

Gerald Duniec is a chartered surveyor and chairman of Sheffield Chamber of Commerce's Property & Regeneration Committee (SPARC). Here he advocates the need for ambition from the city's leadership in promoting and properly marketing Sheffield in our bid to become a city of significance



ANY business, large or small, knows that to prosper and grow in a global market it has to promote itself. If you don't then your competitors will gain and prosper at your expense.

The same applies to cities.

Sheffield, like other cities both here and on mainland Europe, often competes for inward investment. With a few exceptions we don't successfully take many major opportunities and we should be asking why; is it because Sheffield just isn't a good place to invest, live or set up a business or is it because we are not good at promoting the city? We need to know why we miss out on attracting the big employers.

If we are serious about making Sheffield a city of significance then we really do need to get our act together when it comes to promoting the city. That means providing a budget and resources to do the job properly. Other cities have a greater

profile because they consider self-promotion to be an investment in their own city's future – we see it as an additional extra. Well it isn't, so lets get serious.

Sheffield has a lot to offer. A recent report called "Y-Sheffield", prepared by consultants for Sheffield First for Investment, provides very interesting reading. Any potential investor would be very impressed, it sells the city well, but how far and wide is the message going – probably not far enough.

Twenty years ago a particular city was suffering major structural decline and massive unemployment. It continued until the city took a brave decision on one major cultural investment. Within three years the new income generated had covered the initial investment. Is this Sheffield? – No, this was Bilbao in northern Spain. They built the Guggenheim Museum. It is iconic and world famous and it put their city on the map.

What has this got to do with Sheffield? Within our city we have three of the biggest city centre projects in the UK. These are the New Retail Quarter, the redevelopment of the Moor and the

Castlegate/Victoria Quays programme. All these projects have been talked about for a number of years, but still we see little actual progress. We have the opportunity to create architectural excellence and to make the city unique, we hope the decision makers will be brave and ambitious.

Our recent discussions in SPARC with the new chair of the Economic Regeneration, Culture and Planning committee, Cllr. MacDonald have been encouraging. Talks have been positive and we believe there is a willingness to work with all parties to achieve what we believe is in the best interests of the city. Our plans with the city council, to create a new Developers Forum for Sheffield, is also a step in the right direction and the appointment of Ian Bromley as head of Creative Sheffield, with his experience from abroad, also bodes well for the city's future.

We are sure that Sheffield will continue with its ambitious quest to reinvent itself, but we must speed up the process dramatically. SPARC will continue to work with and encourage the city leadership to keep to the task ahead but also to challenge those who prevent us from realising our ambitions.

Distribution boom heads north with real benefits

HISTORICALLY, the logistics industry has been firmly rooted in the Midlands with its central location, easy transport routes and abundance of land. However, with land prices rising as the availability of labour and employment land decreases, both occupiers and developers are now looking elsewhere for their supply chain needs.

This interest has spilled out from the Midlands and worked its way up the M1, from the north of Nottingham up to South Yorkshire, which is now reaping the benefit.

As such, South Yorkshire has become a distribution hotspot in its own right. With an extensive and talented labour pool of over 550,000 workers living within 30 minutes' commuting time from Sheffield, a million living within an hour's commute whilst within a two hours drive from Sheffield, a population of over 20 million can be reached. The attributes of the South Yorkshire region were confirmed in a recent study which concluded that Doncaster was the fastest-growing industrial location in the UK, achieving exceptional growth in industrial rental income.

The presence of several universities in Yorkshire means that the area has a large talent pool, with over 92% of graduates gaining employment immediately after university.

Whilst the Midlands is seen as the middle of the country, geographically South Yorkshire is, in fact, more centrally positioned. With the Working Time Directive in full swing some 18 months after its implementation, it is becoming more and more important for firms to choose the location of their warehouses carefully.

South Yorkshire is just 3 hours' drive from London, and roughly equi-distant from Manchester, Nottingham and Leeds which can all be reached within an hour.

Ports are one of the most important factors in the distribution and logistics industry today and, with more and more of our consumer goods coming in from abroad, the proximity of distribution parks to ports is key. South Yorkshire benefits from being close to the east coast ports of Immingham and Hull which are easily accessible from the extensive motorway network.

Furthermore, the region enjoys the benefit of the Robin Hood airport which expects to serve over 2 million customers by 2014. Together with enhanced freight services, it looks like this distribution boom for the area will continue into the medium to long term.

Developers that have identified the South Yorkshire market early are: Shepherd Developments and Scarborough Developments that, as a joint venture, developed 200,000 sq ft at West Moor Park, Doncaster; HelioSlough, which has devel-



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oped a 750,000 sq ft warehouse at Nimbus Park at Thorne; Prologis, which has developed a 527,000 sq ft distribution warehouse at Barnsley; and Gazeley, who has developed 1 million sq ft in total at G Park Sheffield (of which 413,000 sq ft is currently being built): the last three will complete by end of 2006.

Occupiers picking up on this trend early are: Polestar, which took 465,000 sq ft at G Park; and Ikea and Next which are both occupying 650,000 sq ft warehouses at West Moor Park, with the former expanding to a total of 1.3 million sq ft of space at the park. Next is also to occupy 1.1 million sq ft at Brookfield Park at Rotherham.

These are the companies that will reap the benefits from being prepared. Whilst land in South Yorkshire is still relatively cheap compared to the Midlands, both rent and the price of land are rising in response to the level of demand.

In December 2005, prices were around £250,000 - £275,000 per acre, four months later a 10-acre plot at Thorne went to best bids off a quoting price of £250,000 per acre. The successful bid was almost £350,000 per acre which demonstrates the growth of the distribution market in South Yorkshire.

It is clear to see that the market is thriving – as there is nearly 5 million sq ft of speculative distribution space in the pipeline. With more developers and occupiers catching on from outside the area, willing to pay higher prices and develop speculatively, it is likely that South Yorkshire will continue to be a distribution hotspot for years to come.



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