

## OFFICE SURVEY 2005

1. During the 1980's, there were a number of new office developments, in particular along Wood Street. The last major office development was Mitre House in Canbury Park Road, on the edge of the town centre in 1992. Planning policies encourage intensive uses such as offices to be in accessible locations such as town centres, enabling shorter journeys, preferably by public transport, by bike or on foot; dual trips for work and other activities. However, since the early 1990's, UDP policies have favoured diversification and encouraged residential and leisure uses. With no new office accommodation and little good quality refurbished space, the town centre's function as an office and business centre has declined relative to nearby centres, especially those in Surrey.
2. A survey and analysis of the town centre's key office stock has been carried out using data from the Valuation Office Agency (VOA), South London Business database, specialist consultants, and site visits. Office accommodation is concentrated in 37 key office buildings plus small office suites above shops as set out in Table 5(see Plan 10). Schedule 1 lists the office stock within KTC and gives a brief description of the facilities and services provided. The quality of the offices has been assessed using a four point grading system ranging from A-C (A being the highest quality and C the lowest). Schedule 1 illustrates the office accommodation with Kingston town centre and an analysis of each office.
3. The combined floor space of the 37 key buildings is just over 873,000 square feet. There are no Grade A offices; Grade B+ offices make up 30% of the total with nearly 260,000sq ft in 8 buildings. Grade B- offices account for 67% of floor space (567,000sq ft) in 25 office buildings and 4 Grade C office buildings (26,000sq ft) make up the remaining stock accounting for 3% of the total.
4. Three of the Grade C office buildings – Quebec House, 19-23 Fife Road and 55-59 Fife Road have recently been granted planning permission for conversion and change of use to residential, retail and residential respectively.
5. Combined House in Wheatfield Way and Lever House in St James's Road have recently undergone major refurbishment and upgrading works.
6. Within the town centre there is a total of nearly 142,000 square feet of vacant and available office space, representing a vacancy level of approximately 16%.
7. Rents in the town centre range from £10 per square foot to £23.33 per square foot. Based on the advertised rents of the current vacant office stock, the average rental level in the town centre is £17 per square foot.
8. Although it is difficult attracting large employers into offices in the town centre, the town centre has been successful in attracting and retaining a

number of large employers. London General Holdings Insurance Group is located in Combined House, Wheatfield Way and employs approximately 450 people. The Specialist Holiday Group, TUI employs over 400 people and is located in Wood Street. Lever Faberge Ltd, located in Lever House, St James Road, employs approximately 450 people and has recently upgraded their office accommodation.

**TABLE 5 - Current office stock in Kingston Town Centre- information supplied by the Valuation Office Agency (VOA) and Donaldsons.**

Ref	Site	Floorspace	Grade
1.	Kings Place, Wood Street	86,000 sq ft	B+
2.	Malthouse, 25-29 High Street	25,000 sq ft	B+
3.	Riverside Centre, High Street	13,790 sq ft	B+
4.	Eagle House, High Street	12,465 sq ft	B+
5.	Drapers Court, Kingston Hall Road	34,000 sq ft	B+
6.	Anstee House, Wood Street	24,000 sq ft	B+
7.	River House, High Street	7,000 sq ft	B+
8.	Combined House, Wheatfield Way	57,473 sq ft	B+
	<b>Sub Total</b>	<b>259,728 sq ft</b>	<b>8</b>
9.	Argyll House, 23 Brook Street	13,400 sq ft	B-
10.	Forge House, High Street	6,857 sq ft	B-
11.	27 Brook Street	32,379 sq ft	B-
12.	Thames House/ Bishops Palace House, Clarence St	33,000 sq ft	B-
13.	Greencoat House, Clarence Street	16,365 sq ft	B-
14.	Surrey House, Eden Street	35,000 sq ft	B-
15.	Neville House, Eden Street	30,500 sq ft	B-
16.	Eden House, Eden Street	8,000 sq ft	B-
17.	Adams Court, Eden Street	15,700 sq ft	B-
18.	Millennium House, Eden Street	23,600 sq ft	B-
19.	Parman House, Fife Road	13,500 sq ft	B-
20.	19-23 High Street	8,000 sq ft	B-
21.	River Reach, High Street	15,800 sq ft	B-
22.	Lever House, St James Road	80,000 sq ft	B-
23.	Crown Arcade, Union Street	28,200 sq ft	B-
24.	1 Wheatfield Way,	6,200 sq ft	B-
25.	International House, Wheatfield way	30,150 sq ft	B-
26.	Kingsgate Business Centre	14,446 sq ft	B-
27.	7 Penrhyn Road	6,406 sq ft	B-

