Vickery Holman have been marketing the commercial elements of the scheme since 2017 and have received several enquiries.

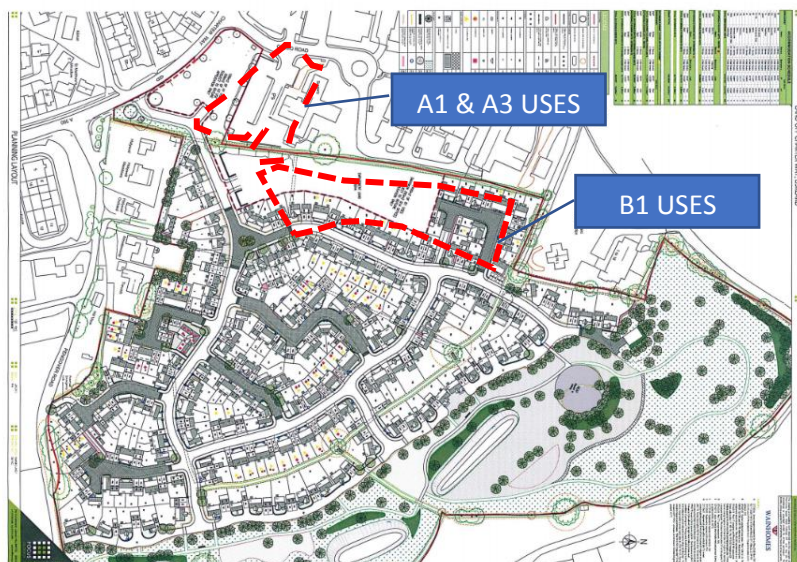
As far as we are aware works have not yet commenced on site in respect of this scheme. We believe the land owners are currently in negotiations with Cornwall Council over the terms of the existing Section 106 Agreement and until this is resolved the site will not be brought forward for development.

Based on the current outline planning application this site has the potential to deliver more than 100,000 sq ft of employment space.



## 6.2 Land to the East of Charterway, Liskeard

The land to the east of Oak Tree Surgery on Clemo Road in Liskeard benefits from a hybrid planning consent from July 2017 which comprises an outline planning permission (with all matters reserved apart from access) for 0.93 hectares (2.30 acres) of land for uses with Classes A1 (retail), B1 (business) and A3 (food and drink) plus detailed planning permission for 207 dwellings on 13.3 hectares (32.86 acres) of land with associated roads, footways, parking, landscaping, drainage and open spaces.



The residential development on this site is currently being built out by Wainhomes with work starting on site this summer. The land with outline planning permission for commercial uses is loosely in two parcels – a broadly triangular parcel of land that fronts onto Charter Way and Clemo Road which lends itself to A1 or A3 uses and appears to have been designated for 100 sq m of A1 uses and 200 sq m of A3 uses and a rectangular shape parcel of land situated to the rear of the

doctors surgery which has been earmarked for 1,400 sq m of B1 uses with a maximum of 200 sq m of B1A office use. We have indicated the boundaries of these areas on the plan above in red.

## 6.3 Extension to Liskeard Business Park, Liskeard, PL14 3US

Liskeard Business Park is an employment site owned by Cornwall Council and is well established. There is potential to extend Liskeard Business Park to the south. The adjoining 28 acres of greenfield land, which is within the Liskeard Town Centre boundary, has been identified for this purpose. The site is predominantly within the ownership of a family of local farmers. They were visited by the Mayor and Chair of the Liskeard Neighbourhood Plan Steering Group, during the Neighbourhood Plan assessment of employment land options in early 2017. They indicated a willingness to sell their site.



This site is currently greenfield land and does not benefit from any planning permission for development but has been allocated in various planning policy documents. Strategically it would be a good location for new employment space. In 2008, Halcrow, undertook survey work which reflected several years of work by the former District Council in connection with this site. Liskeard Town Council has advised that in 2017, during the employment land assessment phase of drafting the Neighbourhood Plan, the landowners met with Liskeard Town Council and indicated a willingness to dispose of the site for employment uses. In 2018 Cornwall Council confirmed to Liskeard Town Council that they own/ control land that accesses the extension land.

