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**THE DEMAND FOR INDUSTRIAL LAND  
AND INDUSTRIAL PREMISES  
IN THE DOUGLAS AREA: 1985 - 2025**

**REPORT DATE – 1 DECEMBER 2005**

**THE DEMAND FOR INDUSTRIAL LAND AND  
INDUSTRIAL PREMISES IN THE DOUGLAS AREA:**

**1985 – 2025**



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1<sup>st</sup> December 2005

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Planning Consent notice for the White Hoe Industrial Estate extension

## **1.0 Purpose and Scope of the Report**

- 1.1 We have received instructions from Tesdale Limited to prepare a report detailing the past demand and potential future demand for industrial land and industrial premises in the Douglas area. We have researched the past take-up of industrial land on the major industrial estates and have estimated the current availability and supply of industrial land and its current ownership.
- 1.2 We have consulted the Department of Trade & Industry (DTI) and have had regard to relevant Local Plans including the Douglas Local Plan, the Onchan Local Plan, the Braddan Parish Plan and the Draft Braddan Parish Plan.
- 1.3 We have reviewed the Government's economic policy and the Department of Local Government & the Environment's (DLGE) planning policy.
- 1.4 We set out our opinion regarding the quality of the existing industrial estates and the current demand from various users for industrial land and buildings. We also comment on the trend in industrial land values and the influence of supply and ownership factors on land values.

## **2.0 Planning and Land Zoning**

- 2.1 We have considered the zoned land allocation for industrial uses on the Douglas Local Plan (November 1998), the Onchan Local Plan (April 2000) and the Braddan Parish Plan (June 1991). We have also considered the contents of the Draft Braddan Parish Plan which has yet to be adopted. Accordingly, the three adopted Plans for the subject area range in age between 5 to 14 years old. (See Appendix 1 – Map of Survey Area).

## **3.0 Take-Up of Industrial Land Over The Past 5, 10 & 20 Year Periods**

- 3.1 In Appendix 1 we provide a schedule detailing the location of the principle industrial estates/areas in the subject area and provide estimates of the total industrial land area at each location, ownership details, current development activity and the availability of land for future development.
- 4.2 We have calculated the take-up and development of industrial land since 1985 principally in the following locations within the subject area:
  - Middle River Industrial Estate
  - White Hoe Industrial Estate
  - Tromode Industrial Estate
  - Snugborough Trading Estate
  - Ballafletcher
  - The Spring Valley Industrial Estate/Springham Park
  - Ballapaddag
  - The Isle of Man Business Park (Industrial Section)

- The Incinerator Site (excluded from analysis)

3.3 Industrial development has not been limited to the creation of new estates or the extension of existing estates as redevelopment has taken place at a number of locations e.g. the South Quay Industrial Estate, the Power Station and Peel Road. Redeveloped industrial sites have not been included in our analysis of the take-up of industrial land.

3.4 The 10-Year Period 1985 – 1995

The principal development activity during this period took place at locations within the subject area including Kewaigue (Isle of Man Breweries Industrial Complex and initial development on the White Hoe Industrial Estate), the western section of the Snugborough Trading Estate, sections of the Ballafletcher Estate, sections of the Spring Valley Industrial Estate and the initial development of Ballapaddag. In addition, a number of plots on Peel Road, now zoned for light industrial uses, were redeveloped for largely non-industrial uses e.g. Isle of Man Newspapers Publishing House (formerly a bakery), and part of the Eurocars Retail Garage (formerly Felice's ice cream factory).

We calculate the take-up of industrial land during the 1985-1995 period to be approximately 42.0 acres (17ha).

3.5 The 5-Year Period 1995 – 2000

Industrial development activity during this 5-year period took place at a number of locations including the Snugborough Trading Estate, the Ballafletcher Estate, the Spring Valley Industrial Estate and the Isle of Man Business Park (Industrial Section).

We calculate the take-up of industrial land during the 1995-2000 period to be approximately 18.5 acres (7.5ha).

