

Report of the Chief Executive

**OCCUPANCY OF MAIN EMPLOYMENT SITES AND BUSINESS SURVEYS
UPDATE**1. Purpose of report

To update members on the occupancy rates of key employment sites, including Beeston, Eastwood, Kimberley and Stapleford Town Centres. Additionally, to share updated business survey results gained following data capture visits to these sites.

2. Background

Following the need to compile an up to date inventory of business uses in Broxtowe, which was discussed at Jobs and Economy Committee on 14th September 2017, it was later agreed at the January 2018 committee that the Economic Regeneration Team report bi-annually on the Borough's main employment sites including their occupancy, where new figures became available.

The team have since carried out further site visits and produced a specific Stapleford Town Centre updating report, which was included into the work programme for the July 2018 committee.

The results of these investigations are included at the appendix.

Recommendation

The Committee is asked to NOTE the report.

Background papers

Nil

APPENDIX

Main sites in the Borough for employment

The 40 sites that are visited as part of our employment site monitoring are:

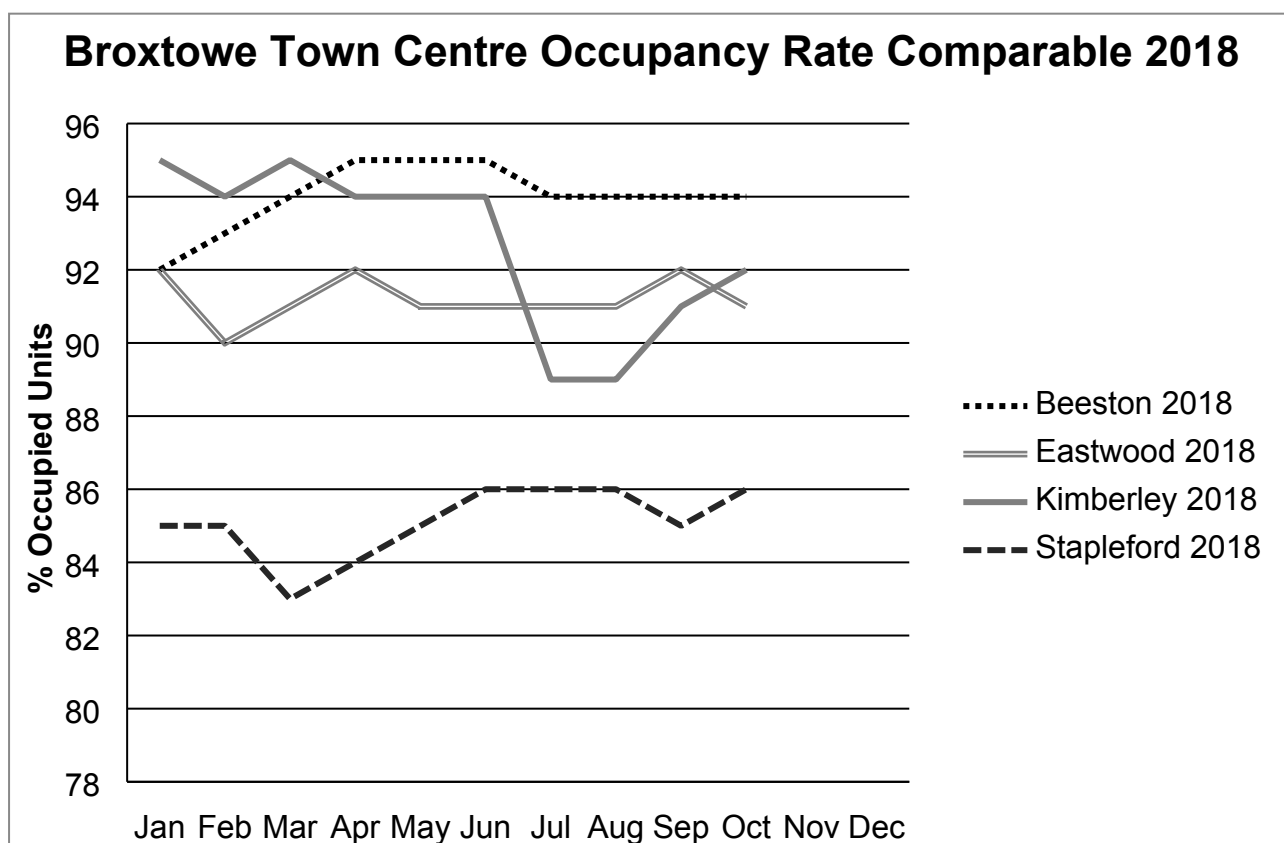
Eldon Road - Attenborough	Robinettes Lane - Cossall
Gin Close Way - Awsworth	Engine Lane - Eastwood
Barrydale Avenue - Beeston	Farrington Way - Eastwood
Beeston Business Park – Beeston	Mushroom Farm - Eastwood
Boulevard Ind Park – Beeston	Newmaleys Road - Eastwood
Evelyn Street - Beeston	Birch Park - Giltbrook
Lilac Grove – Beeston	Giltbrook Industrial Estate
Lower Regent/King St – Beeston	Giltbrook Retail Park
Medicity Boots - Beeston	Amber Trading Estate – Kimberley
Nether Street – Beeston	Home Farm - Nuthall
The Poplars - Beeston	Phoenix Park – Nuthall
Balloon Woods Ind Est - Bramcote	Bessell Lane – Stapleford
Sidings Lane – Bramcote	Hickings Lane - Stapleford
Bye Pass Road - Chilwell	New Road Ind Est - Stapleford
Chetwynd Business Park- Chilwell	Pasture Road - Stapleford
Chilwell Meadows - Chilwell	Wellington Street - Stapleford
Chilwell Retail Park - Chilwell	Strelley Hall, Strelley
Holly Lane - Chilwell	Eagle Mill - Trowell
Nottingham Road - Chilwell	Trowell Ind Est - Trowell
Cossall Ind Est – Cossall	Main Road - Watnall