#### 6.4 Bolitho Farm, Island Shop, Liskeard, PL14 3GR

Bolitho Farm is owned by the Bolitho Estates and currently tenant farmed. It is currently a working farm with associated farmhouse and farm buildings. The farm is situated circa 1 mile to the south of Liskeard town centre. Part of the site is visible from the A38 and access is via the A390 and Island Shop. The existing access is considered likely to be fit for purpose.





Early discussions have been had with the land owner by various third parties regarding part of the site being brought forward for commercial development but to date no technical site reports, plans nor specialist surveys have been undertaken to inform the deliverability or viability of an employment space scheme being delivered on this site.

It is envisaged that part of the Farm closest to the highway could be brought forward for commercial development or an Agri- Hub facility as indicated on the plan below. The site is currently configured as 3 fields and slopes from south to north. The mid section of the site (highlighted in blue) is steeply sloping and therefore does not lend itself to development.



This parcel of land extends to circa 9 hectares (22.24 acres).

Open air sheep sales are held on this land and if a new Agri-hub facility was to be brought forward in Liskeard this site would be well suited. It has good access and visibility but is sufficiently distant from residential accommodation to avoid this type of use forming a nuisance.

## **7.0 Viability & Deliverability Issues**

We have not undertaken detailed viability assessments of any potential sites as we do not have sufficiently detailed information to undertake residual appraisals in respect of any potential development schemes.

The deliverability of a site not only depends on whether it is physically deliverable but also whether there is demand but also whether a private land owner is willing to release land for employment development. Landowners can have alternative aspirations for a site or unrealistic expectations regarding the site value.

In addition to physical constraints, the financial viability of a scheme is clearly critical in determining whether a development comes to fruition. If a scheme is unviable, public sector intervention will be required by way of subsidy, grant or gap funding to enable the scheme to proceed. In terms of delivering new workspace in Liskeard, we consider that grant funding will be critical as well as the appropriate agreement of Section 106 Agreements, planning conditions and phasing requirements to enable developers to viably deliver and cashflow developments.

From our experience of working with developers and preparing residual valuations for loan security purposes we are aware that any stand-alone employment or Agri-Hub scheme will be unviable. Public intervention of circa 50% to 75% of total development costs is likely to be required based on current end values and build costs.

Alternative approaches could be to deliver employment space as part of a mix use scheme whereby higher value uses cross subsidise the provision of employment space.

Class B activities can include MOT and vehicle repairs and breaker workshops, tyre dealers, scaffolding companies, skip hire businesses etc which can potentially have an adverse impact on the amenity of the surrounding estate and cause estate management issues. Equally many local economies, including that of Liskeard, are dependent upon these type of uses providing an important role.

An Agri-Hub facility may also introduce noise, smell and traffic congestion issues that are not naturally compatible with other B class uses and/ or mixed-use schemes with a residential element.

Caution needs to be taken to manage 'non-conforming uses' alongside more conventional B class uses and mixed-use development in any new scheme to ensure that both are catered for and they can work alongside each other.

Investment needs to be de-risked to unlock the development market. This could take the form of various funding mechanisms and types of intervention to include pre-lets/ sales. Any development scheme is likely to need a unique and carefully considered approach as there is unlikely to be a 'one size fits all' solution to delivering more employment space.

If interest from a prospective anchor tenant/ purchaser can be secured, then this would reduce the risks associated with delivering employment space scheme and/ or potentially also justify a larger scale development.

The public sector also has an important role to play in increasing planning certainty and the adoption of Cornwall's local plan in November 2016 and the current development of the Liskeard neighbourhood plan will assist with this. Ensuring planning policy allocates the right sites for development and prepares the necessary planning documentation to support the delivery of these sites is essential.



## 7.1 Funding Sources

It remains difficult to generate sufficient value through development to attract investment in employment sites on normal commercial market terms. Consequently, the public sector has a vital role to play in helping to unlock the market by providing funding and assistance to help de-risk development.

The ERDF Convergence Programme (2007 to 2013) for Cornwall and the Isles of Scilly superseded the Objective One Programme and has gap funded workspace schemes which has helped stimulate the market by providing accommodation for Cornish businesses looking to expand and speculative space for latent demand and inward investment. The previous rounds of investment in Cornwall and Isles of Scilly have had a lasting impact and should provide a platform for further growth and development. However, to date the town of Liskeard and its hinterland has not benefitted from the same level of public funding as other towns and catchment areas in the County.

Cornwall and Isles of Scilly is currently still being supported financially by the European Union using funding from the European Regional Development Fund (ERDF) as part of the European Structural and Investment Funds Growth Programme 2014-2020.