28.	5 Penrhyn Road	12,630 sq ft	B-
29.	Elecktrak House, 45 High Street	7,134 sq ft	B-
30.	Swan House, 51 High Street	8,141 sq ft	B-
31.	Amari House, 52 High Street	8,900 sq ft	B-
32.	Guildhall Complex, High Street	126,029 sq ft	B-
33.	Forge House, 66 High Street	6,857 sq ft	B-
	<b>Sub Total</b>	<b>587,194 sq ft</b>	<b>25</b>
34.	Quebec House, Richmond Road	16,000 sq ft	C
35.	59 Eden Street	3,562 sq ft	C
36.	19-23 Fife Road	3,275 sq ft	C
37.	55-59 Fife Road	3,495 sq ft	C
	<b>Sub Total</b>	<b>26,332sq ft</b>	<b>4</b>
	<b>TOTAL</b>	<b>873,254sq ft</b>	<b>37</b>

#### South London Partnership Office Capacity Study

9. The South London Partnership (SLP) Office Capacity Study 2003 examines the office market and capacity in south London and the different demands for space experienced within the south London boroughs. The strengths of the south London area for office location include: good labour resources; good public transport to London, Gatwick and M25; availability of businesses offering flexibility for SME's; the diversity of the economic base and the proximity to high value residential locations. The weaknesses of south London as an office location include: low rents resulting in negligible office development; under provision of new space; traffic congestion and lack of car parking spaces; poor image; difficulties in attracting staff and the costs for SME's being high.
10. The study found that although Kingston was a major retailing centre, with one of the highest retail rents outside of central London, the office market and demand for office space was losing ground; even though the area was viewed favourably by occupiers. The current rents for office space in central Kingston of below £20psf renders new office development unviable. Instead developers are focussing on the development potential of the residential sector within and around the town centre.
11. With the low demand for office accommodation in Kingston there are a number of vacant office units within Kingston; there is a vacancy rate of 16%. The vacancies may be partly due to businesses viewing Kingston as a retail centre. Apart from the domination of shopping affecting potential business development, poor rail links and demand for residential development, which result in high land values, add to the problem.
12. The Study found that whilst the overall demand for office space was low, there was an increase in demand for small units and those for light industrial and incubator office space. One of the major reasons for the low

demand was that there is little quality accommodation available and the space's that are available are limited in number with high rents. Thus Kingston cannot cater for larger and expanding firms. It was also found that there was a difficulty in accommodating small offices of between one to four staff. As well as the space issue, the limited off-street car parking and poor public transport into and out the area also pose a threat to the office market.

13. Kingston competes not only with the other centres within south London but office locations along the western corridors and the M25 locations, which are able to offer what Kingston cannot in terms of modern, high specification office accommodation and car parking. It is thus concluded that Kingston, like other centres within the South London Partnership Area, would need to champion the area in order to facilitate development within the area.




