

Employment Land Monitoring Report

July - December 2015

For Information

Introduction

The primary purpose of the half yearly Employment Monitoring Report is to monitor the supply of employment land in the Island arising through the planning system and available to the market. The types of employment land monitored are Offices (use classes 21, 22 and 23), Storage and Distribution (use classes 30 to 36) and Industrial (use classes 37, 38 and 40). From January 2015 industrial use class 40 (special industrial purposes) was included. Whilst it is recognised that other sectors, particularly Retail and the Visitor Economy, make a significant contribution to employment in the Island, they are not currently monitored. However, this monitoring regime will be fully reviewed alongside the Development Plan review to ensure that the policies of the Development Plan are delivering the objectives of the Strategic Land Use Plan.

Two indicators are used:

- Amount of floor space given planning consent during the period
- Amount of floor space being marketed through local property agents during the period

Approvals this period

Between 1st July and 31st December 2015 planning permission has been given for the following net change in floor space:

Use Class	Net change (m ²)	Net change (sqft)
Offices for visiting public (21)	-232	-2497
Other offices (22)	1	-11
Offices for temp relocation in emergency (23)	-300	-3229
General storage (30)	-781	-8407
Refrigerated storage (31)	0	0
Storage of solid fuels, building materials (32)	319	3434
Storage for parking of motor vehicles (33)	199	2142
Transfer of goods or distribution of goods in connection with commercial storage (34)	0	0
Data & Archive Storage (35)	0	0
Storage of hazardous, odorous, putrescible or offensive material (36)	0	0
Light Industry (37)	-200	-2153
General Industry (38)	699	7524
Special industrial (40)	199	2142

Figure 1: Net change in floor space by Use Class granted planning consent between July-December 2015

Source: iLAP

The supply of employment land through the planning system is often irregular, with applications for relatively large floor areas being submitted on an infrequent basis. Data shows that in the second six months of 2015 planning permissions have been granted which would result in a decrease in offices for the visiting public, offices for temporary relocation in an emergency, general storage and light industrial. No change occurred in refrigerated storage, transfer of goods or distribution of goods in connection with commercial storage, data and archive storage and storage of hazardous, odorous, putrescible or offensive material use classes. All other use classes experienced an increase in floor space due to planning permissions granted between July and December.

Overall, the following table indicates, in broad terms, increases and decreases in floor space use granted planning permission over the second half of 2014 and over the first and second halves of 2015:

Use Class		Change over 2 nd half of 2014	Change over 1 st half of 2015	Change over 2 nd half of 2015
Offices for visiting public (21)		↑	↓	↓
Other offices (22)		↑	↓	↑
Offices for temp relocation in emergency (23)		↑	↑	↓
General storage (30)		↓	↓	↓
Refrigerated storage (31)		-	-	-
Storage of solid fuels, building materials (32)		↓	↓	↑
Storage for parking of motor vehicles (33)		↑	↑	↑
Transfer of goods or distribution of goods in connection with commercial storage (34)		↓	↓	-
Data & Archive Storage (35)		↓	↑	-
Storage of hazardous, odorous, putrescible or offensive material (36)		-	↑	-
Light Industry (37)		↓	↓	↓
General Industry (38)		↑	↑	↑
Special Industrial (40)		N/A	-	↑

Figure 2: Change in floor space use granted planning permission

Source: iLAP

The above figures should be taken as a snapshot in time. Analysis of changes over a longer period of time will give a more accurate picture of trends.

Key Industrial Areas

- Planning permission was granted at Bulwer Avenue, St Sampson's, for change of use from storage & distribution use class 30 to a range of other storage and industrial use classes.
- A planning permission was granted at Pitronnerie Road for change of use from disaster recovery to light industrial use class 37.

Central Areas

- In Town, a number of changes of use were granted permission including for the 2nd floor of 1 Church Square from administrative, financial and professional services to retail storage and ancillary office.
- Change of use was granted for 37 High Street from retail to cafe and administrative, financial and professional services.
- Change of use was granted for 10 Le Pollet & 5 Smith Street from retail to mixed use with retail and administrative, financial and professional services.
- Change of use was granted for 21 Smith Street from estate agent to mixed use facility comprising booking/administration office and an office.
- Planning permission was granted for 2 Forest Lane to change use and convert an office to two flats.
- Change of use was granted for the 2nd floor of 1 High Street, on appeal, from Use Class 21 to 22 (offices for visiting members of the public to an administrative office).
- Change of use was granted for the 1st floor offices of 15 North Plantation to a betting office.
- On South Side, St Sampson's, permission was granted to convert an office into 2 units of residential accommodation.