***‘European Regional Development Fund (ERDF) in Cornwall and Isles of Scilly is worth €438m and makes up 75% of our Programme allocation, it will help to support the EU and local ambitions for smart, sustainable, inclusive growth.’***

Cornwall & Isles of Scilly LEP

As outlined below there remains several funds still open for applications:

### 7.1.1 Cornwall and Isles of Scilly Investment Fund

In June 2018 the new £40m Cornwall and Isles of Scilly Investment Fund (CIOSIF) was launched.

The Fund will provide debt and equity finance from £25,000 up to £2m for growing small businesses across the region.

The Cornwall and Isles of Scilly Investment Fund, which has been established in partnership with the European Regional Development Fund (ERDF), Cornwall and Isles of Scilly LEP and the UK Government, will provide small and medium-sized businesses with increased flexibility in the types of funding available, as well as boosting investment levels in the region.

This is being managed by the LEP with the assistance of an independent fund manager. It is an ERDF pre-match fund targeted at SME businesses and research and development and innovation with the funding being equally split between these sectors. This is targeted at SMEs and is in the form of loans for the short term, say 5 years, plus equity so they will buy shares and they will become a shareholder with a fund manager in charge.

### 7.1.2 Cornwall and Isles of Scilly Growth Deal Programme

The money comes from the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD). It is invested in line with the priorities set out in the Cornwall and Isles of Scilly ESIF ITI Strategy, that aligns with the LEP's Strategic Economic Plan (Vision 2030) and focuses on the themes of Future Economy, Growth for Business and Conditions for Growth.



Under Growth Deal 3, in November 2016, the Cornwall & Isles of Scilly LEP bid for circa £125 million but they only received just over £18 million. This demonstrates how highly competitive securing funding was for both the LEP.

For every funding call that has been published the applications have significantly exceeded the amount of funding available making it a highly competitive application process.

### **7.1.3 Post Brexit Funding**

Post Brexit in 2019, Cornwall and the Isles of Scilly is expected to benefit from new funding streams, but this is largely dependent on the de-evolution deal that can be agreed and is unlikely to materialise until late 2019/ 2020.

This fund, currently referred to as the 'Shared Prosperity Fund' is likely to be a national equivalent to the ERDF funding that the County has benefitted from to date and run centrally.

It is likely that this funding will take the form of an equity loan, with a value share agreement, that is re-paid if a property is sold assuming the capital value has grown. This enables the funding to be re-used creating a revolving fund.

We are aware that there is likely to be a £600 million capital programme over the next 15 years available in Cornwall until 2030. The main aim of this Programme will be to generate net income from rental income to include Business Rates/ Council Tax revenue from employment and residential schemes. This will be based on a 40 year borrowing view and will consider not only the economic benefits of intervening but also the social benefits as well.

This funding stream would support mixed use, employment and housing schemes, such as Tencreek or Land to the East of Charter Way in Liskeard and Cornwall Council would act as a co-investor.

In terms of accessing this fund and the long-term delivery plan it really is up to owners/occupiers to get in there first, there is no particular running order and it is 'early bird gets the worm'.

The Workspace Development Programme is due to be launched later in 2018. This is not a grant programme but a joint venture / development agreement programme which involves the sale and leaseback of premises.

## 8.0 Conclusions & Recommendations

The historic market town of Liskeard is strategically well placed on the A38, circa 20 miles to the west of Plymouth and benefits from being on the mainline Paddington to Penzance Railway Line. In terms of catchment, Liskeard has the greatest residential population in East Cornwall within a 30 minute drive time.

***‘Liskeard is the centre of commerce for South East Cornwall and the agricultural hinterland is the reason that the town sustains so many professional services as in three high street banks, legal services, accountants, architects, surveyors and a building society and a range of agricultural related businesses.’***

Liskeard Chamber of Commerce 2018

Agriculture is a key employment sector underpinning the economy of the town and this area of South East Cornwall. Liskeard was served by a town centre Livestock Market for many years which was operated by Kivells. This facility closed at the end of 2017 and the site is likely to be re-developed in the near future.

There has been extremely limited development of employment space in Liskeard within the last 10 years. Both the closure of the Liskeard Livestock Market and failure to deliver new employment space are perceived by Liskeard Town Council and its partners to be significant risks to the future performance of the economy of Liskeard and the safeguarding of its ambition to be a ‘place to work and learn’.

