



Future of the Office in Leicester



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Host: Robin Pointon, LBV board member

Today's speakers:

- Brendan Walsh, Partner, Commercial Real Estate from Gunnercooke
- Mark Oakley, Director of Inward Investment and Place Marketing at Leicester City Council
- Rob Day, Chairman and Founder of Blueprint Interiors

Poll question 1

gunnercooke

Brendan Walsh

Real Estate Partner





Future of The Office In Leicester

- Confidence in IT
- Escape from the commute
- Death of the 9 - 5
- Rise of the Car

Current Issues

- * Lease Enforcement
- * Escape from Agreements for Lease
- * Flexible terms
- * Mothballed Buildings
- * Rebates



The Rise & Fall of Flexible Space

- * Revolution or evolution
- * Co working – high density and rent turnover model
- * The Lessons of WeWork
- * Local provision – easyspace/ Regus



The Future ?

- * Agile Property

- * Viability of New Build

- * Role of the City Council

- * Inner City v Out of Town

- * Amazon ?



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Poll question 2



**Leicestershire
Business
Voice**

Mark Oakley
Director of Inward Investment
and Place Marketing
Leicester City Council

Leicester and Leicestershire has attracted significant investment in recent years with new office occupiers moving in to make the most of our business strengths.

Major companies with a presence in the area include:

- IBM
- Hastings Insurance Group
- PPL/PRS Ltd
- Octopus Energy
- E.ON Next
- Mattioli Woods
- Santander
- HSBC
- Global Payments
- The Access Group

These global names from tech sectors to financial services have recently invested in major facilities within our area.

After highly competitive site selection searches, **we have been chosen for our quality supply of talented people combined with cost effectiveness and outstanding connectivity.**



Office & Business Services Sector Overview

Rapidly growing cluster of employment...

44,400

Employees

42%

Growth in the past 5 years



Significant increase in businesses...

10,225

Businesses

42%

Business base growth since 2013



A high proportion of management & professional workers...



68%

Niche strengths in:

- Banking



- Insurance



- Law



Strong talent pool of high level skills...

