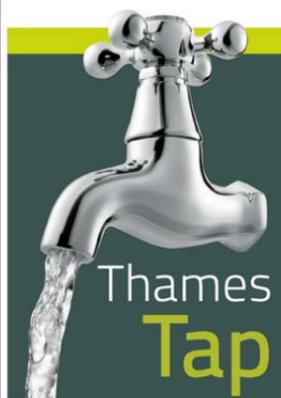


# BracknellReport

NOVEMBER 2018

POWERED BY



## BID to back business in Bracknell

New amenities, security and a bus service to town are possible improvements to be funded by a new business initiative

**M**ore than 250 businesses in Bracknell's major industrial areas will be asked to join forces to create the town's first Business Improvement District (BID).

A series of workshops is planned for the new year in which businesses of all sizes on the Southern and Western industrial areas will be asked what improvements they would like to see on their estates, which would be paid for by a levy on business rates.

Work on collaborating to improve the areas started two years ago and a group has formed called the Bracknell Investment Group (BIG).

It wants to create a formal BID and plans to hold a vote among all the 260 occupiers (and landlords of empty properties) in both areas in October 2019.

Maria Sabey, head of property at Fujitsu which has offices on the Southern Industrial Area, is chair of BIG.

She said: "We completed a survey last year asking businesses to identify what areas they would like improvements to. Then we completed a much more detailed feasibility study."

"We have now started to engage one-to-one with businesses and started to attend more and more businesses events. Wherever we can we grab five minutes to keep them aware of what we are doing."

Findings so far have been presented to businesses to encourage debate and now efforts to research what

businesses want are being stepped up.

Mrs Sabey said: "Now we are ramping up our engagement. We have four more meetings this month (November) and The Lightbox event (run by UK Property Forums) event on the 21st.

"We are all getting out there into the business community and looking to speak to them.

"Next year we are hoping to launch a series of breakfast workshops. We are running them by subject area. It may be transport links, car parking etc."

**Businesses and organisations who make up BIG include:**

- Fujitsu**
- Waitrose**
- 3M**
- Page Hardy Harris**
- Caterpillar**
- Panasonic**
- Frasers Property (representing the Maxis development)**
- Economic Skills Development Partnership**
- Thames Valley Chamber**
- Bracknell Forest Council**
- Ambition Creative**

Feedback so far has shown crime and increasing numbers of residential conversions were key concerns on the Western Industrial Area while lack of amenities was key for those on the Southern estate.

Other concerns identified by occupiers include road infrastructure and congestion, lack of interest from Bracknell Forest Council, availability



The Lightbox on the Southern Industrial Area

of customer parking, road signage and information, staff parking, internet provision and the condition of roads and footpaths.

A staff bus to the town centre, similar to the successful scheme already run by Fujitsu, is a possible service the BID could implement since it would help tackle amenity, parking and congestion concerns.

Sharing of available parking could also be considered where some occupiers have surplus spaces and some, too few.

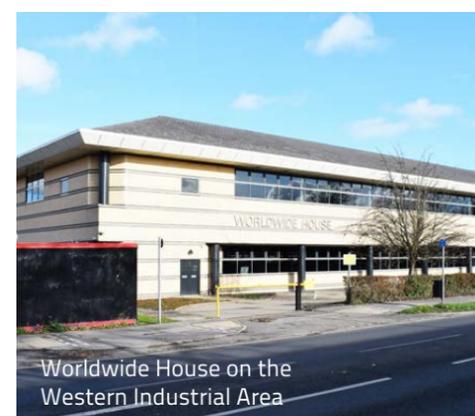
Mrs Sabey said although the council has been involved from the start, it was important the BID was business-led and invited those in both areas to get in touch.

**She can be contacted HERE.**

**Visit: [www.bracknellbid.co.uk](http://www.bracknellbid.co.uk)**



Maria Sabey - head of property, Fujitsu



Worldwide House on the Western Industrial Area

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# Bracknell: Changing for the better



Commercial agent Simon Fryer has been central to the property market in the town for almost a decade. He sees a bright future

After successive good years in the Bracknell office market, 2018 has been a year of consolidation, but commercial agent Simon Fryer says the future is positive.

Mr Fryer, founder of Fryer Commercial, says office leasing activity had been good in the town in recent years, but slower since the start of 2018.

"Up to Q1 this year we had four or five very good years," he said.

The slowdown roughly coincided with the introduction of an Article 4 Direction in February across some of the town's major business areas, slowing the rush of Permitted Development Rights (PDR) schemes where offices are converted to residential without the need for long drawn out planning consent.

Many of the previous lettings had been to PDR-displaced tenants.

Bracknell has lost, or is threatened with losing, 27 office buildings, totalling almost 800,000 sq ft, through PDR schemes.

The slowdown, he believes, may be caused by a mix of the Article 4 Direction and Brexit uncertainties.

He added: "Brexit may also be having an effect. CEOs will be watching the Brexit position with interest and caution."

