"There’s no actual demand in Barnsley for that amount of office space. The scheme is relying on someone new and significant coming into the area."
Chris Rowlands, Chris Rowlands & Co

You went to somewhere such as Leeds, the price would be at least 40% higher," says Guy Ankerley, residential partner at King Sturge, which is agent on the scheme. The average price of a one-bedroom flat in Leeds is around £150,000, and £130,000 in Sheffield. Such a property in Barnsley would cost £123,000.

Rents on the retail and leisure units at Gateway Plaza – which are expected to come onto the market later this year – have yet to be decided. The scheme will feature only a small amount of retail – around 20,000 sq ft aimed at convenience stores and coffee shops.

Competitive rents
Yet the main challenge will be filling the office space at the scheme. Office rents in the town are around £14.75 per sq ft. On the surface, these appear to be highly competitive for grade A floorspace, especially when compared with those in Leeds at around £25 per sq ft and Sheffield at around £20 per sq ft.

Chris Rowlands, a local chartered surveyor and property consultant in Barnsley, believes it could be a challenge to fill the space in time for the scheme’s completion in 2008.

“There’s no actual demand in Barnsley for that amount of office space,” he says. “The scheme is relying on someone new and significant coming into the area.”

Chris Gilman, director at Landmark Developments, says the company plans to get a public sector body, such as the National Grid, interested in taking a large chunk of the space. He seems confident that this can be achieved, although he does acknowledge that it could be a gradual process.

“It is the satellite effect,” says Gilman. “What has happened in Leeds and Sheffield is starting to happen in Barnsley. Gateway Plaza will provide the first modern offices in the town centre.”

He believes that the scheme will draw other developers to the area, and is optimistic about the hotel planned for the site, although it is unclear where the business will come from to fill the rooms.

Barnsley does not appear to have a buoyant tourist trade, and nor does it seem to have any local businesses that could warrant any overnight stays from business people.

“The hotel market is very competitive, and an additional phase of residential accommodation would have proved more profitable. However, the hotel will enable us to provide people with a fully functioning mixed-use scheme,” says Matthew Stephens, development manager for Quest.

There is no denying that the changes to update Barnsley will not take place overnight. The developers are taking a risk when it comes to the Plaza but, if it pays off, Barnsley may just prove its critics wrong.