38%



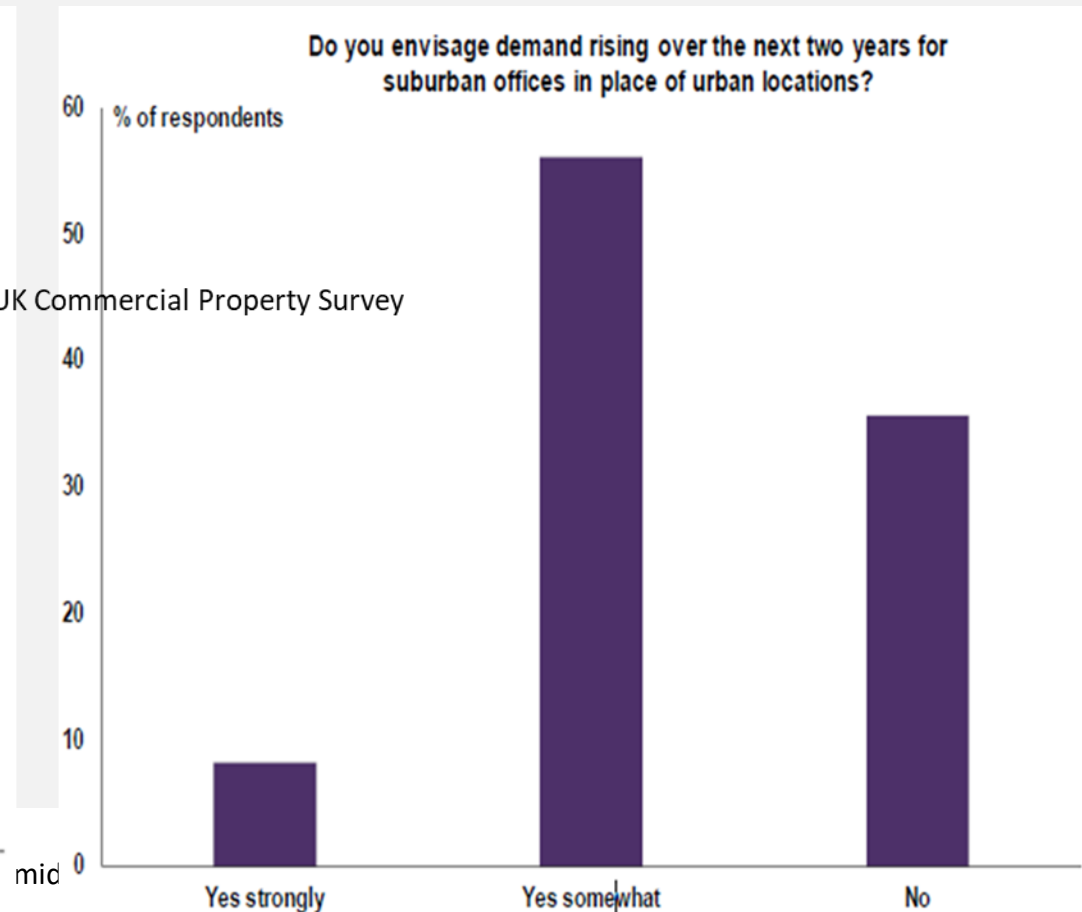
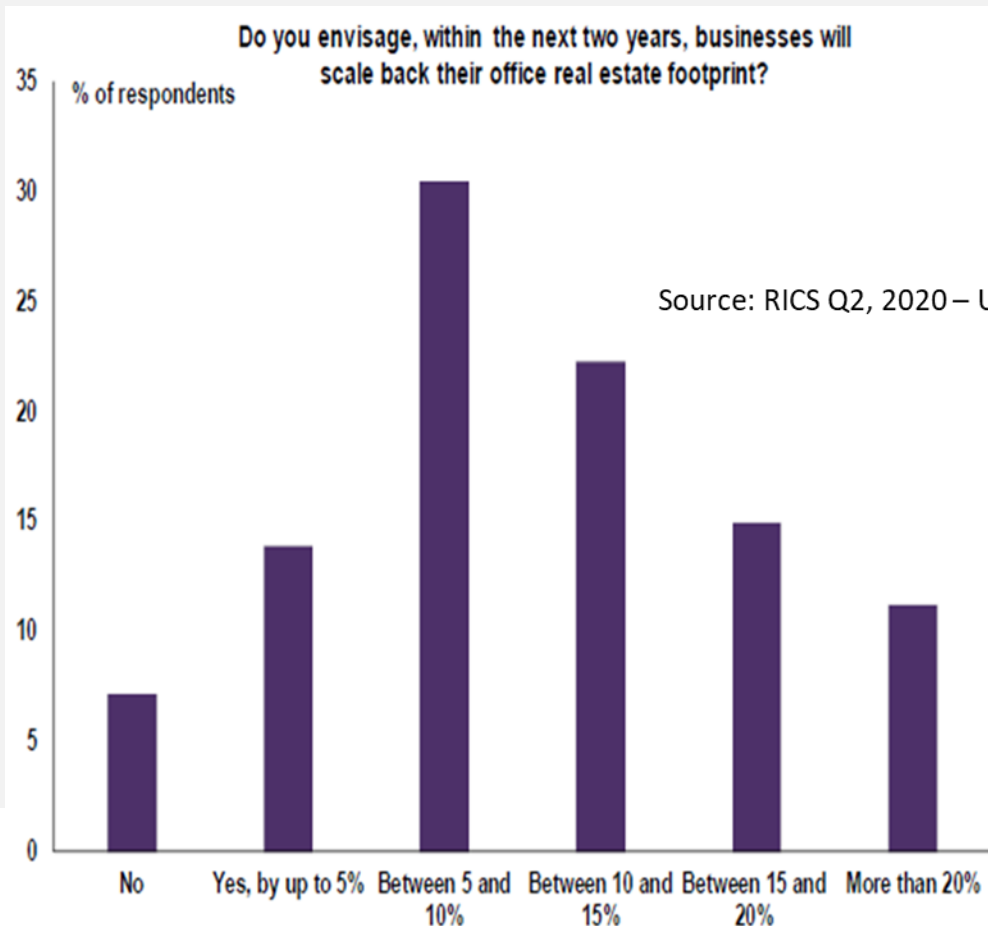
Of employees hold a level 4+ qualification

