

**REPORT TO: SCRUTINY COMMITTEE – ECONOMY**  
**Date of Meeting: Scrutiny Committee Economy – 11 September 2014**  
**Report of: Assistant Director Economy**  
**Title: Exeter Commercial Property Register**

**Is this a Key Decision?**

No

**Is this an Executive or Council Function?**

No function is being exercised. This report is for information only.

**1. What is the report about?**

- 1.1 To report on the new and improved Exeter Commercial property Register and Exeter City Council's handling of investment and relocation enquiries during the previous 12 months.
- 1.2 To update members on and to note the progress made in improving the toolkit available to attract and respond to business relocation and inward investment enquiries.

**2. Recommendations:**

- 2.1 **That Scrutiny note the report and comment on progress made with the Exeter Commercial Property Register and the City Council's role in dealing with investment and relocation enquiries and intention to progress with the marketing of the Commercial Property Register to sell to other local authorities.**

**3. Reasons for the recommendation:**

- 3.1 To inform members of the progress made with the new in-house Commercial Property Register and in dealing with investment and relocation enquires.

**4. What are the resource implications including non financial resources:**

- 4.1 The Senior Economy & Tourism Officer has managed and coordinated the transition from the existing software system to the new and updated in-house Commercial Property Register, and continues to work with IT on resolving final glitches.
- 4.2 The Economy & Tourism Manager, two Project Officers and a Clerical Assistant all assist, and or lead, in aspects of work within this committee report.
- 4.3 The new in-house system has been developed with the potential to sell it to other local authorities. Once final technical glitches have been completed, work will start to market the Commercial Property Register.

**5. Section 151 Officer comments:**

- 5.1 There are no financial implications arising from this report.

**6. What are the legal aspects?**

- 6.1 In the event that the commercial property register is marketed and sold to other authorities, then that will need to be subject to contractual formalities in order to protect the Council's intellectual property rights and to agree fees and the terms of the licence generally.

## **7. Monitoring officer Comments:**

7.1 This report raises no issues for the Monitoring Officer.

## **8. Background**

8.1 Exeter City Council provides a Commercial Property Register accessible through [www.exeter.gov.uk/property](http://www.exeter.gov.uk/property) which is an unbiased advice service to businesses looking to relocate or expand their existing business in Exeter. Research into the users of the service confirms that it is seen as a confidential and trusted source of information. The Commercial Property Register is a one stop shop with up to date information on not only available vacant properties and sites, saving them time in searching, but also an extensive range of essential data about premises costs, the workforce, education, housing, leisure and transportation access.

8.2 In 1999 Exeter City Council created a basic database of vacant properties and sites for organisations registering an interest to relocate in Exeter, securing new accommodation or investing in the city, replacing a basic paper based system. In 2002 the Commercial Property Register and enquiries database were converted to enable it to be viewed and browsed online through [www.exeter.gov.uk/property](http://www.exeter.gov.uk/property). Exeter City Council was the first Council in the country to have an online Commercial Property Register on its website.

8.3 In 2004 the service was expanded to cover the East Devon, Mid Devon and Teignbridge local authority areas under the banner of the Exeter and Heart of Devon Economic Partnership. In 2011 the Commercial Property Register was contracted to an outside company. Following numerous problems and poor results over two years, the contract was terminated and the Commercial Property Register brought back in-house March 2014.

8.4 Working with IT Services a new and much improved Commercial Property Register was launched mid-May 2014. Map-based searches, which were missing from the contracted-out version, have been reintroduced and improved, and are proving very popular with users. A mobile version has also been launched enabling smartphone and tablet users to search for property around them while they are out and about. In July 78% of users of the Commercial Property Register viewed it through a desktop, while 22% used the mobile version (breakdown: 12% were tablets and 10% smartphones). Initial feedback from users and commercial agents has been very positive. The new Commercial Property Register captures data on all registered users and all searches carried out by these users. A reporting system is currently being developed to analyse this data.

