



Employment Land Monitoring Report

July -December 2016

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. From 2nd November 2016, the Island Development Plan (IDP) was adopted by the States of Guernsey, replacing the previous Development Plans for the Island (RAP & UAP). As such the information contained in this report covers permissions granted under both the RAP & UAP and subsequently the Island Development Plan. Going forward, as part of the monitoring requirements of the IDP, there will be a broader monitoring framework which will take into account the above sectors and further sectors of the economy to ensure that the current planning policies are delivering the objectives of the Strategic Land Use Plan, 2011.

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 30th December 2016 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)	-182	-1959
Other offices (22)	308	3315
Offices for temp relocation in emergency (23)	0	0
General storage (30)	-100	-1076
Refrigerated storage (31)	0	0
Storage of solid fuels, building materials (32)	0	0
Storage for parking of motor vehicles (33)	0	0
Transfer of goods or distribution of goods in connection with commercial storage (34)	-687	-7395
Data & Archive Storage (35)	0	0
Storage of hazardous, odorous, putrescible or offensive material (36)	0	0
Light Industry (37)	-10	-108
General Industry (38)	65	700
Special industrial (40)	0	0

Figure 1: Net change in floor space by Use Class granted planning consent between July-December 2016

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 last six months of 2016 planning permissions have been granted which would result in a decrease in offices for the visiting public, general storage, transfer of goods or distribution of goods in connection with commercial storage and light



industry. Other offices and general industrial experienced an increase in floor space due to planning permissions granted between July and December 2016. All other uses experienced no net change in floorspace.

Overall, the following table indicates, in broad terms, increases and decreases in floor space use granted planning permission over the first and second halves of 2015 and over the first and second halves of 2016:

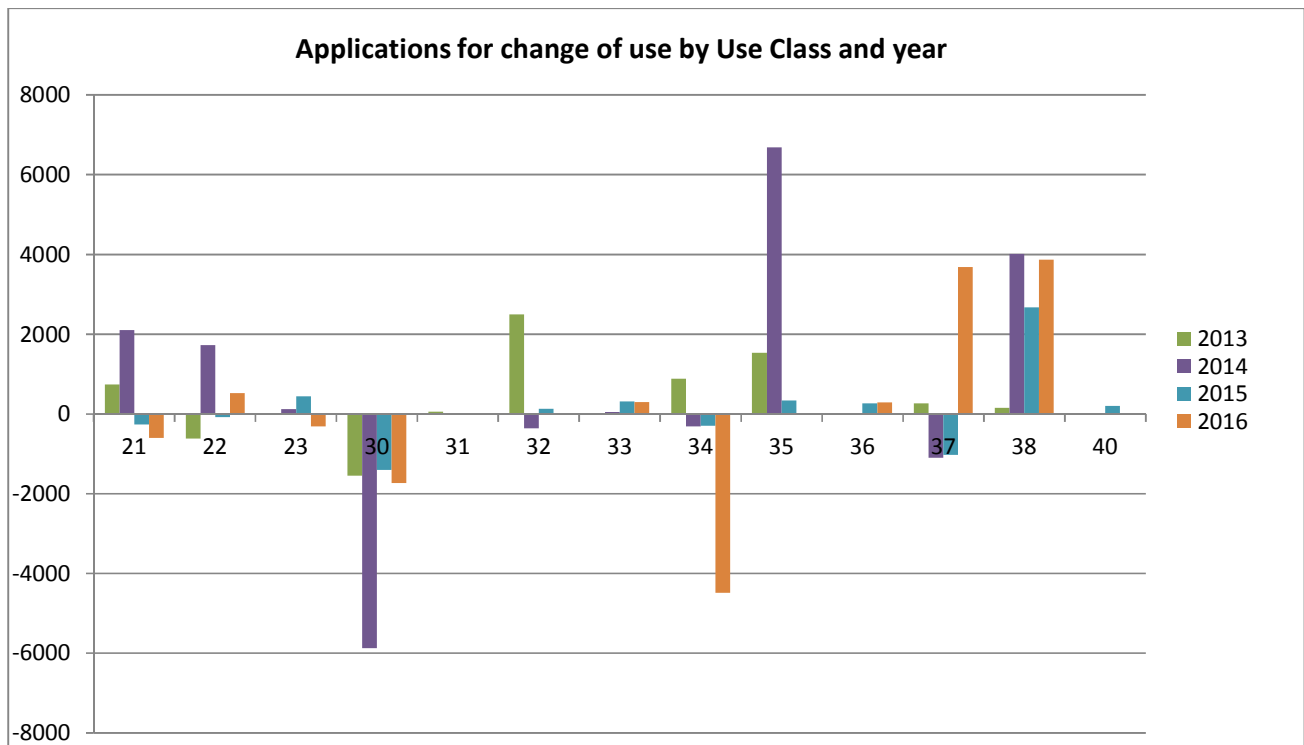
Use Class	Change over 1 st half of 2015	Change over 2 nd half of 2015	Change over 1 st half of 2016	Change over 2 nd half of 2016
Offices for visiting public (21)	↓	↓	↓	↓
Other offices (22)	↓	↓	↑	↑
Offices for temp relocation in emergency (23)	↑	↓	↓	-
General storage (30)	↓	↓	↓	↓
Refrigerated storage (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)	-	↑	-	-

