TECHNICAL NOTE – DATA SOURCES AND METHODOLOGY

LSH has used the following data sources to assess the market for employment premises.

The Non-Domestic Rating Business Floorspace statistics are used to compare the stock of employment premises within South Tyneside with that of other local authority areas. This 'broad-brush' dataset, derived from Valuation Office Agency (VOA) data from March 2021, uses 'bulk' use classes and figures are subject to rounding. Whilst this is appropriate for comparing the stock at local authority level, it is insufficiently fine grained to allow analysis of the stock of premises within a local authority.

The Valuation Office Agency (VOA) collates data on commercial property for business rates purposes. The current Rating List therefore provides a comprehensive and up-to-date list of all commercial premises for rating purposes. To interrogate this data, LSH uses Analyse software which allows the disaggregation of the VOA data to analyse the quantity, size and type of employment premises within the Borough. This data is updated monthly and allows a more detailed and current analysis of the stock by market area and size band.

For rating purposes there is some flexibility as to what constitutes a hereditament. For instance, the owner of a managed workspace complex comprising many small units may – for rating purposes – elect for it to be considered as a single hereditament. In South Tyneside, LSH advise that the Eco Centre at Jarrow has been assessed in this way.   The effect of this is that the VOA data underestimates the number of small units within South Tyneside. LSH has therefore adjusted the VOA data to ensure that within this scheme individual units are considered. There is also room for interpretation as to what constitutes an office. The VOA uses use codes and descriptions. Where premises coded as offices are described as surgeries, dental practices, salons etc, these have been excluded by LSH, although codes do serve to highlight how buildings can switch between uses to meet changing patterns of demand.

VOA data distinguishes between various types of industrial premises. LSH's analysis includes these descriptions and use codes for reference but to a large extent the market does not make such distinctions. Buildings can accommodate a range of uses, and what was originally designed for one use may be subsequently used for another. Even broad groupings such as factories and warehouses are typically indistinguishable. Whilst large purpose-built high bay warehouses with multiple loading bays can be distinguished, these are too few to allow meaningful analysis.

Property availability and transactions have been sourced from EGi and CoStar, both of which are national commercial property databases. LSH has supplemented this with listings in the Council's premises register and LSH's own research and enquiries.

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