***‘Historically a large part of the town was built on the profit of the wool trade and today the area is one of the two busiest wool producers in the County. The farming and food sector still remains to be the largest employer in the area and contributes hugely to the local economy. As such we are determined to retain the agricultural identity of the area.’***

Liskeard Chamber of Commerce 2018

As a response to this SCC were commissioned to undertake an independent review into the current supply, demand and barriers to delivery to help ensure the long term sustainability of Liskeard is protected.

Indeed, Cornwall’s Local Plan Objective 1 for Liskeard is ‘Economy and Jobs’ and the Draft Liskeard Neighbourhood Development Plan defines this as the delivery of ‘economic growth/ employment, providing much needed jobs to counterbalance current and future housing development in and on the edge of Liskeard’.

Clearly the amount of housing allocated needs to be considered in terms of the supply of employment space being delivered because the provision of workspace and employment / job prospects cannot be ignored. People will not move to an area and live there if there is no prospect of employment nearby and the town’s residents should not have to be reliant on employment elsewhere.

A range of modern employment space being available is recognised as being critical to existing businesses not having to re-locate outside of the town to secure suitable business premises.

Cornwall has historically had a weak economy compared to other parts of the UK and low commercial property values. This has been especially evident in South East Cornwall and the town of Liskeard.

The public sector has needed to assist with the delivery of employment floor space due to ongoing market failure. Liskeard does not appear to have benefitted from the same level of public funding to support the delivery of employment space compared to other towns in the County.

***‘South East Cornwall and especially Liskeard has not benefitted from the same level of targeted ERDF funding as the Priority 4 SIF towns in Cornwall over recent years which have seen projects in these towns be able to apply and receive funding aimed at unlocking employment space schemes.’***

Liskeard Chamber of Commerce

In terms of performance the industrial sector has performed better than the office sector across Cornwall and this trend has been mirrored in Liskeard. It cannot be ignored that Liskeard's position on the main line railway which provides opportunity for easy commuting to Plymouth coupled with the stronger industrial markets to either side along the A30 in Bodmin and Launceston and at Saltash will pose an ongoing threat to the performance of the commercial property market in Liskeard.

As stated in the Cornwall Employment Space Strategic Assessment by Amion in 2007 *‘shortage of premises and low vacancy rates constrain economic growth’*. Limited stock can suppress demand further.

Our data suggests that Liskeard currently has circa 5,317 sq ft of office space currently available and that a minimum of 12,648 sq ft has been transacted over the last ten years. Of the available space it is all extremely dated and not purpose built modern space. It is all only available on a leasehold basis. Our survey and additional data collated suggests there is or is likely to be demand for up to 14,300 sq ft of office space in the next 5 years.

In respect of the industrial market Liskeard currently has circa 5,936 sq ft of space currently available and that a minimum of 92,000 sq ft has been transacted over the last ten years. Our survey and additional data collated suggests there is or is likely to be demand for up to 13,000 sq ft of industrial space in the next 5 years plus potential demand for a 15 to 20 acre site for a distribution centre and demand for two smaller serviced 0.5 acre sites for businesses to develop their own premises. SCC also has 8 active requirements for industrial premises in South East Cornwall and the applicants would consider Liskeard as a location if suitable premises were available.

Our survey has indicated that the most important factors for the respondents were modern buildings, good levels of car parking, digital connectivity and good access to the A38.

As highlighted above transactions can be unrecorded if they occur directly between landlords and tenants without a commercial property agent being involved. This can lead to demand and activity being underestimated and this is particularly prevalent in more rural towns such as Liskeard.

Any market supply and demand assessment can only provide a ‘snapshot’ of the market and perceived demand at a given point in time and this should be taken into consideration when making investment decisions and the data updated as necessary. Equally Cornwall has a well-documented history of there being latent demand for commercial workspace and demand has frequently been stronger than expected for modern, well located space. As an example of this a new commercial workspace development at Bickland on the outskirts of Falmouth which is currently being developed having benefitted from European funding has sold all the units to SME's off plan.

As noted above the Liskeard Livestock Market closed circa 9 months ago and throughout this study we have been made of widespread concern about the impact of this both on Liskeard town centre and the farming sector in the Liskeard area and in South East Cornwall as a whole.