Figure 2: Change in floor space use granted planning permission

Source: iLAP

As stated above, the supply of employment land through the planning system is often irregular. However the table above can help to highlight potential trends which may occur in terms of loss or gain in floor space per use class over an extended period. For example, it appears that the amount of refrigerated storage, (use class 31) and the amount of specialist industry (use class 40) is consistent with demand as there has been little to no change in the amount of available space.

The above figures should be taken as a snapshot in time. Analysis of changes over the last four years can be found in the chart below.



Analysis of 2016's data

Use class 31 and use class 40 have shown no change over the course of 2016, suggesting that demand for premises in these sectors is being met.

General storage, use class 30, on the other hand shows a continuing decline in the amount of m² floorspace as a result of planning permissions granted. This suggests that there could be an oversupply of floor space in this category.

Data and archive storage, use class 35 has seen no changes to the m² in 2016. This levelling out suggests that, after a period of growth there is currently sufficient floor space for this use class.

Light industrial, use class 37 and general industrial, use class 38, saw an increase in floor space granted through planning permissions in the first half of 2016 which could indicate a demand for more premises of this type compared to recent years. During the second half of 2016 the floor space remained almost the same, with a reduction of just 10m² for light industrial and an increase of 65 m² for general industrial which suggests a levelling in demand for these use classes.

Other offices, use class 22, saw the largest rise in net floor area granted planning permission compared to all other uses in the second half of 2016. Whilst this figure does not denote a significant change in net floor space, it does suggest that there is an increase in demand for office space.

Transfer of goods or distribution of goods in connection with commercial storage, use class 34, has seen a steep decline in net floor space, which is in line with the trends from the first half of 2016 which suggests there is a significant reduction in demand for this type of premises.

Overall most of the losses are being counter balanced by the gain of floor space in other employment related use classes. This and the approval of planning applications regarding new employment uses is helping to provide a steady rise in the supply of employment land and premises.



Key Industrial Areas:

Permission was granted for Change of use from use class 34 to use class 38, resulting in a change in floorspace of 687m², at Lordes House, Route De La Garenne, Pitronnerie Road, St Peter Port.

Main Centre Outer and Inner area (not including Key Industrial Areas)

Permission was granted for change of use from office, use class 22, to dental surgery, use class 24 for Roseneath Dental Practice, 19 Le Pollet, St Peter Port.

Change of use of ground floor from office, use class 21, to retail use was granted at 3 Millgate Mews, Mansell Court, St Peter Port. (250m²)

Change of use from use class 22 to residential was permitted for Esplanade House, 29 Gategny Esplanade, St Peter Port.

Change of storage building, use class 30, to residential was granted for Le Grenier, Rohais, St Peter Port.

Change of use was granted for part of the ground floor from industrial/storage to office to allow first floor office accommodation to be used as independent offices not incidental and ancillary to the authorised use of the Energy Centre, Le Bouet, Admiral Park, St Peter Port, use class 22 (525m²)

Permission was granted at Le Foulon Farm, Le Foulon, St Peter Port, to convert existing offices, use class 22, to residential.

Local Centres

Change of use was granted at Lifestyle house, L'Islet Place, Les Tracheries Road, St Sampson, from retail to use class 21. (L'islet Local Centre)

Outside of Centres

Permission was granted for a site in Torteval, Route De Pleinmont, Torteval, for change from use class 38 to residential

Change of use from agriculture (use class 44) to storage and distribution, use class 30, was granted for a site in St Sampson; Falklands, Roncefer Road, St Sampson

Change of use was granted at Rue De La Hougue Bachele, St Savior from use class 37, light industrial to use class 30, storage and distribution

Permission was granted for an extension of an existing workshop, use class 37, for Auto Collision Repairs, San Miguel, Route De La Foret, St Martin,

Permission for change of use from office for visiting members of the public, use class 21, to general office, use class 22 was granted at Richmond Court, Rue De La Maladerie, St Saviour.