The current response rate to the business surveys stands at 35% of all businesses visited, which is a 12% increase from the previous update. The Economic Regeneration team will continue to visit these sites quarterly and persevere with the non-respondents in order to try and improve on this figure overtime.

The team carried out further site visits during September and will report on these updated figures at the committee in January 2019, as originally scheduled.

Current Occupancy Figures**Town Centres**

The national occupancy benchmark remains at 90.4%. This is measured once a quarter by Springboard and was updated in October 2018. All local data is based on Town Centre occupancy checks undertaken on 16 October. The average Town Centre occupancy in Broxtowe is also 90%, in line with the national average.



Beeston is currently at 94% occupancy. Of the remaining empty units in Beeston 7 are located within prime frontage areas and are yet to be considered long term voids, 1 of which only becoming vacant in September.

The table below provides an overview of the vacant GF retail capable properties and any progress notes.

Address	Former Use	Progress Notes	Info obtained
18 Wollaton Road	Time for Tea	Property is currently being marketing by CP Walker and has been vacant for 11 months. No further progress to report. Property not located within prime frontage area.	Site Visit
72 Wollaton Road	Total Fitness	The freehold interest was recently sold by agents FHP after Total Fitness went into liquidation with the GF vacant since January 2018. Following the sale, it is hoped the GF will see a new tenant and in the interim a portion of the first floor has now been	Site Visit

		<p>let to a legal firm.</p> <p>Unit is now being marketed by agents CPA & Associates, to LET £17,500p/a</p> <p>Property not located within prime frontage area.</p>	
3 Villa Street	Bob Howson Garage Services	<p>This property has seen the transfer of its freehold multiple times, with no business operating since the closure of the garage.</p> <p>Planning application received in Jun '18 to construct 19 flats and 2 maisonettes following demolition of existing building (this includes the neighbouring gym, converted from snooker hall) Ref 18/00422/FUL.</p> <p>There isn't likely to be a detrimental effect to the viability of Beeston Town Centre by losing this commercial floor space, in the event the site receives permission for residential redevelopment. There is currently enough capacity, with more prominent frontages, across a mix of use classes, to accommodate new business in the area.</p> <p>Property not located on prime frontage area.</p>	Site Visit
8 The Square	Nationwide	<p>Planning permission was received Nov '18 for Change of use from building society (Class A2) to cafe / restaurant (Class A3). Ref 18/00663/FUL. This will allow Costa to expand their neighbouring unit into number 8.</p> <p>This property is located within the prime frontage area.</p>	Site Visit, Landlord Update
61 High Road	R.O.K Jewellery	<p>The freehold for this property is for SALE with Ewe Move estate agents. It has been vacant for 16 months.</p> <p>No further progress to report.</p> <p>This property is located within the prime frontage area</p>	Site Visit