The surge in PDR schemes has left

a shortage of office space, which has subsequently increased rents. Yet Bracknell remains attractive compared to Reading where rents and business rates are higher.

Mr Fryer says Bracknell rents (which are still in the £20s), less congestion, easy access to two motorways and half-hourly trains for the 55 minute journey to London Waterloo 'where you can get a seat and finish the crossword', appeal to many occupiers.

He added: "I'm a great fan of Bracknell; I can't fault it."

Supply is relatively low but demand for office space remains.

The best available are refurbishments while new build is non-existent because of funding constraints.

Mr Fryer said: "What we need is a really top quality multi-occupier building for the SMEs - not necessarily serviced - but they are difficult to find.

"We still build for the owner. We try to convince ourselves we are building for the tenants, and to a degree we do, but the underlying requirement is for the ultimate owner, often an institution, ie a pension fund.

"That's why, in the Thames Valley, very few small offices are built unless they are for a wealthy, individual owner who just wants income."

The most visible change in the town, the opening of The Lexicon, has, Mr



Simon Fryer, managing director, Fryer Commercial

Fryer argues, improved its perception but has not necessarily had a direct knock-on effect on demand for commercial space.

He said: "I'm not convinced it has had a significant influence on the office market, it just makes the town a better place to be.

"A lot of the corporate IT companies in Bracknell could be anywhere. They don't need to be in any particular town because of what they do but Bracknell's location and The Lexicon are positive factors."

He sees the Lexicon's legacy as an improved reputation and atmosphere around the town, backed up by footfall figures of 16 million in its first year, higher than that of The Oracle in Reading over the same period.

There have also been road and public transport improvements including a new bus station and a new bus service to Heathrow.

Mr Fryer said: "There has been a perception about Bracknell. I'm not saying it's wrong or right but people



Berkshire Court currently being converted

have a certain perception. However, this is finally changing for the better.

"Bracknell hasn't grown like Reading but there is a general feeling is that it's on the up.

"It has changed and definitely for the better. There are now a lot of 'Windsor type' buyers in The Lexicon shops. You can just tell it's gone up a notch.

"Bracknell council is really trying to make Bracknell a better place. I take my hat off to them."



Millennium House has been converted to residential



It has changed and definitely for the better. There are now a lot of 'Windsor type' buyers in The Lexicon shops. You can just tell it's gone up a notch

# There's further to go on the road to recovery



Developer Andy Jansons, managing director of Jansons Property, has witnessed the changes in Bracknell over several decades and has a warning for the future

In the early 1990s Bracknell was a go-to location for the telecoms, media and technology sectors with both in and out of town areas notable for famous, high tech occupiers.

As far as that sector was concerned, the borough had a buzz; it was the sexy place to be where the major names attracted numerous support businesses to feed off them.

Inevitably Bracknell was hit hard by the recession of the early 2000s when many new start ups proved to be overhyped.

But, while the tech sector is now more stable, it has changed significantly, both in terms of its products and its ways of working. Reduced headcounts and remote working, combined with more efficient use of space, reduced the prominence of big technology occupiers in Bracknell.

In essence, the town lost its mojo.

On top of that the rise of PDR, although now tempered by the Article 4 Direction, has nonetheless, meant a permanent loss of large areas of employment space and that shortage could become an obstacle to Bracknell's growth at a time when Crossrail is focusing the minds of some potential occupiers on Reading, Maidenhead and Slough.

The response to some of Bracknell's challenges has been the welcome – and long-awaited – redevelopment of the town centre and last year's opening of The Lexicon.

One of the problems of the 1990s success was that while Bracknell had great offices and road connections, those wanting to take clients, including visitors from the US, to lunch, had to use neighbouring towns such as Windsor.

Now they have a choice of venues within a close-knit and high quality, central environment. But this should be regarded as only part of the solution.

The Lexicon has changed the perception of the town centre but the next phase of regeneration may be

**ANDY JANSONS**  
MANAGING DIRECTOR  
Jansons Property



Vacant: The Origin



Vacant: The Arena



Vacant: The HQ

more important since the issues and challenges will have evolved.

The loss of employment space, the new residential occupiers and a lack of available land for industrial will all affect the evolution of the town.

Ideally, the residents of the new town centre apartments would be employed within Bracknell, rather than commute out.

But for that to be possible, the focus should be on some of the more difficult challenges such as whether the Green Belt is serving the town or limiting its growth and how green spaces within the town can be protected.

Tackling those sensitive issues now could save a lot of problems in the future.



The Lexicon



The Lexicon



The Lexicon has changed the perception of the town centre but the next phase of regeneration may be more important since the issues and challenges will have evolved

# Office scheme with the buzz of success

In 2009 there were few takers for the 200,000 sq ft Maxis development. Vail Williams partner, Charlie Nicholson was central to its turnaround

An office development which hit the market in the depths of recession is now one of Bracknell's biggest success stories.