8.5 Our neighbouring local authority areas of East Devon, Mid Devon and Teignbridge no longer provide financial or staffing contributions to help maintain and manage the Commercial Property Register. The three local authorities were asked for contributions before the Commercial Property Register was re-launched, but to date none have been received. When the Commercial Property Register was brought back in-house it was decided to reduce its coverage to Exeter and within approximately 3 miles of the city boundary to prevent the City's offer being diluted.

8.6 The Commercial Property Register is part of a broader "tool kit" to provide businesses with a bespoke service for those wishing to relocate to, or expand in, Exeter. The key aim is to provide a coordinated and proactive approach to support and encourage business investment and location in the local economy – a one stop shop approach. The Economy Unit works closely and confidentially with commercial agents and properties within and surrounding the city.

## **9 Exeter Commercial Property Register**

9.1 Over the past ten years the Commercial Property Register has grown from strength to strength with a wide range of commercial agents working with the City Council. They use the system to provide an additional vehicle to promote vacant properties. Local, regional,

national and international businesses use the system to browse for vacant properties in Exeter.

- 9.2 Today, 53 commercial agents update the Commercial Property Register, with new properties being uploaded on a daily basis. This is a decrease of 73% on the same period last year. The number of commercial agents has decreased because the vast majority of the 196 agents previously registered only had properties outside of Exeter and in many cases only had a limited number of properties on their books.
- 9.3 Commercial agents have access to the back office of the Commercial Property Register to upload vacant properties. An email reminder is sent to commercial agents every month to check properties listed and update as necessary. An information sharing network has been established between the Economy Unit and the commercial property agents based in and around Exeter. This has worked really well in dealing with and providing a rapid response for property related investment enquiries. The number of enquiries passed on by commercial agents to the Economy Unit continues to grow as the relationship with them has been built on trust and confidentiality.
- 9.4 As of July 2014, there are 328 vacant properties listed on the Commercial Property Register, of which 308 are properties and 20 are sites. This compares to 790 vacant properties listed on the Commercial Property Register, for the same period last year.
- 9.5 Of the 328 vacant properties listed on the Commercial Property Register:
- industrial / warehouse units – 74 (23%)
  - offices – 155 (47%)
  - retail units – 51 (16%)
  - commercial investments – 7 (2%)
  - sites / development land – 20 (6%)
  - pubs / restaurants / cafés – 16 (5%)
  - other types of units (laboratories, etc) – 3 (<1%)
  - hotels – 1 (<1%)
  - leisure premises – 1 (<1%)

## **10 Relocation Enquiries**

- 10.1 The table in appendix 1 show the number of enquiries received through the Commercial Property Register since 2007. During the transition to bring the Commercial Property Register in-house, the website was unavailable for 6 weeks, which has impacted on the figures for this year. In the 12 months leading up to 31 July 2014, 1,033 new relocation enquiries were received by the Economy Unit, compared to the same period in the previous year when 1,118 enquiries were received. Exeter is one of the few councils in the South West seeing such a healthy number of relocation and investment enquiries.
- 10.2 In the previous 12 months the types of businesses searching for vacant properties are:
- Retail – 173 (17%)
  - Accommodation & Food Services – 165 (16%)
  - Arts, Entertainment, Recreation & Tourism - 102 (10%)
  - Property – 47 (5%)
  - Business Services – 77 (7%)
  - Health – 69 (7%)
  - Manufacturing – 74 (7%)
  - Construction – 30 (3%)
  - Education – 58 (6%)
  - Motor Trades – 55 (5%)
  - Transport and Storage – 19 (2%)
  - Wholesale – 25 (2%)
  - Professional Scientific and Technical – 39 (4%)

- Financial and Insurance – 26 (2%)
- Information and Communication – 60 (6%)
- Public Administration and Defence – 11 (1%)
- Utilities Agriculture Forestry Fishing – 3 (<1%)

10.3 The majority of online traffic to the Commercial Property Register is coming from [www.exeter.gov.uk/property](http://www.exeter.gov.uk/property) which shows how popular and important the City Council website is for driving traffic to the Commercial Property Register.