69 High Road	Grainger Games	<p>This unit is listed for SALE (individually or as part of larger commercial property incorporating the neighbouring unit) and to LET, with agents FHP.</p> <p>This unit has been on the open market since Grainger Games went into administration, closing 67 stores across the UK in May 2018.</p> <p>No further progress to report.</p> <p>This property is located within the prime frontage area</p>	Site Visit
71 High Road	Poundmart	<p>This unit is listed for SALE (individually or as part of larger commercial property incorporating the neighbouring unit) and to LET, with agents FHP.</p> <p>This unit became vacant in Jul 2018.</p> <p>No further progress to report.</p> <p>This property is located within the prime frontage area</p>	Site Visit
33 High Road	Bon Marche	<p>Planning permission was received in Oct '18 for new illuminated signage for new tenants 'Savers'. Ref 18/00610/ADV.</p> <p>Internal works are ongoing, with opening due in late November.</p> <p>This property is located within the prime frontage area</p>	Site Visit, Agent Update
45 High Road	Dianes Cabin	<p>Not yet considered a long term void, and with the close proximity to the former Bon Marche (soon to be Savers) and the decision by 'New Look' to renew their lease, it is fair to assume this will be let fairly quickly. At the very least, the arrival of 'Savers', who could be considered an anchor will improve the prospects of a lease being agreed from Q4 2018.</p> <p>Unit is being marketed by agents Marriots to LET, £19,000 p/a.</p> <p>This property is located within the prime frontage area</p>	Site Visit

124 High Road	Oriental Fast Food	No agent or marketing details on display, however internal works observed on site visits. No further progress to report. Property not located on prime frontage area.	Site Visit
Union Street	Highclere Interiors	It is believed this business went into liquidation. At present there are no agent or marketing details for the unit. No further progress to report. Property not located on prime frontage area.	Site Visit
40 High Road	Thorntons	Property is currently being marketed by CP Walker to LET, £19,500 p/a and has been vacant since September 2018. There is currently temporary use at this unit, as a pop-up shop for local groups. This property is located within prime frontage area.	Site Visit

Stapleford is currently at 86% occupancy. The table below provides an overview of the vacant GF retail capable properties and any progress notes. These are in addition to any detail provided in the Stapleford Town Centre report, which was presented at the previous Jobs and Economy committee in July.

Address	Former Use	Progress Notes	Info obtained
96 Derby Road	Better Living Pharmacy	Agent informed unit is under offer, subject to the interested party obtaining a change of use. Planning application received in Oct '18 for change of use from shop (Class A1) to a ballet school (Class D2). Ref 18/00709/FUL. Property is marketed by local agents Robert Ellis, To LET for £13,500 p/a. Property not located within prime frontage area.	Site Visit, Agent instructed

157 Derby Road	Stapleford Motor Spares	<p>The freehold for this property is still currently under offer, with the sale in very final stages, however previously delayed due to minor legal complications.</p> <p>As suggested in the previous update, it is thought a new owner will explore the option to convert the 1st floor to residential, due to the off street parking provision and bring the GF back into retail use, on completion.</p> <p>Property not located within prime frontage area.</p>	Agent instructed on sale
Derby Road	Wilko	<p>Conditional permission was received in Aug '18 to change the units use from retail (Class A1) to a hot food takeaway (Class A5). Ref 18/00356/FUL.</p> <p>Works are still taking place to prepare for move-in of Domino's Pizza. It is likely this will be recorded as occupied in the Nov '18 check.</p> <p>Property not located within prime frontage area.</p>	Agent Update, Site Visit
13 Nottingham Road	Jessica's Hair Design	<p>Vacant since August 2018. No further works observed, but not yet considered a long term void.</p> <p>Property not located within prime frontage area.</p>	Site Visit
42 Derby Road	Hartland NG9	<p>Agent informs that the previous tenant has multiple arms to their business and made the decision to focus on their core operations elsewhere. Unit is still under lease, however freeholder has now agreed to instruct local agents Robert Ellis, who are able to negotiate a new lease with any interested parties. Owing to the spec and inbuilt fixtures, cold store etc. the agent has advised they will likely explore similar uses to butchers before opening search to wider A1 retail.</p> <p>This property is located within the prime frontage area</p>	Site Visit, Agent Update
82 Derby Road	Ocean City Recruitment	<p>Vacant since September 2018. It is believed the company has gone into administration. Preliminary works observed internally, but no contact made with building owner.</p> <p>No further progress to report.</p>	Site Visit