3.6 The 5-year Period 2000-2005

The last five years has seen a considerable take-up of industrial land in the Douglas area, possibly the largest take-up of industrial land in any five-year period over the last fifty years. Industrial development continued to take place at established estates such as White Hoe Industrial Estate, Tromode Industrial Estate, Snugborough Trading Estate, Ballafletcher and Ballapaddag. A number of new industrial areas were opened up including the Middle River Industrial Estate (the first phase of 8 acres (3.2ha) is almost fully developed), the Springham Park extension to the Spring Valley Estate (now fully developed), the east phase of the Isle of Man Business Park (almost fully developed) and the Incinerator Site.

3.7 We estimate the take-up of industrial land during the 2000-2005 period to be approximately 41.9 acres (16.95ha). This analysis excludes the Incinerator Site.

3.8 The total take-up of industrial land over the last twenty years is estimated at 102.4 acres (41.4ha), equivalent to an average annual take-up of 5.1 acres (2.1ha). This average annual take-up of industrial land has almost doubled in the last five year period.

#### 4.0 The Supply of Industrial Land Currently Available

- 4.1 In Appendix 2 (final column) we provide estimates of the amount of industrial land currently available for future development. At a number of locations land is in the course of development or has already been allocated for a specific future development which will take place in the near future and these sites have been excluded from our analysis e.g. two plots at the Middle River Industrial Estate, the remaining plot at Tromode Industrial Estate and current development at the Isle of Man Business Park.
- 4.2 We calculate that the industrial locations listed in Schedule 1 currently provide approximately 15.9 acres (6.4ha) of available industrial development land.
- 4.3 It is clear that the availability of new land to develop is almost exhausted in a number of leading industrial locations. We provide comments on the current availability of industrial land below:
- At the Middle River Industrial Estate the two remaining plots on Phase 1 are already allocated for development/sale in the near future. Planning consent has been obtained for Phase 2 (not previously zoned) amounting to approximately 4.5 acres (1.8ha)
  - At White Hoe Industrial Estate there are two plots available on the first phase of the estate and planning consent has recently been obtained for the adjoining land on the north east side (not previously zoned) – a total of approximately 6 acres (2.4ha). The latter consent was approved by the Minister of the DLGE who decided that the Appeal Inspector had “given insufficient weight to the acknowledged demand for industrial land in Douglas and the area around it, particularly having regard to the views expressed by the DTI”, (see Appendix 7).
  - At Tromode Industrial Estate the final plot is about to be developed. There is no current zoning or planning consent for an area of potential development land on the west side of the river which was noted in the Draft Braddan Parish Plan, (previous planning consent for a Disaster Recovery Unit).
  - At the Snugborough Trading Estate all the available land has been developed or is in use as compounds. Compound areas could be developed (subject to confirmation of satisfactory ground conditions) in the future subject to planning consent although this would be likely to transfer the demand for existing compound areas to alternative industrial locations.
  - At Ballafletcher the estate is almost fully developed. However, the DTI own approximately 2 acres (0.8ha) of land adjoining Mannin Media at the west end of the estate.
  - With the completion of the Springham Park extension the Spring Valley Industrial Estate is now fully developed.

- At the Isle of Man Business Park the rate of development has been significant in recent years and it is estimated that there is approximately 3.4 acres (1.4ha) of undeveloped land remaining in the industrial section.
- The South Quay Industrial Estate, Hills Meadow Industrial Estate, Peel Road, Douglas Head Quarry and Second Avenue, Onchan are now fully developed.
- Government now own the industrial complex and adjoining land at Smiths in School Road, Onchan. However, we understand that there are no immediate development proposals for this land and that there is the possibility it will be rezoned for residential uses. We have therefore excluded this area of land from our analysis of land currently available for industrial development.
- We understand that the 21.4 acre (8.7ha) Incinerator Site is only partially developed but that there are proposals to fully develop the site over the next 5 years. We have not included this land in our analysis.