10.4 When analysing the Commercial Property Register, we can monitor what type of vacant property someone is searching for, as shown below. Historically, retail has always been the most popular searched for vacant property:

- Retail – 160 (15%)
- Industrial – 142 (14%)
- Office – 135 (13%)
- Pubs / Restaurants / Cafés – 107 (10%)
- Leisure – 90 (9%)
- Other – 91 (9%)
- Land – 93 (9%)
- Investment – 55 (5%)
- Hotels – 103 (10%)
- Yards and storage sites – 57 (6%)

10.5 When we drill down into where a business is located that is looking for a vacant property, the majority are located within Exeter but a significant number are from outside Devon:

- Exeter – 493 (48%)
- Rest of Devon – 239 (23%)
- Rest of the UK – 281 (27%)
- International – 20 (2%)

10.6 Once the back office reporting system has been signed off, the Economy Team will hold regular discussions with City Development on the types of enquiries they receive regarding proposed planning applications to ensure there is sufficient supply of vacant properties to meet demand.

10.7 In the previous 12 months (June 2013 – June 2014) 29 companies were successfully assisted to relocate or remain in Exeter, creating and safeguarding 412 jobs. The time taken for enquiries, particularly larger ones to come to a conclusion, often takes a long period of time. The recent and most notable example is IKEA, who are planning to open a new store in Exeter in 2016 /2017. The Economy Unit, along with the Planning Unit and other parts of the City Council have been working with IKEA since 1999. Another example is the Western Counties Ambulance Service who have been looking for freehold premises on the east side of the city for years. They have just opened their new state of the art facility at Skypark.

10.8 The Economy Unit are currently dealing with a number of business relocation enquiries, below is just a sample:

- A multi-national company is looking for a site for approx 250,000sq ft warehouse with good motorway access, employing 250 staff.
- An IT services and support company is looking for approx 20,000sq ft offices on the east side of Exeter with up to 100 staff.
- A South African company is looking to relocate their sales office and manufacturing facility to Exeter.

- In contrast, the MD of Gamma Solutions arrived for a site visit with 2 hours notice. He was so impressed with the service he received by the City Council, and what the city had to offer, he chose Exeter over significant other destinations and opened his UK HQ in Exeter within 10 days of the site visit.

10.9 As previously, the Commercial Property Register is part of a tool kit to promote Exeter and the Heart of Devon as a desirable place for inward investment and business relocation. It is an integral part of an interlinked programme of activities to promote the city and provide effective response mechanisms to interested parties. The main elements are:-

#### 10.9.1 **Invest in Exeter Promotional video**

Executive 19 March 2013 agreed to fund the development of a promotional video for inward investment purposes. Three S Films, a specialist and well regarded film company were appointed to produce a 2-3 minute video on Exeter and the surrounding area. The promotional video was launched November 2014 and has received over, 5100 views on You Tube. The promotional video has also been translated into Spanish, Chinese and Portuguese.

A number of businesses have also uploaded the Invest in Exeter promotional video onto their own websites, including The University of Exeter, Invest in Devon (DCC), Michelmores, Exeter Science Park, Foot Anstey, Devonshire Homes, Rugby World Cup, England 2015

The video is available for councillors and staff to use for presentations and when attending conferences and exhibitions to promote Exeter. The video has been edited for tourism promotion purposes in the run up to Rugby World Cup 2015.

#### 10.9.2 **Exeter Image Library**

The Economy Unit recently appointed Tony Cobley, through an open tender process, to develop an extensive image library on Exeter, specifically related on inward investment and business relocations. The new images have been used extensively within the new prospectus and website. Images have been shared with local commercial agents, local and national press, Invest in Devon and Heart of the South West Enterprise Agency to assist in the promotion of Exeter.

