cargiant

ABOUT CARGIANT BRIEFING SHEET, FEBRUARY 2019

1. Cargiant (CG) was established in 1978.

2. CG has acquired their 47 acre site over 34 years for the establishment of their car plant.

3. The success of the CG business is to have all its various factories – which range in size between 10,000 and 120,000 square feet – located together on one site as all the different processes are interlinked and reliant on each other. If CG fragments its operations it will become unprofitable.

4. The factories range from paint shops to tyre shops, panel beaters, exhausts, windscreens, valet bays, light and heavy engineering, auto electricians, photo studio, plus many more, smaller process departments. There are two sources below which explain more about CG:

   - The Cargiant Book (Cargiant Book.pdf)
   - The Cargiant 'bind the scenes' video (https://www.youtube.com/watch?v=oE8II9OmilA)

5. CG employs over 700 people on site together with a further 1,000 jobs off site relient on the business through its supply chain.

6. When the OPDC was first established under the chairmanship of Sir Ed Lister and the then CEO Victoria Hills, CG was informed them that their site was going to be re zoned from industrial to residential and they should find a partner to build it out or CG faced the threat of CPO.

7. CG are not property developers and want to continue their business. They were forced into the position of 'reluctant developers' purely to ensure that any such development was capable of funding the relocation of their business.

8. Since 2016 CG have employed a professional team lead by London and Regional Properties to bring forward a planning application and the development.

9. The planning application was in a very advanced stage and the negotiations with the OPDC and the GLA were advancing well and CG believed that the scheme was viable. However the change of leadership following the new Mayor of London and the subsequent redrafting of the OPDC's Local Plan has dramatically increased the viability challenges.

10. For example the Cargiant development plans (which can still be viewed at www.oldoakpark.co.uk) were for 6,500 homes where-as the OPDC local plan makes provision for only 5,300 homes, at the same time as setting a strategic target of 50% affordable housing.

11. CG has no site to relocate to. Their relocation site which had started to be assembled in the expectation of being able to achieve a planning permission is no longer available due to the delay of the planning process caused by the OPDC. Any relocation site needs to be in the order of 50 acres and in the local area so that CG can retain its skilled work and long standing customer base. With rising prices for industrial land the cost of assembling such land is rising all the time.

12. The cost of a CPO of CG land and the closing of the CG business will be in excess of £600,000,000.

13. The OPDC have progressed with a HIF bid for £250 million which utlises CG land despite having admitted that they have not even undertaken an assessment of its impact on the CG business.

14. CG has also not seen the viability study of the OPDC scheme and believe the land values within the business plan are outdated and much lower than values are now. Land values have more than doubled in the last few years due to loss of industrial land to residential development and HS2.

For further information contact Jonny Popper, London Communications Agency, 020 7612 8480, 07771-735000, jp@londoncommunications.co.uk