## **5.0 The Quality of Existing Industrial Estates**

- 5.1 The quality of the existing industrial property stock varies considerably. A number of industrial estates in the subject area owe their existence to historic reasons and would probably not be built today at these locations. Even within a number of industrial estates the quality of industrial buildings often varies considerably. At these locations there will be the potential for redevelopment although not necessarily wholly for industrial purposes, (see Appendix 5 – photographs).
- 5.2 On the older industrial estates there are often problems with access both from the highway to the estate itself and to individual units within the estate together with poor estate road networks and a general lack of parking facilities, landscaping and environmental considerations. Asbestos problems have been identified at a number of locations.
- 5.3 Many older industrial buildings have for a long time been let on full repairing and insuring terms (the standard form of leasing) and a number of tenants are now expressing reluctance to take new leases with potentially onerous repairing obligations. These existing buildings may become vacant and remain unoccupied until redevelopment or a change of use takes place.
- 5.4 It is possible that certain industrial estates/locations will be redeveloped for other uses within the next twenty years. As the pressure grows to provide new housing it is foreseeable that the Existing Use Market Value of older industrial property will be exceeded by the Market Value for redevelopment as residential housing. One current example is the former Agrimark site which is currently zoned on the Douglas Local Plan for light industrial purposes and which currently accommodates a number of commercial businesses. Planning consent has been obtained to redevelop the site for residential purposes and this area will be lost to light industrial use.



5.5 A second potential example of a significant loss of zoned industrial property are the Riverside/Lake Road Site and South Quay Site identified in Douglas Development Partnership's December 2004 report "Opportunities for Douglas Quayside". On page 34 it is stated that planning briefs have been prepared by Douglas Development Partnership in association with the DLGE. Light Industrial land/property is identified for future residential, leisure, specialist retail, office and commercial use. In 5.5.4 it is stated:

"However, many of the businesses currently occupying South Quay have no particular need to be located immediately adjacent to, or even in the vicinity of, the harbour and it would clearly ease the relocation of these businesses if suitable premises were developed elsewhere in Douglas. Many of the businesses require easy accessibility by vehicle and therefore an edge of town location may prove beneficial, as car parking on South Quay is currently difficult".

It is likely that this trend of losing zoned light industrial land/property within the town boundary to other uses will continue over the next 20 years. In many ways this urban renewal programme will benefit the whole community.

5.6 Of the leading industrial estates, the Spring Valley Industrial Estate/Springham Park, the Isle of Man Business Park (Industrial Section), Middle River Industrial Estate, White Hoe Industrial Estate, Tromode Industrial Estate, Snugborough Trading Estate and Ballafletcher have all offered modern, purpose built industrial units constructed to a modern specification with adequate access, parking, circulation and landscaping. However, there are now few opportunities for industrial development at these locations as the land supply is almost exhausted.

## **6.0 Preferred Location for Industrial Users**

6.1 The DTI have calculated that in a 40-month period under consideration "approximately 75% of the development took place within the Douglas/Braddan area. This percentage is consistent with our own feedback and knowledge of where on the Island new industry in preference would establish".

6.2 Users of industrial buildings and land are influenced by a number of locational factors including proximity to labour, their markets and transport facilities. Approximately 50% of the Island's population (and skilled labour force) lives in Douglas and the surrounding area and it is easier to recruit labour from this area of the Island. Companies involved in distribution are keen to locate close to their customers so as to minimise delivery times, vehicle and fuel costs. Most Island customers are located in the Douglas and surrounding area. Douglas provides the principal harbour facility on the Island.

6.3 There is an established trend for industrial/distribution businesses to relocate from older premises in the predominantly residential areas of Douglas and Onchan to industrial estates on the edge of town. This trend is likely to continue in the future.

6.4 Enquiries to local agents from businessmen wishing to lease, purchase or develop industrial premises have principally been for premises in and around Douglas and there

is a much reduced demand for locations outside the subject area especially in the west and north of the Island.