#### 10.9.3 **Exeter Inward Investment Prospectus**

To tie in with the launch of the video the Economy Unit produced a new promotional prospectus. The prospectus has been designed in a folder format to ensure it is flexible in its content showcasing Exeter for inward investment and business relocation enquiries. The prospectus is being distributed at relevant conferences, events and exhibitions, and to key industry leaders and journalists.

#### 10.9.4 **Website**

The new promotional website [www.investinexeter.co.uk](http://www.investinexeter.co.uk) is the main call to action, where there will be prominent links to the Exeter and the Heart of Devon Commercial Property Register. This new website sits within the City Council's website, but having its own URL address. The site has been up and running since May 2014 with new content being added daily, including business related Exeter news stories and success stories. The Invest in Exeter promotional video can also be viewed on the website. Images from recent photo shoots have been used on the website to promote Exeter for inward investment and business relocations.

## 11 **Future Position**

11.1 During the build process of the new in-house Commercial Property System, IT Services have built the system so that it can be sold to other councils to purchase. Once fully built and final glitches completed, it will be marketed for sale. A number of councils within the South West have already expressed an interest in purchasing the Commercial Property Register software from the City Council.

11.2 The Economy Unit will continue to work with, but not limited to, Exeter Science Park, Invest in Devon and the Heart of the South West Enterprise Agency to promote Exeter for inward investment and business relocations.

**12 How does the decision contribute to the Council's Corporate Plan?**

12.1 The Exeter Commercial Property contributes to 'Building a stronger sustainable city' and the main purpose of help me run a successful business.

**13 What risks are there and how can they be reduced?**

13.1 Limited risk arising from this activity.

**14 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults; economy; safety and the environment?**

14.1 The Commercial Property Register and promoting the city for inward investment encourages businesses to relocate to, or expand in, Exeter. This creates new and safe guards existing jobs within Exeter, providing employment opportunities for residents from all communities in the city.

**15 Are there any other options?**

15.1 The option to outsource the Commercial Property Register was taken in 2011, but was brought back in-house as the service provided was inferior and did not provide the full range of what could be provided from an in-house system.

15.2 The option to withdraw the Commercial Property Register will be seen as a huge step back in the assistance and promotion of Exeter for inward investment and business relocations. It could result in a reduction in the level of investment in Exeter and potentially some businesses relocating elsewhere, resulting in redundancies.

**Maureen Gori-de-Murden, Senior Economy & Tourism Officer**

**Richard Ball, Assistant Director Economy**

**Local Government (Access to Information) Act 1972 (as amended)**

**Background papers used in compiling this report:**

None

Contact for enquiries:

Democratic Services (Committees), Room 2.3, (01392) 26115

## APPENDIX 1

Table: Number of enquiries through the Commercial Property Register

<b>Month</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Jan	148	146	76	86	44	120	79	99
Feb	137	116	72	74	75	191	121	122
Mar	147	120	72	88	97	159	80	90
Apr	121	125	74	73	49	87	116	*
May	125	69	71	59	47	98	120	<b>*94</b>
Jun	121	81	61	62	74	43	85	93
Jul	129	73	59	73	44	59	113	72
Aug	108	74	53	71	39	83	89	
Sep	112	75	59	75	55	59	96	
Oct	116	75	69	72	66	117	115	
Nov	112	75	69	75	<b>*61</b>	99	99	
Dec	80	39	41	39	89	46	64	
<b>Total</b>	<b>1456</b>	<b>1068</b>	<b>776</b>	<b>847</b>	<b>740</b>	<b>1161</b>	<b>1177</b>	<b>570</b>
<i>Average number of enquiries per month</i>	121	89	65	71	62	97	98	

\* Indicates Exeter Commercial Property Register was offline, 14 – 30 November 2011 and 1 April – 13 May 2014.