Past shortage of supply and strong demand

- Leicester vacancy rate 3.6% vs national of 4.9%
- Leicester Rental Growth of 3.2% vs national rate of 2.8%

Slower Return to the Office in the UK

- Average across Europe's 5 biggest economies is 68%, with France at 83%
- UK is 34%



“we quickly enabled working from home which is going well and fine for shorter periods”

“plan is to have most staff back in the office by January”

“People like to see people as well as talk to them to help build trust”

“... we miss popping out at lunch to buy a decent coffee or bumping into others we know”

“some of our staff just found it impossible to find the right space to work effectively from home and were first back into the office”

“More flexible workspace is definitely the key to the future. Covid seems to have speeded things up”

“We see the office becoming more of a place of collaboration, with a phased return into 2021”

“it is much more difficult sharing ideas and being creative with your team online”

“our business continues to grow and we’ll need more office space in the future”

- City Council manages 5 workspaces – Dock, LCB Depot, Makers Yard, Phoenix Square Workspace & Leicester Business Centre.
- Focus on creative, digital & technology businesses.
- Demand for smaller office space (up to 1,000 sq ft) has remained robust over recent months.
- Current occupancy remains high – all above 90%, with Dock 100% occupied.
- Since March 2020 some tenants have served notice (downsizing in response to COVID-19) but these have all been replaced by new tenants – **no net change**.
- Strong demand for additional workspace adjacent to Dock – which is due to open in early 2021 – with first tenants signing up now.
- New flexible workspace scheme at The Gresham is progressing well – due to open Autumn 2021.



- Leicester and Leicestershire is in a good position from which to progress
- Office market still changing as businesses adapt requirements
- Offices seen as facilitators of business, with need for collaboration space
- Flexibility likely to be key – from a leasing and building design perspective
- Workers keen to return to safe offices and vibrant city centres



Poll question 3

GREAT WORKPLACES FOR GREATER PEOPLE

Rob Day, Chairman & Founder



BLUEPRINT
MAKING SPACE WORK



“OUR PEOPLE”



GETTING IT WRONG...



FROM

- A Place To Be
- Desk Allotments
- Isolated
- Company First



TO

- Resources to Adopt
- Flexible Spaces
- Collaborative
- Human Needs First

FROM

- A Place To Be
- **Desk Allotments**
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TO

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TO

- Resources to Adopt
- Flexible Spaces
- Collaborative
- **Human Needs First**



The 9 'Human Givens'





*“We experienced a shift in our ability to **work together and collaborate more**, allowing us to grow and develop as a company.”*

~ Rob Woolstone, Architectural Director - rg+p Leicester

What Does the Future Look Like?



Flexibility
at work

Flexibility From Home



Where to Start...

1. Repurpose Existing Space... (with people in mind!)



Where to Start...

1. Repurpose Existing Space... (with people in mind!)
2. Allowing WFH Flexibility



Where to Start...

1. Repurpose Existing Space... (with people in mind!)
2. Allowing WFH Flexibility
3. From “Customer Obsessed”, to *People Obsessed*



Where to Start...

1. Repurpose Existing Space... (with people in mind!)
2. Allowing WFH Flexibility
3. From “Customer Obsessed”, to *People Obsessed*
4. Space as a Resource



Thank you.

Rob Day, Chairman & Founder



BLUEPRINT
MAKING SPACE WORK



QUESTIONS?



BLUEPRINT
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Panel Q&A

Lend us your voice...

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- ✓ Help businesses thrive
- ✓ Voice your opinions with local & regional decision makers
- ✓ Influence policy affecting our economy

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