

Employment Land Monitoring Report

January - June 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 January and 30th June 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)	-31	-334
Other offices (22)	-76	-818
Offices for temp relocation in emergency (23)	745	8,019
General storage (30)	-621	-6,684
Refrigerated storage (31)	0	0
Storage of solid fuels, building materials (32)	-190	-2,045
Storage for parking of motor vehicles (33)	117	1,259
Transfer of goods or distribution of goods in connection with commercial storage (34)	-295	-3,175
Data & Archive Storage (35)	340	3,659
Storage of hazardous, odorous, putrescible or offensive material (36)	260	2,798
Light Industry (37)	-826	-8,890
General Industry (38)	1981	21,323
Special industrial (40)	0	0

Figure 1: Net change in floor space by Use Class granted planning consent between Jan-June 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 first six months of 2015 planning permissions have been granted which would result in a decrease in offices for the visiting public, other offices, general storage, storage of solid fuels, building materials, transfer or distribution of goods in connection with commercial storage and light industrial. No change occurred in refrigerated storage or special industrial use classes. All other use classes experienced an increase in floor space due to planning permissions granted between January and June.

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

Use Class	Change over 2014	Change over 2 nd half of 2014	Change over 1 st 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	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 industrial use class 38.
- Two planning permissions were granted at Pitronnerie Road one for the demolition of an existing warehouse to create two separate units and the other to erect a new industrial building comprising of 4 units.

Central Areas

- Change of use was granted for 38 Mill Street from retail use class 14, to an administrative, financial and professional office.
- Change of use was granted for 16 Le Bordage St. Peter Port, from first floor offices into residential accommodation.
- Planning permission was granted for two applications for Telecoms House, St. Peter Port, allowing change of use to use class 21 and 22, or use class 23 (all of which are office class uses).

Elsewhere

- Jacksons Garage, Rue Des Landes was granted permission to change first floor office space into parts and archive storage.
- Change of use for outbuildings at Passiflora Vinery was granted to Bean 14 for the storage and preparation of coffee.
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- Permission was granted at Ridgeway Vinery, St Andrews to demolish and erect a workshop to the rear of the site.
- The demolition of a light industrial shed with a four unit replacement was granted permission at Guernsey Vending Ltd, Clos De Salle, Castel.
- Planning permission was granted at Innsbruck, Route Du Camp Du Roi, Vale to convert an existing workshop into a dwelling house.
- Change of use was granted at Conway, Bailiff's Cross from a domestic garage to a tool repair business.
- A site off Rue De La Mare, St Sampsons was granted permission to demolish an industrial unit and erect two dwellings.

Snapshot of available premises June 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

111 office premises were available to let in July 2015, a total area of 22,831m² (245,758 sq ft). The level of availability represents 8.4% of the total stock of 270,887m² (2,915,803 sq ft), which shows healthy headroom in the market. 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 marketed for let is down 1.3% from December 2014, when there was 23,133m² (249,007 sq ft) available. There are currently 9 office premises being marketed for sale, 6 of these are refurbished historic buildings and all 9 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 84 of the 111 premises having been on the market for 6 months or more.

Take up

25 premises comprising a total of 4,824m² (51,924 sq ft) have been taken up (or ceased being marketed) since December 2014. This suggests a similar if slightly slower take up activity compared to that of December 2014 where 28 premises were taken up and left the market.

Industry and Storage

Overview

60 industrial, storage and data centre premises were available to let in July 2015, a total area of 36,696m² (395,008 sq ft) representing an increase of 3,334m² (35,894 sq ft) since December 2015. 77% (28,258m² or 304,181 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 is still rising; 15% of the Island's total stock of 185,184m² (1,993,304 sq ft) is currently vacant. This take up of premises suggests that the market is still not stabilising after the loss of LVCR. The availability level of industrial premises is 3.6% (8,438m² or 90,827 sq ft) of the total stock of 236,021m² (2,540,508 sq ft), continuing a trend of a tight market for this use compared to other jurisdictions.

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

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

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)

All 9 premises available on the Pitronnerie Road Industrial Estate, St Peter Port in December 2014 are still being marketed. This space equates to 251m², two 334m², 401m², 636m², 1,057m², 1,236m², 1,317m² and 1,551m² (2,700 sq ft, two 3,590 sq ft, 4,313 sq ft, 6,846 sq ft, 11,380 sq ft, 13,306 sq ft, 14,175 sq ft and 16,700 sq ft). One of these properties (1,317m², 14,175 sq ft) is for sale and to let.

There are 3 premises being marketed at Braye Road Industrial Estate, Vale.

There remains a cluster of large storage buildings being marketed in the Longue Hougue Lane/Bulwer Avenue area in St Sampson's.

2 storage premises on Northside remain on the market. One of 565m² (6,081 sq ft) and the other at 353m² (3,800 sq ft).

Urban sites, outside the KIAs

There are 3 premises being marketed for storage use in Dyson's Quarry, St Sampson's.

The former post office at Sir John Leale House, St Peter Port is still being marketed as a storage unit.

Rural sites

There are 10 industrial units being marketed at Les Caches, St Martin's.

There are 2 industrial units being marketed at Garenne Park, Vale & St Sampson's.

There are 3 storage units being marketed at Landes Du Marche.

Elsewhere there are 5 storage units and 5 industrial units being marketed.

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

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

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

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

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

Take up

Little change in the market has taken place in the last six months with only 10 premises, a total of 4,995m² (53,764 sq ft), being taken up (or ceased being marketed) since December 2014. 2,063m² (22,209 sq ft) of this was storage premises. One data centre consisting of 1,317m² (14,175 sq ft) was also taken up. The remainder of the take up was industrial units.