#### Greater London Authority Office Policy Review 2004

14. The GLA Office Policy Review 2004 examines the results of the SLP Office Capacity Study, which found a wide variation in the market performance and office development policy positions between the south London boroughs. It refers to Croydon having the strongest policies to promote office development of any outer London borough, but very little new development has taken place since the 1980's. It also refers to Wimbledon bucking the trend by having a strong enough office market to support two new office buildings, due for completion in 2004/2005.
15. The Review refers to the SLP conclusions on development capacity and gains to stock implying a significant shortage of office space in the medium term, indicating that planning policies should be looking to protect existing space, and promote new space. The GLA Review does not support the conclusions of the SLP Study. It considers that if 'polycentricity' in the outer London office market is to work, then centres may have to change their image, as well as ensuring skills, space, place, transport and prices are attractive. The Review argues that residential-led regeneration in town centres may be the most effective way of making these centres more attractive as office locations, despite the occasional loss of office buildings and permissions. The Review aims to show that it is possible to secure sufficient office development capacity, in the SLP area to accommodate the London Plan's projected office growth, and more besides, as well as facilitating substantial volumes of residential development. The Review refers to the apparent paradox of the boroughs with the weakest demand having an apparent shortage of office development capacity. As in other parts of outer London, the Review considers that this situation does not make a case for boroughs seeking to promote speculative offices where "offices do not want to be".
16. In respect of Kingston, the GLA Review is dismissive of the town centre as an office location, referring only to Surrey County Hall. It refers to Kingston sharing many of the attractions of Richmond in terms of strategic location, affluent residential population, thriving shopping centre and attractive built

environment, including river frontages, but Kingston is far less successful as an office location. The review considers Richmond's better public transport accessibility as probably the major factor accounting for this situation.

17. The Review includes a table setting out current market conditions, office rents and capital values, and viability of speculative office development and policy implications. It suggests that speculative office development, with a capital value of £225-£275psf against residential value of £375-£425psf at end of 2003, is unlikely to be viable in the short term (2004-06), not least due to the current glut of new car based office space along the M3 corridor. However, it may be viable in the medium (2007-2011) and longer term. It acknowledges that the office development pipeline is currently very low and insufficient to meet even short-term demand, but does not consider that the low figures represent an urgent case to increase the office pipeline.

**SCHEDULE 1- Office Stock within Kingston town centre** (*information supplied by Donaldsons*)

PHOTO	COMMENTS
	<p><b>Kings Place, Wood Street</b></p> <ul style="list-style-type: none"> <li>• Grade B+ office accommodation.</li> <li>• 86,000 sq ft</li> <li>• Kings Place also includes <b>Conquest House</b> and is located on Wood Street in close walking distance to the station.</li> </ul>
	<p><b>Malthouse, 25-29 High Street</b></p> <ul style="list-style-type: none"> <li>• Grade B+ office accommodation</li> <li>• 25,000 sq ft</li> <li>• The building is located on the southern side of the intersection between the High Street and Kingston Hall Road.</li> </ul>
<p>3.</p> 	<p><b>Riverside Centre, 42-46 High Street</b></p> <ul style="list-style-type: none"> <li>• Grade B+ office accommodation</li> <li>• 13,790 sq ft</li> <li>• The office units are located on the riverside in Kingston</li> </ul>

4.



**Eagle House, High Street**

- Grade B+ office accommodation.
- 12,465 sq ft
- The offices are located adjacent to the Riverside Centre.



**Drapers Court, Kingston Hall Road**

- Grade B+ office accommodation.
- 34,000 sq ft
- The offices are located on the southern side of Kingston Hall Road opposite the rear of the Guildhall Centre.



**Argyll House, 23 Brook Street**

- Grade B- office accommodation.
- 13,400 sq ft
- Located on the corner of Wheatfield Way and Surbiton Road (A240), being on the fringe of the town centre.



**27 Brook Street**

- Grade B- office accommodation.
- 32,379 sq ft
- The building is situated between Argyll House and the Old Post Office site.



**2-2a Clarence Street (Thames House)**

- Grade B- office accommodation.
- 33,000 sq ft
- The building is located between Thames Street and the riverside adjacent to the Kingston Bridge.

- **Bishops Palace**



**Greencoat House, Clarence Street**

- Grade B- office accommodation.
- 16,365 sq ft
- The office accommodation is located on Clarence Street, close to Fife Road and Kingston station.



**Surrey House & Neville House, 28-40 Eden Street**

- Grade B- office accommodation.
- 35,000 sq ft
- The building is located opposite the southern entrance to the Eden Walk shopping centre.



**53-55 Eden Street**

- Grade B- office accommodation.
- 30,500 sq ft
- The building is situated on the corner of Eden Street and Neville House Yard, adjacent to the Eden Walk Multi-storey car park.