- 6.5 In the south of the Island Balthane Industrial Estate and Ronaldsway Industrial Estate have been established for many years. The buildings are generally old and estate layouts poor. The new Balthane Park development is providing small units between 1500-2000 sq ft for owner occupiers although take up has been slow.
- 6.6 There are existing industrial estates in the north of the Island in Ramsey and Jurby. Although land and buildings are available at the Government owned Jurby Estate it has proved difficult to persuade industrialists and businessmen to move to this relatively isolated location where they will incur additional transportation costs and a much smaller labour pool.
- 6.7 In conclusion we believe that the trend indicated by the DTI survey is likely to continue in the future and that the majority of future demand for industrial premises will be for industrial units and land in the Douglas and surrounding area.

## **7.0 The Demand for Industrial Land for Non-Industrial Uses**

- 7.1 There has been a significant past and current demand for industrial land and premises for uses not strictly classed as light industrial e.g. business park style users, archiving, disaster recovery, bulky retail goods, retail garages etc.
- 7.2 The Braddan Parish Plan Modified Draft Written Statement (February 2003) proposed the policy that "retailing may be permitted in areas designated for industrial use where it can be demonstrated to the satisfaction of the Department that;
- (a) the items to be sold could not reasonably be sold from town centre location because of their size or nature;
  - (b) the items to be sold are produced on the site and their sale could not reasonably be severed from the overall business and in both of the above cases;
  - (c) adequate parking exists for customers and staff vehicles and for deliveries.

Permission will not be granted for retail developments where the proposed use could be accommodated in a high street location and where the loss of such facility from the high street would detract from the vitality and viability of the town centre or other established retail centre."

- 7.3 There is a continuing trend for the retail motor trade to locate in modern, purpose built garages/showrooms on landscaped sites with easy access and adequate on-site car parking. These sites have generally not been available and it is understood that one of the reasons that Lancasters (BMW, VW, Porsche franchises) left the Island was an inability to find a suitable site where it was economic to construct a new showroom complex. Manufacturers are believed to be putting pressure on franchise holders to improve garage/showroom premises and to build new premises on landscaped sites where possible. There may be demand for a major "one-stop" retail car showroom complex accommodating a number of car franchises.

- 7.4 The DIY/Home Improvement market continues to expand and it is believed that the Cooil Road B&Q operation is amongst the most profitable stores in the UK, possibly due to a lack of effective competition. None of B&Q's UK competitors have been able to develop similar DIY/Home Improvement stores on the Island and the public have not therefore been able to benefit from the level of competition seen in the UK.
- 7.5 The Island's offshore finance industry is centred in South Douglas and there is a growing need for archive and disaster recovery facilities to service the dominant sector of the Manx economy.
- 7.6 There is a demand for business park style premises which are difficult to categorise in planning terms. As an example, at Ballafletcher there are a number of local businesses which occupy principally two-storied premises comprising light industrial/warehouse uses on one floor and modern high quality offices on another floor, e.g. Bruce Anchor, Duke, Greenlight and Mannin Media. In reality it is difficult to state with any certainty whether these units are office buildings with an ancillary light industrial/warehouse use or industrial buildings with a prominent, high quality office facility included. Provision needs to be made for this type of modern business use within the subject area.
- 7.7 Modern working environments must meet the needs of companies and employees and there is now a demand for specialist facilities within an employment zone e.g. a crèche, public house/restaurant, leisure facilities such as a gym/go-karting/bowling etc.