Maxis, a 200,000 sq ft scheme on the Western Industrial Area was completed in 2009 and remained largely vacant for several years.

In Spring, 2017, landlord Hines UK, which along with Oaktree Capital Management, had bought the development, instructed Vail Williams to try to increase occupation.

Eighteen months later, fully let Maxis was sold to Frasers Property for £67.7 million.

Vail Williams partner Charlie Nicholson said factors in the building's successful letting were the lack of supply caused by numerous PDR developments and the new appeal of Bracknell after The Lexicon opened.

A letting of a shared space to fit-out specialists Morgan Lovell & Overbury started a wave of interest. Amenity space was added and, such was the

demand, potential occupiers were competing for the last remaining spaces and rents of £23.50 per sq ft were achieved.

Mr Nicholson said: "A lot of the tertiary and secondary space had gone to conversions to residential in Bracknell so that had taken a lot of the dated stock out of the marketplace.

"Therefore this type of Grade A space at Maxis was available at the right time.

"Once the amenities were there, it created momentum and 'life' within the development, and Bracknell generally had a good buzz around it with the launch of The Lexicon. Suddenly, high quality office space at a sensible pricing level was very appealing."

Major new occupiers include Panasonic (41,000 sq ft), Allegis Group (31,000 sq ft) JDA Software (23,800 sq ft) and Cadence (22,000 sq ft) as well as the likes of HiFX from Windsor.



This type of Grade A space at Maxis was available at the right time.

Once the amenities were there, it created momentum and 'life' within the development

# Optimism for new industrial area

Segro Park is superbly placed to make use of the motorway network and occupiers have noticed

Despite a shortage of employment land in Bracknell, one substantial development site has emerged for a new industrial park - and one letting has already been agreed.

Segro is developing Segro Park, Bracknell on the Southern Industrial Area which will eventually deliver around 360,000 sq ft of space across 16 acres.

The developer bought the 10-acre site (formerly occupied by BMW) two years ago after the car maker relocated to Farnborough.

Segro then sold two acres at the front of the site to Big Yellow and bought a further eight-acre area of adjacent land behind Boehringer Ingelheim.

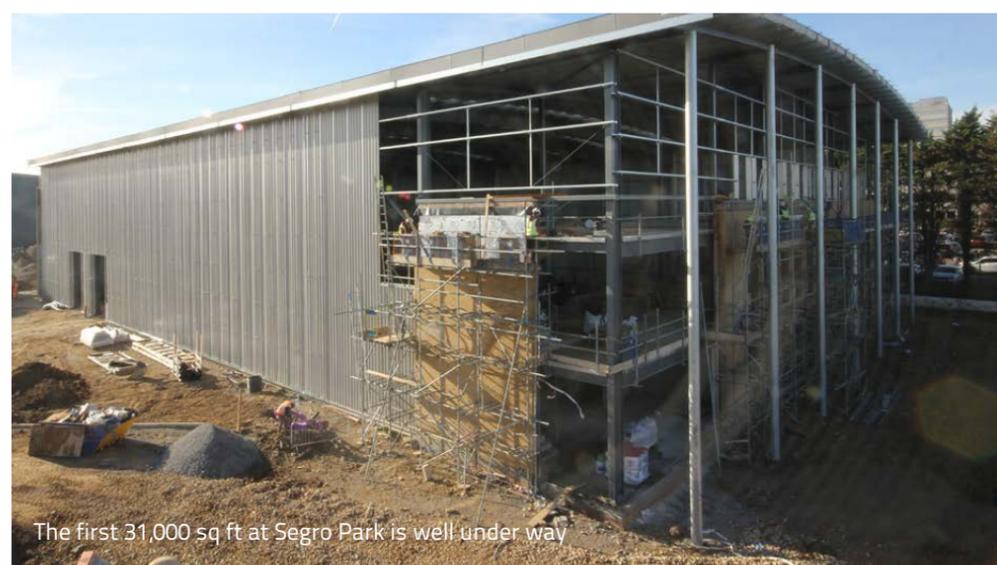
Completed this year was a speculative 90,000 sq ft building at the back of the site; under construction is a 31,000 sq ft building pre-let to AV equipment

distributor Midwich at the front and, under consideration for speculative development is a 60,000 sq ft building between them.

And, on the former Boehringer Ingelheim land, Segro has outline planning permission for one unit of up to 185,000 sq ft.

A gradient on the land prevents the two sections being treated as one but leasing manager Nicola Webb said she is optimistic of successful lettings, even on the proposed 185,000 sq ft site, not least because of Bracknell's transport connections, both to the motorways and Heathrow.

She said: "What's really unusual is for us to be able to build such a large single unit in such close proximity to the M4 and M3 so if something happens on the M4 there is an alternative."



She said advanced discussion are going on with potential occupiers and she hoped a further deal was possible within six months.

Construction work on the 31,000 sq ft Midwich unit can be viewed via a

live webcam, along with full details of the development, at the main Segro website

Visit <https://tinyurl.com/yamtyrgz>