The Planning Service 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

113 office premises were available to let in January 2017, a total area of 21,619m² (232,705 sq ft). The level of availability represents 8.5% of the total stock of 254,176m² (2,735,928 sq ft). While this still shows headroom in the market, it represents a small increase from June 2016. The vast majority of those are small premises with 79% being less than 250m² with a further 12% being 500m² or under. The amount of office space being available to let is also down by 6.3% from June 2016 when there was 22,981 m² (247,365sq ft) available. There are few larger scale units being offered for rent. However, it is noted that the Island Development Plan indicates an office expansion area at Admiral Park which would accommodate large floor plate offices and the majority of the forecasted demand for offices over the next 10 years.

There are currently 10 office premises being marketed for sale with a total area of 2,209m² (23,777sq ft plus one property with no disclosed floor area). Of these premises, 4 are refurbished historic buildings and 7 have been on the market for 6 months or more. 8 of the 10 premises for sale are less than 250m², with one premises being 500m² or under and one premises over 500m². The sizes of premises for sale reflect the trends seen in the rental market.

Length of time on the market (to let)

Research suggests that properties are spending more time on the market compared to previous years with 83 out of the 113 premises having been on the market for 6 months or more.

Take up

29 premises comprising a total of 5,927m² (63,798sq ft) have been taken up (or ceased being marketed) since June 2016. 10 of these premises were on the market for 12 months or less. This shows a clear decrease in activity in this market to that of June 2016 where 42 premises were taken up or left the market. 18 of these premises are under 250m², 8 under 500m² and 2 premises were over 500m² there was one premises with no floor size information.

Industry and Storage

Overview

46 industrial, storage and data centre premises were available to let in January 2017, a total area of 20,475m² (220,395sq ft) representing an increase in number of premises but a decrease in overall floor area by 167m² (1,798sq ft) since June 2016. 77% (15,894m² or 171,085sq ft) of this space is available for storage and distribution,¹ indicating there is still an oversupply in this sector largely due to the loss of LVCR. The level of availability to let in storage premises has fallen by 12%; 8% of the Island's total stock of 181,422m² (1,952,810sq ft) is currently available to let, suggesting the market may be beginning to stabilise after the loss of LVCR but further monitoring is required to assess the trend. The available level of industrial premises to let is 1.9% (4,240m² or 45,641sq ft) of the total stock of

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



218,080m² (2,347,394sq ft), continuing a trend of a tight market for this use compared to other jurisdictions. However the policies of the Island Development Plan now generally support the principle of change of use between storage and industry to ensure flexibility and to accommodate market demand.

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

6 premises are available to let on Pitronnerie Road, St Peter Port, of these 2 sites are located within Pitronnerie Road Industrial Estate, totalling 481m² (5,171sq ft) of industrial use. One development at Pitronnerie Road (NE) New is for 692m² (7,447sq ft) of industry which has been on the market since July 2015. At Pitronnerie Road (NE) Old 1,236m² (13,306sq ft) is available for storage use which has been advertised since December 2013. There is 334m² (3,590sqft) of storage at Caslon Court, Pitronnerie Road which has been on the market since December 2015, and a further 76m² (820sq ft) of storage at Nelson House, Pirtonnerie Road, which has been on the market for less than 6 months.

There are two units at Northside, Vale to let. Unit 5a/b has been on the market for less than 6 months, and offers 492m² (3,500sq ft) of industrial use and Unit 3, which has been advertised since December 2015, is for 565m² (6,081sq ft) of storage.

5 Bromley House, Bulwer Avenue, St Sampsons has been on the market for less than 6 months and is 72m² (767sq ft) of storage. Unit 4, Braye Road St Sampsons is available for storage use and has been advertised since July 2015, this is for 448m² (4,818sq ft). 289m² (3,106sq ft) of industrial space is available at The Yard, Le Hue Mare, Vale, and has been on the market since July 2015.

Over the year, there hasn't been much change in the Key Industrial Areas.

Main Centre Inner Area

There are three storage units for rent at the Dyson Quarry Complex, South Side, St Sampson. Unit 2 has been on the market since July 2016, and offers 75m² (812sq ft) of storage space. The remaining two units have been on the market for less than 6 months. Unit 1 is 93m² (1,002sq ft) and Unit 4 is 80m² (866sq ft)

Unit 1, Ocean Yard, Longue Houge, St Sampson, has been on the market since December 2015 and is 765m² (8,235sq ft) of storage. There is 80m² (859sq ft) available storage at Tower Hill House, Le Bordage, St Peter Port, which has been marketed since July 2012, in addition there is a storage unit at Best Complex, Ruelle Brayes, St Peter Port for 56m² (600sq ft) of storage which has been advertised for less than 6 months.