## **8.0 The Demand for Industrial Land and Premises from Technology Companies**

- 8.1 Government is proposing the introduction of a standard zero rate of Corporate Tax for businesses as a further evolution of its tax strategy announced in June 2000. The proposals, scheduled to take effect from 2006, form an integral part of the Island's wider economic strategy of enhancing its reputation as an AAA rated jurisdiction combining world class standards of regulation, transparency and infrastructure with extremely beneficial rates of direct taxation. The zero tax rate has been extended to businesses operating within the manufacturing, agriculture, fishing, film, e-gaming and tourist accommodation industries.
- 8.2 The Island already has a diverse manufacturing base centred around precision engineering for the aerospace, defence and oil and gas sectors and also including optical instrumentation, electronics, plastics, medical equipment, bio-technology, pharmaceutical products, textiles and a range of consumer products.
- 8.3 The DTI report the recent interest of a technology company in establishing a business on the Island but which complained about the lack of alternative premises and sites, about the higher cost of construction and the control of the market by a small number of estate operators. The DTI recognise that the lack of available industrial opportunities in and around Douglas could lead to the loss of business not only to other parts of the UK but to Eastern Europe.

8.4 With the emphasis on attracting high technology companies it will be essential to offer high quality industrial units on conveniently located and architecturally attractive industrial estates and the opportunity to have purpose built industrial units constructed to the occupier's requirements. A number of new companies will require a high quality standard equivalent to the best industrial and business park estates in the UK. To this end it will be essential to provide new industrial zones in locations preferred by new set-up businesses, high quality estates with good access and road infrastructure and a pleasant working environment, (good landscaping, good outlook, good on-site ancillary facilities etc).

## **9.0 Effect on Industrial Land Prices Due to Undersupply and Limited Number of Suppliers**

9.1 As a sector of the overall market the ownership profile of industrial land and property is different to other types of property where ownership is relatively fragmented. In the industrial sector it is common for an entire estate to be owned by a single company who can determine the type of unit constructed, tenure (either land for sale with or without a building contract, or units to let etc), the rate of development and the uses to be accommodated within the estate. Although this often benefits the many users on any particular estate it can also be to the detriment of the market in general.

9.2 For some years there has been an undersupply of industrial development land and plots for businesses and investors to develop individual units. Opportunities to develop individual units have been few and the price of land has been relatively high. This has resulted in a higher cost of construction on a site which is often not ideal for the industrial occupier.

9.3 A number of industrial development plots are only available on the condition that the landowner also acts as the building contractor for the construction of the proposed industrial unit. In effect, the industrialist is purchasing the completed industrial building without the opportunity to make cost savings by choosing their own contractor or employing a project manager to oversee the development.

9.4 The good provision of industrial land through future zoning should help to reduce the cost of industrial development land and provide the opportunity for industrialists to choose between alternative locations and methods of construction.

## **10.0 The Department of Trade & Industry's Industrial Land Requirement Projections**

10.1 Over the last twelve years the Manx economy has steadily expanded and economic growth strengthened significantly in the late 1990s reaching a level of 13%; this has now declined to settle at around 5% pa. In the five years between 1996 to 2001 the population increased by 6.4% to reach 76,315. Anecdotal evidence suggests that the population has continued to increase.

- 10.2 The finance sector as a contributor to the Manx national income has grown steadily since the 1980s and now contributes 38% of income generated from Manx sources and over 20% of total employment. However, in contrast to many other offshore jurisdictions, the Island's economy has remained diversified and economic growth continues to be broadly based throughout sectors of the economy. The manufacturing sector represents an important source of employment and personal income accounting for 7% of total personal income and 8% of total employment. GDP per capita now stands at 107% of the UK and 110% of the EU15 average. Significant growth is projected to continue over the next few years.
- 10.3 Whilst the Island has developed as a leading international offshore finance centre the Island's Government has taken steps to promote the Island as a location for manufacturing and industrial activity. It has supported this with an attractive package of grants and incentives. As a result, the Isle of Man now has a diverse manufacturing base centred around precision engineering for the aerospace, defence and oil and gas sectors but also including optical instrumentation, electronics, plastics, medical equipment, biotechnology, pharmaceutical products, textiles and a range of consumer products. Around 3,000 people are currently employed in manufacturing making it a significant contributor the Manx economy.
- 10.4 During the last ten years the DTI has maintained its focus on diversification and created a film industry, grown significantly the shipping register with the additional commercial activity this creates and is well advanced in establishing the Island as an international centre for e-business.
- 10.5 The DTI's priority is to encourage the growth and diversification of the economy. The aim is to attract and develop new high added-value sectors and businesses as a means of creating wealth and maintaining economic growth. This will lead to an increase in the quality and diversity of employment opportunities and a more resilient economy in the event of a downturn in any individual sector.
- 10.6 The current focus for the DTI is in the areas of high value manufacturing, film & media, shipping and IT/e-business including e-gaming. The growth is being led by IT/e-business and the Island is ideally placed to exploit this trend due to its investment in an advanced telecommunications infrastructure which enables Manx companies to transact business worldwide overcoming geographic boundaries. A survey by PA Consulting in 2003 showed that Manx businesses are well in advance of the European average in terms of using the internet as a sales channel and using technology to boost productivity and drive growth.
- 10.7 Investors and businessmen now benefit from a modern business infrastructure and excellent communications. The trading environment will be enhanced by the introduction of a zero rate of Corporation Tax. The Island offers investors a state of the art IT and telecoms infrastructure, a highly skilled English speaking workforce and a network of contacts in other jurisdictions and a highly competitive operating environment.
- 10.8 The Government's proposals for continuing growth and diversification will necessitate the provision of an adequate supply of land and premises. The Planning Department of