**Eden House, 62-68 Eden Street**

- Grade C office accommodation.
- 8,000 sq ft
- The building comprises office accommodation of retail shops on the corner of Lady Booth Road



**Adams Court, 80-84 Eden Street**

- Grade B- office accommodation.
- 15,700 sq ft
- The office accommodation is located above Adams walk retail centre.



**Millennium House, 21 Eden Street**

- Grade B - office accommodation.
- 23,600 sq ft
- The accommodation is partly located above the Eden Walk shopping centre.



**Parman House, 30 Fife Road**

- Grade B- office accommodation.
- 13,500 sq ft
- The offices are located above shops on Fife Road.



**19-23 High Street**

- Grade B- office accommodation.
- 8,000 sq ft
- The building is located on the northern side of the intersection between the High Street and Kingston Hall Road.



**River Reach, 31-35 High Street**

- Grade B- office accommodation.
- 15,800 sq ft
- The accommodation forms part of the structure known as 19-23 High Street.



**Elecktrak House, 45 High Street**

- Grade B- office accommodation.
- 7,134 sq ft
- The offices are situated at the most southern end of the High Street above shops.



**Swan House, 51 High Street**

- Grade B- office accommodation
- 8,141 sq ft
- The offices are situated at the southern end of the High Street.



**Amari House, 52 High Street**

- Grade B- office accommodation.
- 8,900 sq ft
- The offices comprise part period and modern refurbished office accommodation situated on the riverside.



**Guildhall Complex, High Street/  
Kingston Hall Road**

- Grade B-office accommodation.
- Guildhall - 32,980sq ft
- Guildhall 1 - 21,845 sq ft
- Guildhall 2 - 71,204 sq ft
- The offices are located between the High Street and Kingston Hall Road and are occupied by local government.



**1-3 Penrhyn Road**

- Grade B- office accommodation.
- 12,630 sq ft
- Situated on Penrhyn Road opposite the Kingston University buildings.



**Quebec House, 10 Richmond Road**

- Grade C office accommodation.
- 16,600 sq ft
- The building is located above retail accommodation directly opposite Kingston Station.
- Permission to change to residential



**Lever House, St James Road**

- Grade B- office accommodation.
- 80,000 sq ft
- The accommodation comprises a multi-storey office building at the southern end of St James Road.



**Crown Arcade/ Apple Market House,  
Union Street**

- Grade B- office accommodation.
- 28,200 sq ft
- The offices are above shops and opposite the western entrance to the Eden Walk shopping centre.



**1 Wheatfield Way**

- Grade B- office accommodation.
- 6,200 sq ft
- Located on the corner of Wheatfield Way and Surbiton Road (A240), being on the fringe of the town centre.



**International House, 31 Wheatfield Way**

- Grade B- office accommodation.
- 30,150 sq ft
- The office building is located in close proximity to Kingston station.



**Anstee House, Wood Street**

- Grade B+ office accommodation.
- 24,000 sq ft
- Anstee House is located above TGI Fridays opposite the Bentall Centre.

**59 Eden Street**

- Grade C office accommodation
- 3,562sq ft

**19-23 Fife Road**

- Grade C office accommodation
- 3,275 sq ft

	<p><b>River House, 53-57 High Street</b></p> <ul style="list-style-type: none"> <li>• Grade B+ office accommodation</li> <li>• 7,000 sq ft</li> </ul>
	<p><b>Combined House, 15 Wheatfield Way</b></p> <ul style="list-style-type: none"> <li>• Grade B+ office accommodation</li> <li>• 57,473 sq ft</li> <li>• Recently refurbished</li> </ul>
	<p><b>Kingsgate Business Centre, 12-50 Kingsgate Road</b></p> <ul style="list-style-type: none"> <li>• Grade B- office accommodation</li> <li>• 14,446 sq ft</li> </ul>
	<p><b>Forge House, 66 High Street</b></p> <ul style="list-style-type: none"> <li>• Grade B office accommodation</li> <li>• 6,857 sq ft</li> </ul>
	<p><b>55-59 Fife Road,</b></p> <ul style="list-style-type: none"> <li>• 3 floors of offices above commercial premises</li> <li>• 3,495 sq ft</li> </ul>