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1. INTRODUCTION

CONTEXT TO THE STUDY

1.1 Rotherham Metropolitan Borough (MB) forms part of South Yorkshire and has a population of around 255,000. Its principal town is Rotherham which lies on the River Don at its confluence with the River Rother. There are a number of smaller towns located in the borough, together with areas of open countryside and woodland.

1.2 The borough is surrounded by many competing cities and towns, including Sheffield, Barnsley and Doncaster. In retailing terms, the large out of town regional shopping centre of Meadowhall, located just beyond the borough boundary, also exerts a major influence.

1.3 Rotherham MB has been the subject of changing national retail and leisure market trends over the past 20-30 years, as well as more localised impacts resulting from the Meadowhall Shopping Centre and the out of centre Parkgate Shopping. Although the recent economic downturn has undermined high streets throughout the country, from observation it appears that Rotherham town centre has been hit particularly hard, whilst a number of smaller town, district and local centres throughout the MB are also exhibiting signs of weakness.

1.4 Against this retail and economic background, Rotherham Metropolitan Borough Council (MBC) is in the process of preparing its Local Development Framework (LDF), which will cover the period to 2027. Early in 2011, the Council intends to consult on a final draft Core Strategy and undertake initial consultation on site allocations and policies. It is the intention that the production of a strategy and supporting policies for retail and leisure development across the MB will be informed by this study, which updates and supercedes a similar report prepared for the MB Council in 2004.

TERMS OF REFERENCE

1.5 In broad terms the Tender Specification makes it clear that the Rotherham Retail and Leisure Study should:

1 Rotherham Retail and Leisure Study, White Young Green, July 2004.
• support the work of the MB Council’s planning and regeneration functions;
• inform the policies and strategies of the forthcoming LDF;
• provide data and evidence which will inform the MB Council’s decision-making;
• comply with guidance in PPS 4; and
• be compatible with the approach taken in the recently completed Rotherham Town Centre Retail and Leisure Study¹.

1.6 More specifically, the Terms of Reference for the borough-wide retail and leisure study are as follows:-

• **Retail and Leisure Trends** – identification of trends and a consideration of how these markets are changing over time.

• **Rotherham Context** – identification of the retail and leisure context for the borough and a consideration of competing facilities/centres.

• **Current Retail and Leisure Position** – to carry out health checks for all defined town and district centres, except Rotherham town centre, using indicators set out in PPS4; to identify existing leisure provision within the borough and a consideration of trading patterns and characteristics of retail centres and the potential for these to accommodate further retail and leisure floorspace.

• **Qualitative and Quantitative Analysis of Retail and Leisure Need** – to quantify the capacity for additional comparison and convenience goods floorspace to 2027; consideration of the need for further leisure development; a consideration of retail and leisure occupier demand and a consideration of qualitative issues.

• **Recommendations on Retail and Leisure Policies** – to provide an overview of direction of policy, to provide an assessment of draft policies produced for the LDF, advice on centre hierarchy, set floorspace thresholds for impact tests, identify any deficiencies in provision, advise on scale and locations of any additional retail and leisure floorspace provision and to confirm the appropriateness of existing town and district

¹ Town Centre Retail and Leisure Study, Colliers CRE and The Retail Group, January 2010.
centre boundaries; and to advise on the need for identifying primary and secondary frontages within them.

**STUDY APPROACH**

1.7 In preparing this report, we have drawn on our wider expertise of retail planning and experience gained in undertaking many other retail and leisure studies for local authorities throughout the UK. Specifically, we have sought to combine experience in terms of:

- Research and Economics
- Planning
- Market Knowledge
- Consumer/Market Research

and as such the study seeks to blend detailed research with relevant commercial and planning expertise.

1.8 As co-author of the recently published Rotherham Town Centre Retail and Leisure Study, we also draw on the research carried out for this report, in particular the telephone survey of 1,000 households undertaken throughout Rotherham MB and its shopping hinterland in February 2009. This survey provides important information on shopping patterns and flows of retail expenditure between zones (where people live) and centres/stores (where they spend their money).

1.9 Although household survey data was available prior to the commencement of this study, it soon became clear that a substantial body of new information was required in order to satisfactorily meet the objectives in a robust manner. This data includes the following:-

- existing retail floorspace of centres and shops throughout the MB\(^1\);
- details of retail floorspace in the development pipeline within the MB, together with information on in-door leisure and hotel commitments\(^2\);
- existing population totals for the MB, survey area and constituent sub-areas (zones) and projections of population to 2027\(^2\); and

\(^1\) Colliers International has generated this data from a range of sources, including annual centre monitoring surveys carried out by Rotherham MBC.

\(^2\) This information is provided by Rotherham MBC.
estimates of average consumer retail expenditure per head for small areas (zones), and forecasts of growth in such expenditure within Rotherham MB and its shopping hinterland.  