The Department of Local Government & the Environment requested the DTI to provide an estimate of the industrial land requirement for the period of the proposed Braddan Parish Plan (Modified Draft Written Statement dated February 2003). The DTI recognised the difficulties in actually assessing such a requirement including the uncertainty of future economic conditions, the supporting infrastructure, land ownership, conditions imposed by the Planning Committee and the very wide range of uses that industrial land is used for.

- 10.9 As a basis for their calculations the DTI analysed planning applications for industrial uses over a 40-month period and took into consideration the various types of industrial development, the ratio of buildings to site area and the proportion of development taking place in the Douglas/Braddan area – this latter figure being 75%.
- 10.10 At the time of the analysis the DTI noted that there was considerable interest from businesses wishing to develop new car showrooms and from the transport sector which, due to forthcoming environmental legislation and licensing requirements, was looking for space to develop in and around the Douglas/Braddan area. Government's own endeavours to encourage new hi-tech/e-commerce businesses was also noted.
- 10.11 The DTI concluded that "it would not be unreasonable to assume a requirement for the next ten years of at least 1,000,000 sq ft (23 acres) or 100,000 sq ft (2.3 acres) pa. There is little other industrial land left in the Douglas area, therefore, the majority of the demand will need to be met from the Braddan area".

(Sources – Isle of Man Official Year Book 2005/06; the DTI; the Draft Braddan Parish Plan)

## **11.0 Projected Requirement for Industrial Land Over the Next Ten Years and Twenty Year Periods in the Douglas Area.**

- 11.1 We understand that the DTI's analysis for the future industrial land requirement was carried out in late 2001. The DTI's views were subsequently stated in the Draft Braddan Parish Plan (Modified Draft Written Statement February 2003). In 5.18 it is concluded that there was a need for further land to be allocated for industrial use within the parish "bearing in mind the relatively small amount of land which remains designated but undeveloped and the lack of new industrial land designated in the Douglas and Onchan areas in recent Local Plans for these areas... as such, the Department (DLGE) would suggest that the Plan should provide for additional land for industrial purposes within the Parish. The DTI has recommended that on the basis of purely industrial use alone, there will be a need for at least 23 acres of land for industrial development within the life of the Plan (assumed 10 years), based upon recent demand in this part of the Island. This does not, however, make provision for any non-industrial uses which may now be acceptable in industrial areas. As such, the Plan should make provision for more than the 23 acres recommended by the DTI."
- 11.2 The non-industrial uses which may now be acceptable in industrial areas is noted in 5.9 of the Modified Draft Written Statement where the subject of retailing is considered. "The Department (DLGE) would consider that land and buildings designated for

industrial use in the area plan may be used for purposes other than purely industry where the following criteria may be met:

- (a) the items to be sold could not reasonably be sold from a town centre location because of their size or nature or
- (b) the items to be sold are produced on the site and their sale could not reasonably be severed from the overall business and in both of the above cases
- (c) adequate parking exists for customers and staff vehicles and for deliveries.”