We have been advised that trade had declined in the last few years due to the well-publicised potential closure of the facility and farmers being encouraged to use alternative markets in East Cornwall making the viability of the market marginal. This coupled with the potential re-development of the site, dated facilities and poor access meant that closure was inevitable.

The increase in deadweight sales and competition from alternative methods of sale continue to threaten the viability of Livestock Markets.

However, Livestock markets remain an important method of trading stock and many farmers believe it is the only truly transparent open market method of livestock sale. The trend towards larger regional markets have increased over recent years as the average size of farms, tendency to specialise and marketing requirements of farmers has increased. Many would argue that the regional centres offer more sustainable trade, better modern facilities ensuring the highest of animal welfare standards, important access to ancillary services and higher prices due to the better level of throughput. The larger centres are designed to provide a 'one stop shop' for farmers to ensure they best utilise time spent away from the farm.

There is an important balance to be achieved between having local livestock markets which can only operate fortnightly sales but serve an important role in underpinning the local agricultural sector and regional markets which operate multiple weekly sales and attract higher numbers which then attract buyers and increase the price of the livestock being sold.

The survey results have clearly shown that many farmers are unhappy regarding the closure of Liskeard Livestock Market as it resulted in further to travel, more time spent away from the farm, higher costs and therefore lower profits and is seen as worse for animal welfare. The social interaction that attending a market brings also seems an important factor especially as many farmers often work in isolation for long periods of time. Liskeard's rural location and the location of the alternative facilities has exacerbated this issue compared to other farming communities facing similar issues.

We are advised by Kivells that in 2014, well before the closure of the Liskeard Livestock Market, EBLEX were commissioned by Cornwall Council to advise on the future provision of Livestock Markets in Cornwall. This concluded that Cornwall should be served by two strategically located Livestock Marketing Centres one of which should be in East Cornwall serving South East Cornwall. We are aware that Kivells are pursuing the development of a new Livestock Market facility in Bodmin and that they consider any new development in Liskeard could undermine this.

We would suggest that Liskeard Town Council and its Partners need to make further investigations with Cornwall Council and seek to reach some level of agreement regarding this issue. Does a decision need to be based on the 'bigger picture' to protect the wider East Cornwall rural economy or can a smaller facility at Liskeard also be viably operated?

It is clear, from the survey, to which there was an excellent response that farmers in the Liskeard area would support a new facility and an overwhelming majority of 68% respondents consider it 'Very Important' to protecting their business in the future.

A number of 'Young Farmers' came to speak to Stratton Creber Commercial and Liskeard Town Council at the Liskeard Agricultural Show and were especially interested in the future provision of a Livestock Market facility in Liskeard.

From our consultation with Stags they seem to believe a new facility could be successful in Liskeard and are very interested in discussing the potential of this further with Liskeard Town Council and their partners.

A facility that acted as both a Collection Centre and Livestock Market was most favoured by the respondents to the survey. We consider the use of this facility would need to be diversified further to enable rare breed sales, for example of poultry, machinery sales, antique markets, car boot sales, training facilities for vets for farm insurance purposes etc to maximise the return from the facility. Bolitho Farm seems well suited to a development of this kind as it is not immediately close to any dwellings and has good access. A small amount of workspace to suit the requirements of feed merchants, veterinary practices and potentially offices for the NFU and CQLP could also be accommodated on site. We would recommend that any development of the site is phased.

It is imperative that Cornwall Council and Liskeard Town Council proactively work alongside the developers seeking to deliver schemes at Tencreek and Land to the East of Charter Way. These schemes are already well advanced in terms of having already secured planning permission and both are mixed use schemes which will assist with the viability of delivering workspace. Tencreek is considered to be especially popular due to its excellent connectivity with the A38.

It therefore seems sensible to focus all efforts on bringing these scheme to fruition with Cornwall Council providing public funding as required to unlock these developments. Based on the evidence collated it is clear that these schemes will cater for the current and likely demand for commercial workspace in the next 5 year period and that there will be good demand for workspace on these sites upon practical completion especially industrial accommodation.

Developing an extension to the south of Liskeard Business Park would build on the success of this location as an employment hub and if Cornwall Council had the appetite to invest in a scheme at this location it would be a public sector led scheme and potentially 100% within their control. This may expediate the delivery of new employment space within Liskeard albeit that this site does not currently have planning permission for development.