There is an undisclosed 1,141m² (12,279sq ft) of industrial space within St Peter Port for sale in the Main Centre Inner Area which has recently come onto the market.

Main Centre Outer Area (excluding Key Industrial Areas)



There are 4 sites available to let at Collings road, St Peter Port, offering 895m² (9,635sq ft) of storage and 39m² (422sq ft) industrial, which have all been on the market since July 2016.

There are two sites at the Le Bouet, St Peter Port, Jamaica Hall, which is 423m² (4550sqft) of industrial space and has been on the market since December 2015. Carfo Storage is 97m² (1048sqft) of storage space and has been on the market for less than 6 months.

There are 6 additional storage sites, Unit 4, Boullion lane, St Peter Port, is new to the market and offers 138m² (1484sqft) of storage space. The former post office at Sir John Leale House, St Peter Port is still being marketed as a variety of uses, 4,527m² (48,732sq ft) and has been since December 2012

Two warehouses for storage are being advertised at Rouge Rue, St Peter Port, for 417m² (4,486sq ft) which have been on the market since July 2014. There is another storage warehouse unit advertised at St George's Complex, St Peter Port, for 401m² (4,312sq ft) which has been available since December 2015.

Harbour Court, Les Amballes, St Peter Port has been on the market since December 2012 and is for 46m² (500sqft) of storage space. Rouge Huis Workshop, Rouge Huis Avenue, St Peter Port is advertised as 200m² (2,150sqft) of storage which has been advertised since July 2016. Le Grenier, Rohais Store, St Peter Port offers 135m² (1,455sqft) Storage, which has been marketed since July 2015.

There is an increase in available premises to let located in the Main Centre Inner Areas and Main Centre Outer Areas, which could be due to a change in the market as well as a spatial change following the adoption of the IDP (2016).

Airport land

There is one warehouse available to let within the designation of 'airport land' as given under the IDP (2016), Le Bourg Warehouse, Forest. A total of 405 m² (4,359sqft) of storage is available, which has been on the market since July 2015.

Local Centres

Cobo Local Centre

There are 3 units within the Cobo Local Centre, all at the same site at Clos de Salle. One unit is for sale which is 136m². The total area available in Cobo Local Centre is 587m²

There are no other premises available within Local Centres.

Outside of Centres

A total of 13 sites to let are located Outside of the Centres. There are 3 units at Landes du Marche, Vale, for a total of 1,503m² (16,180sqft) of storage space, which have been advertised since December 2014. There are two separate listings for units at Barras Lane Industrial Estate, Vale, one of which is for units 2, 3 & 4 totalling 891m² (9,594sqft) and 187m² (2012sqft) of industry. Both listings have been advertised for less than 6 months.

There is 470m² (5,068sq ft) of industrial space at les Caches Business Park, St Martins, Unit 1 has been on the market since July 2015, Unit 5 has been available since July 2016. Unit C, Les Huiraux Farm, St Martins has been on the market since July 2015, and offers 384m² (4,134sqft) of storage space.

Homefield, La Rue de L'Epinel, Forest is 929m² (10,000sqft) of storage which has been on the market for less than 6 months. Rosalyn Store, Longue Rue, St Sampson has been advertised since December 2015 as 186m² (2000sqft) of storage space.



There is 118m² (1,271sqft) of industrial space at Cachette House, Garenne Park, St Sampson, which has been advertised since July 2014. Also at Garenne Park is Nashua House, which is 344m² (3,698sqft) of industrial space which has been advertised since December 2014. La Cherverie Rue, Castel is new to market and is 180m² (1,936sqft) of industrial space.

Length of time on the market to let

13 premises have been on the market for up to 6 months (new in January 2017) 5 of which are industrial uses.
7 premises have been on the market for between 6 months and 1 year (December 2015 – January 2017) 2 of which are industrial uses.

13 premises have been on the market for between 1 year and 18 months (July 2015 – December 2015) 5 of which are industrial uses.

13 premises have been on the market for over 18 months (before July 2015) 4 of which are industrial uses.

Take up

A total of 5,352m² (57,613sqft) has been taken up (or ceased being marketed) since July 2016. 4,039m² (43,477sqft) of this was storage premises. The remainder of the take up was for industrial units (1,313m² or 14,136sqft), highlighting a high demand for storage premises. This is in contrast to the report from July 2016, when the majority of sites being taken up were industrial premises. This shows a fluctuation between markets throughout 2016.