Elsewhere

- In St Martin, change of use was granted for the 1st floor of Unit 3 Les Caches Business Park from part telecommunications data centre to storage with ancillary workshop and office.
- Also in St Martin, change of use was granted for a building at Les Huriaux Farm Complex from storage and distribution to Funeral Director's premises.
- In Forest, at Homefield Rue De L'Epinel, change of use was granted for part of the building from light industry to general industrial for mechanical service and car body repairs.
- In St. Pierre Du Bois, Unit 7 Rocquaine Industrial Centre received permission to change use from light industrial to general industrial as a vehicle body spray shop.
- Planning permission was granted for Ridgeway Vinery St. Andrew to increase the footprint of a replacement workshop previously approved.

Snapshot of available premises December 2015

The Department reviews properties being marketed for rent or sale by the Island's biggest estate agents recording the floor space available, the type of premises, length of time on the market and price (where available).

Offices

Overview

124 office premises were available to let in December 2015, a total area of 25,600m² (275,561 sq ft). The level of availability represents 9.4% of the total stock of 273,099m² (2,939,610 sq ft), which shows healthy headroom in the market. The vast majority of those are small premises, with 77% being less than 250m² with a further 14% being 500m² or under. The amount of office space being marketed for let is up 12.1% from June 2015, when there was 22,831m² (245,758 sq ft) available. There are currently 10 office premises being marketed for sale with a total area of 13,698m² (147,454 sq ft), 8 of these are refurbished historic buildings and 7 have been on the market for 6 months or more.

Length of time on the market (to let)

Research suggests that properties are spending more time on the market compared to previous years, with 95 of the 124 premises having been on the market for 6 months or more.

Take up

19 premises comprising a total of 2,370m² (25,512 sq ft) have been taken up (or ceased being marketed) since June 2015. This suggests a slower take up activity compared to that of June 2015 where 25 premises were taken up and left the market.

Industry and Storage

Overview

51 industrial, storage and data centre premises were available to let in December 2015, a total area of 25,999m² (279,859 sq ft) representing a decrease of 10,697m² (115,141 sq ft) since June 2015. 76% (19,765m² or 212,760 sq ft) of this space is available for storage and distribution¹, indicating there is still an oversupply in this sector largely due to the loss of LVCR. The level of availability in storage premises has fallen by 4%; 11% of the Island's total stock of 184,658m² (1,987,637 sq ft) is currently available to let. This take up of premises may indicate that the market is beginning to stabilise after the loss of LVCR but further monitoring is required to assess the trend. The available level of industrial premises is 2.7% (6,233m² or 67,099 sq ft) of the total stock of 234,514m² (2,524,285 sq ft), continuing a trend of a tight market for this use compared to other jurisdictions.

¹ Use Classes 30, 31, 32, 34, excluding data centres

Hull	June 2014	12.2%
Harrogate	June 2015	5%
Basingstoke and Deane	May 2015	8%

This, however, is not a concern in the overall context of managing transition in this sector and a forecasted future decline as identified in the Employment Land Study 2014.

Location

Key Industrial Areas (KIA)

9 premises are available on the Pitronnerie Road Industrial Estate, St Peter Port. This space equates to 5,583m² (57,940 sq ft). 5 of these premises have been on the market for more than a year.

There are 3 premises being marketed at Braye Road Industrial Estate, Vale (1,362m² or 14,660 sq ft).

There remains a cluster of large storage buildings being marketed in the Longue Hougue Lane/Bulwer Avenue area in St Sampson's (1,950m² or 20,990 sq ft).

A light industrial unit of 471m² (5,070 sq ft) on Northside has come on to the market. A storage warehouse of 565m² (6,081 sq ft) remains on the market.

Urban sites, outside the KIAs

There are 2 premises being marketed for storage use in Dyson's Quarry, St Sampson's (173m² or 1,868 sq ft).

The former post office at Sir John Leale House, St Peter Port is still being marketed for a variety of uses (4,527m² or 48,732 sq ft).

Rural sites

There is 1 industrial unit being marketed at Les Caches, St Martin's, down from 10 in June 2015 (235m² or 2,534 sq ft).

There are 2 industrial units being marketed at Garenne Park, Vale & St Sampson's (774m² or 8,333 sq ft).

There are 3 storage units being marketed at Landes Du Marche (1,503m² or 16,180 sq ft).

There are 3 light industrial units being marketed at Clos de Salle, Castel (556m² or 5,980 sq ft).

There are 2 light industrial units being marketed at Barras Lane Industrial Estate, Vale (478m² or 5,144 sq ft).

There are 2 light industrial units being marketed at Rocquaine Industrial Centre, St Pierre Du Bois (324m² or 3,486 sq ft).

Elsewhere there are 19 storage units and 6 industrial units being marketed.

Length of time on the market (properties to let only)

10 premises have been on the market for over 18 months.

15 premises have been on the market for between 1 year and 18 months.

11 premises have been on the market for between 6 months and 1 year.

15 premises have been on the market for up to 6 months.

Take up

There has been some change in the market in the last six months with 32 premises, a total of 19,464m² (209,512 sq ft), being taken up (or ceased being marketed) since June 2015. 10,798m² (116,232 sq ft) of this was storage premises. The remainder of the take up was industrial units.