		Property not located within prime frontage area.	
Church Street	Post Office	<p>Advised that the owner is refurbishing the property in order to return it to market. Works observed have been sporadic. Vacant since Jan '18, when the Post Office relocated into existing business within prime frontage.</p> <p>No further progress to report.</p> <p>Property not located within prime frontage area.</p>	Site Visit, Agent Update
17 Nottingham Road	Mr Fix it	<p>Freehold for SALE since retirement of previous tenant. It is believed that an interested party in the sale wished to renovate and agree new tenant, with the property being purchased as an investment.</p> <p>Property not located within prime frontage area.</p>	Agent Update
22 Derby Road	Saints Estate Agents	<p>Agent advises the unit has received a few enquiries, with some feedback that the unit is small for most general retail, generally limiting to A2 uses. An interested party is considering the purchase of the freehold and is working with local agent Robert Ellis to secure tenant in advance, making the business case to purchase the property for investment viable.</p> <p>This property is located within the prime frontage area</p>	Agent Update
25-29 Nottingham Road	And flowers...	<p>It is believed that through the risk of being relocated, the property was purchased by the tenant in the first floor residential accommodation, when the business owner retired and vacated the GF area.</p> <p>No solid plans to return the GF to use at this stage.</p> <p>Property not located within prime frontage area.</p>	Agent Update
139b Derby Road	Your Plumbstop	<p>Agent advises the unit has had some interest since marketing, with at least one viewing in mid-November. Vacant since September 2016, however still under lease until recently, with legal complications surrounding the unit.</p> <p>Property is now listed with local agents Robert Ellis to LET.</p>	Agent Update

		Property not located within prime frontage area.	
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Eastwood is at 91% occupancy, above national average.

The table below provides an overview of the vacant GF retail capable properties and any progress notes. Note that all units in the table below are located within what is defined 'prime frontage area' in the current Local Plan.

Address	Former Use	Progress Notes	Info obtained
8 Nottingham Road	Star Grill Takeaway	Property has no agent or marketing details on display. The property was previously listed by Innes England, who were unable to agree terms with any interested parties. Could be considered a long term void. Previously identified as a potential site for CPO, however the entire building has 3 GF retail units, with 1 still occupied. No further progress to report.	Site Visit
4 Nottingham Road	Unknown	Last known development being the proposed 'Incredible ink' tattoo parlour, which was scheduled to open in Jun '14. Unit received internal works in preparation, but it is believed a lease couldn't be agreed due to the repair and insurance terms. Unit has been vacant 5+ years. Previously identified as a potential site for CPO (as above), however the entire building has 3 GF retail units, with 1 still occupied.	Site Visit
62 Nottingham Road	Nu Moda	This property was being marketed by Chartex. Vacant since the closure of Nu Moda in May 2018. Planning application received in Jun '18 for the Change of use from current use (believed to be A1) to Sui Generis for an Adult Gaming Centre. Ref 18/00441/FUL. This was refused in September 2018, with the applicant appealing the decision in October 2018.	Site Visit

94 Nottingham Road	Nottinghamshire Hospice	<p>Unit being marketed by agents Lambert Smith Hampton.</p> <p>Agent informs that the unit is currently under offer with the proposed use as a 'barber shop'.</p> <p>No date provided for completion or move in.</p>	Agent instructed
100 Nottingham Road	Co-Op	<p>The property is currently being marketed to LET, with the freehold option also for sale.</p> <p>Asset manager at Co-Op advises they continue to market the property, whilst they have some interest, have no firm proposals on the table.</p> <p>The agent previously contacted the Council to discuss the possibility of a rates holiday, as well as the option to demolish the site, with no plans to further redevelop the site. It was communicated that solely demolishing the site, in order to reduce rates exposure, wouldn't be acceptable.</p> <p>Commercial floor space of this size is seldom taken in it's entirely in local centres today. Rental cost is on application, but it can be estimated the current asking rent is in the region of £60,000 p/a, based on size, market rents and other factors.</p> <p>It is unlikely a tenant will be secured until serious consideration is given to the subdivision of the property and rent free periods to be provided in order to secure longer lease terms and allow cost for refit. It was stated that Co-Op would consider splitting the unit into 3, but would need 2 of the units to be pre-let to regional/multinational entities as part of the process.</p> <p>Subdivision is advised here, allowing the three smaller tenants to occupy manageable floor space and subject</p>	Site Visit, Co-Op Estates Manager

		<p>to a VOA revaluation, each unit should fall within the threshold for some small business rate relief, making a smaller unit a potential for a larger independent business.</p> <p>Vacant since the Co-Op relocated staff to a smaller format new build store at Giltbrook in January 2017.</p>	
7 The Hollies	The Chippy	Agent advises a lease has been agreed, with the property due to reopen as a fish and chip shop in November 2018.	Agent instructed
45 Nottingham Road	Maclaren Warner	<p>This property is being marketed by agents Martyn Stubbs to LET £10,000 p/a and has been vacant since Maclaren Warner relocated across the road in August 2017.</p> <p>No further progress to report.</p>	Site Visit
27 Nottingham Road	Natwest	<p>Planning application received in August 2018 for Change use of banking hall (Class A2) and office use (Class B1), to retail (Class A1) and takeaway (Class A5) on ground floor, including alterations to shopfront and erection of flue. Change use to second and third floors to form three flats (Class C3).</p> <p>Permission was granted the above in October 2018.</p> <p>No further progress to report.</p>	Site Visit, Auctioneer
15 Nottingham Road	Cash Office	<p>Advised by agent Forrest Property that the unit has officially had a tenant since May 2018.</p> <p>It is believed the new tenant is a beauty type business relocating from Hilltop (Plais).</p> <p>The shop is currently in refit.</p>	Agent/Freeholder
7 Nottingham Road	Barclays Bank	<p>Advised by former agent that the freehold interest to the property was purchased by the owner of the nearby 'Oliver's Pub and Kitchen'.</p> <p>Planning application received in September 2018 for external alterations and change of use from</p>	Former Agent

