‘NORTHSHORING’ DEBATED IN HOUSES OF PARLIAMENT 23RD MARCH 2015

CoreNet Global UK Chapter hosted a Strategy and Portfolio planning seminar in Houses of Parliament on businesses relocating to the North of England

Improved access to talent and unparalleled regional collaboration in the North of England between business, education and government were the key takeaways from a recent CoreNet Global seminar on ‘northshoring’ held at the Houses of Parliament.

As the Chancellor of the Exchequer announced the final Budget of this parliament in the House of Commons last Wednesday, a few feet away CoreNet Global’s Strategy & Portfolio Planning group – chaired by Cushman & Wakefield EMEA Account Management partner James Crisp – hosted an event to explore location strategy in the UK with a particular focus on the current trend of northshoring.

Cushman & Wakefield’s head of EMEA Research & Insight, Polly Plunket-Checkemian, moderated a panel debate at the session which included Lindsay Phillips of Hewlett Packard, Accenture’s Bob Paton and Bryan Taylor from Balfour Beatty. The three companies, which have all undertaken major relocation projects to Cobalt and Quorum business parks in North Tyneside, shared their experiences of relocating to the North East while analysing critical success factors and processes in undertaking location planning.

Polly Plunket-Checkemian said: “Access to quality talent in the North East is continuously improving – there is now a very effective partnership in place between business, education and local government to ensure skills are being developed for the longer term. This will bring some of the ‘emerging’ industries to life in a region which is diversifying away from manufacturing. Businesses are actively partnering with schools and universities to ensure the curriculum is relevant, stretching and appealing.

“This unparalleled regional collaboration between local and central government, academia and industry is helping the North East navigate the ‘new economy’ and the challenges it faces in terms of speed of change amidst an increasingly competitive environment across the UK.”

As the UK regions continue to enjoy a renaissance on many fronts, the appeal for corporates to be based outside of London grows ever stronger. Many sectors are now taking advantage of the economic benefits of being based in the North, having access to quality talent pools while also substantially reducing office overheads.

Despite improving economic sentiment, which continues its sprawl outwards from London, the UK regions still provide potential for reduced salaries and significantly lower office occupancy costs. While London remains the mainstay for many, rising rents and business rates when coupled with a tight supply of suitable modern accommodation have led to cost-conscious occupiers being squeezed, shifting the market in favour of landlords.

Advances in transport links, such as HS2, are also adding to the attraction of northshoring and as regional office demand continues to grow, reflecting a number of large corporate requirements, the weight of investor interest is rising in tandem with investors moving up the risk curve to capitalise on the anticipated strengthening in regional occupier demand.

North Tyneside MP Mary Glindon sponsored the event which enabled Parliament to be used as a venue for the seminar. The session saw 60 CoreNet Global members and guests attend.