- 11.3 It is now four years since the DTI made their recommendations in regard to the allocation of land for industrial uses and there have been no significant re-zoning or planning consents granted to provide for the significant area of industrial land which will be required over the next twenty years. Although there have been one or two additions to the supply of industrial land (extensions to Middle River Industrial Estate and White Hoe Industrial Estate via planning consents for previously unzoned land) the overall trend has been the further reduction of available industrial land. The consent for the extension to the White Hoe Industrial Estate was granted by the Minister of the DLGE on 30 September 2005. Overturning the recommendation of the Appeal Inspector the Minister was of the opinion that the Inspector had “given insufficient weight to the acknowledged demand for industrial land in Douglas and the area around it particularly having regard to the views expressed by the DTI”.
- 11.4 In the February 2003 Braddan Parish Plan Modified Draft Written Statement it is stated in 2.5 that the site of the Business Park presently has 25 acres (10.1ha) which remain undeveloped. 2½ years later and excluding the plots allocated for two office schemes there appears to be approximately 3.4 acres (1.4ha) remaining for industrial uses. During this period there has been a significant reduction in the supply of available industrial land on the Middle River Industrial Estate (first phase), the Tromode Industrial Estate, the Springham Industrial Estate (part of the Spring Valley Industrial Estate) and at the Snugborough Trading Estate. The Incinerator Site has been developed and is now in use. The remaining land at the Incinerator Site is expected to be developed for public sector uses in the next five years.
- 11.5 Our analysis indicates that the pace of industrial land take-up has increased in recent years and we have concluded that the DTI’s 2001 calculations indicating that at least 23 acres (9.3ha) will be required for industrial uses over the next 10 years is likely to be an under-estimate. In any case the DTI’s estimate does not make provision for non-industrial uses which may be acceptable in industrial areas. Over the last 20 years the take-up of land, excluding the Incinerator Site, has been in the order of 5 acres (2ha) pa and with approximately 3 years supply of land remaining we believe there is an urgent requirement for the zoning of new industrial estates in the subject area.
- 11.6 The Douglas and Onchan Local Plans make very little provision for future industrial development. The grant of planning consents for the extension of Middle River and White Hoe Industrial Estate on previously unzoned land can be viewed as emergency measures. The land at Smiths in School Road may be lost to residential development. The failure to proceed with the Braddan Parish Plan will result in the net loss of some 28 acres (11.3ha) of critically needed zoned industrial land, (ref S.4.11 of the Braddan Parish Plan Modifications Document – February 2003).

11.7 We have calculated that between 1985-95 approximately 42.0 acres (17 ha) has been developed and that between 1995-2005 the pace of development has increased to 60.4 acres (24.4 ha). Based on our knowledge of the take-up of industrial land over the last 20 years, our discussions with the DTI, the future projections for the Island's economy and our discussions with developers, industrialists and businessmen, we estimate that the demand for industrial land in and around Douglas over the next 20 years as follows:

2005 – 2015 - 50 acres (20.2ha) or 5 acres (2ha) pa  
2015 – 2025 - 50 acres (20.2ha) or 5 acres (2ha) pa

11.8 The Isle of Man has had 20 years of unbroken economic growth at twice the rate of the UK. This is expected to continue with forecast economic growth of over 5% a year for the next ten years. Growth in manufacturing is expected at 5% pa. As a matter of urgency the relevant authorities must address the lack of forward thinking in the provision of industrial land. Unless suitable land is allocated for industrial uses in the location required by the majority of businesses there is a likelihood that new businesses/industry would be lost to the Island with the resultant negative effect on the Island's economy, employment and international standing.

**Black Grace Cowley Limited**  
**1<sup>st</sup> December 2005**