		bank (Class A2) to Hotel and Gin Bar (Class C1 & A4). Ref 18/00623/FUL.	
37 Nottingham Road	Morello Interiors	Vacant since October 2018. It is believed the freehold to the property is now for SALE. No agent or marketing details on display. No further progress to report.	Site Visit
7 Victoria* Street	Idan centre	Vacant since May 2016. No further progress to report. *This unit is not located within prime frontage area.	Site Visit

Kimberley is at 92% occupancy. It is worth noting that because of the smaller number of GF retail stock, the status of a single unit can allow the occupancy figure to fluctuate more drastically than the other towns. All units in the table below are not located within what is defined 'prime frontage area' in the current Local Plan, however most would fall into the prime frontage set out in the Part 2 Local Plan.

Address	Former Use	Progress Notes	Info obtained
44 Main Street	Fleuraines	This unit has been vacant since May 2017. Property to LET with agents DPC.	Site Visit
3 James Street	A.C Cards	It is not anticipated the unit will remain vacant for an extended period, owing to the lower market rents on James Street, coupled with the character of the area, which could be complimentary to certain business types. Shouldn't require extensive refit based on previous occupants use. This unit has been vacant since Jul '18. Property To LET with local agents David Gardiner.	Site Visit
16 Main Street	Unknown (Union flag vinyl on window)	Property considered a long term void. No occupants in 5 years+. No agent or marketing details on display.	Site Visit
57a Main Street	Preeti's Salon	This unit has been vacant since July 2018. No further progress to report. Property to LET with agents Musson Liggins, £8,000 p/a.	Site Visit
23-27 Main	The Coffee Lounge	This unit has been vacant since July 2018.	Site Visit

Street		No further progress to report.	
		Property To LET with agents DPC.	

Other Employment Sites

All figures for other employment sites are based on site visits in June.

Overall employment site occupancy for the Borough is currently 95.1%, compared to total town centre occupancy which is 90.2%.

When looking at the occupancy splits between north and south Broxtowe, we observe the occupancy in the north sits at 96.6%, whereas the south sees 93.4% of its properties in use. Property on employment sites are typically popular and do not see the same periods of vacancy, compared with retail. The Council has a waiting list of business with floorspace requirements matching that of the units under our ownership.

Some consideration could be given to the proportions for sector of operation that survey respondents identify their business within. The table below shows a huge proportion are recorded as 'other' (could be considered general industrial).

It could be a concern that of the sectors of 'priority' identified by the D2N2 LEP, only 30% of businesses fall within these, the rest are counted as 'Other'. This a narrow scope of businesses within our Borough that would be eligible for the support from the D2N2 around priority sectors for growth in the wider LEP area.

Overall Industry Sector Split	North	South	Total
Construction	3.86%	2.85%	6.71%
Creative and Digital Industry	1.34%	1.68%	3.02%
Food and Drink Manufacturing	1.68%	0.67%	2.35%
Life Sciences	0.17%	5.54%	5.70%
Low Carbon	0.34%	0.17%	0.50%
Transport and Logistics	1.51%	2.18%	3.69%
Transport Manufacturing Equipment	1.34%	0.00%	1.34%
Visitor Economy	0.00%	0.00%	0.00%
Other	32.38%	37.58%	69.97%
Vacant	1.34%	3.52%	4.87%

Property of Note - Units 7-10 Eldon Road

This property is currently the largest amount of vacant commercial floorspace at 31,000 SF. Following an update from agents NG Chartered Surveyors, the unit is confirmed to be under offer to a single occupant (company already trading in the Borough). It is anticipated the deal should complete in October/early November once extensive refurbishment works have been completed. This is a positive development in the south, where occupancy is worse compared with employment sites in the north and shows commitment from a larger employer to the Borough by agreeing a lease of these terms, regardless of whether this is a move for expansion or relocation.