1.10 In addition, we have examined published research from a wide range of third party organisations in order to incorporate into the retail needs assessment the latest data and forecasts on:

- the level on non-store retail sales, including consumer spending over the internet;
- the changing floorspace efficiency (average store productivities) of existing retailers; and
- appropriate existing and future benchmark average sales densities for different categories of goods.

**STRUCTURE OF THE REPORT**

1.11 This report consists of two volumes. Volume 1 (this volume) comprises the Consultants Report, whilst Volume 2 contains a number of Appendices which provide technical information relating to the statistics and forecasts we have used, together with comprehensive information on existing centres and retail floorspace throughout the borough. It also contains our detailed quantitative retail floorspace need tabulations (spreadsheets) with separate series on convenience goods, non-bulky comparison goods and bulky comparison goods.

1.12 In terms of this volume (the main report), Section 2 describes the key retail and leisure property trends in the UK and draws on recently published data as well as the results of our own in-house research. The purpose of the review is to provide a wider context to the study of Rotherham MB.

1.13 In Section 3 we describe the planning policy context to the study at the national, regional and local level.

1.14 Section 4 introduces our methodology for assessing the need for additional retail floorspace within Rotherham MB. The sources of data are identified, the methodology of the ‘model’ is described and our key assumptions are explained.

---

1 This data is sourced from Experian.
1.15 In Section 5 we consider the present scale and location of retailing provision throughout the sub-region and, drawing largely on the results of the household telephone survey, examine the current patterns of shopper behaviour for convenience goods and non-bulky and bulky comparison goods shopping. Using this information we quantify the retail trading performance of Rotherham MB as a whole and that of Rotherham town centre. The major competitor destinations to those centres in Rotherham MB are identified and their retail offers are compared.

1.16 In Section 6 we focus on the retail sector within Rotherham MB and describe and review the current ‘health’ of the borough’s town, district and local centres. The assessment is supported by a detailed audit of existing retail floorspace throughout the MB. Out of centre retail provision in the form of retail parks, retail warehouses and supermarkets/superstores is also covered.

1.17 Section 7 quantifies the need for (any) additional convenience goods and non-bulky and bulky comparison goods floorspace within Rotherham MB, and its defined town, district and local centres. The assessment is carried out for the (agreed) forecast years of 2017, 2022 and 2027. Need is also estimated for each sub-area (or zone) within the MB.

1.18 In Section 8 we present our analysis of the need for additional leisure uses within Rotherham MB and its town, district and local centres. Our approach combines results from the household telephone survey with published market research and our own audit of existing leisure provision.

1.19 Lastly, Section 9 sets out the conclusions to the study and presents our recommendations to the MB Council on the most appropriate retail and leisure policy direction for inclusion in the LDF.
2. RETAIL AND LEISURE – TRENDS AND UK CONTEXT

INTRODUCTION

2.1 It is useful to set the shopping and leisure markets within Rotherham MB in the context of long term national trends. Retailing and leisure are both dynamic industries and the way they evolve will have important implications for all parts of the UK, including for Rotherham.

RETAILING - PERIODS OF RAPID CHANGE

2.2 During the 1980s and 1990s the UK retailing industry underwent a radical transformation. Fired by a growing volume of consumer spending, a considerable economic boom occurred. Between 1998 and 2008, for example, retail spend rose by £85 billion (Figure 2.1). This rapid increase was due to the easy availability of credit, a booming housing market and increasing consumer confidence, which translated into consumer expenditure.

Figure 2.1 Annual Retail Sales, 1998–2009 at Current Prices

Source: Verdict, UK Out of Town Retailing, October, 2010.
2.3 This general buoyancy and healthy consumer demand was underpinned by important changes on the supply side, notably:-

- the advance of superstores and multiple retailers;
- achievement of larger economies of scale;
- introduction of attractive new store designs and systems of product presentation; and
- superior systems of stock control and replacement.

2.4 A new generation of consumers was courted by new retailers focusing heavily on design and market segmentation (e.g. Next, Tie Rack and The Body Shop). The aggressive expansion of new retailers added further pressures to a widespread demand for a limited resource, i.e. prime sites on the high street and in shopping centres. However, this was confined almost entirely to large towns and cities, rather than smaller centres.

2.5 The 1980s and 1990’s also saw a period of financial deregulation. High Street sites were in competition and eagerly acquired by such service providers as banks, building societies and estate agencies.

2.6 All these market changes put upward pressures on the level of shop rents as a consequence of the “race for space”. Between 1984 and 1988 rents nationally increased by over 60%. This large increase was vastly in excess of the underlying growth in retail sales and consumer expenditure (25% and 23% respectively). As retailer demand continued to fuel rental growth, new shopping developments in town centres and out of centre became viable. This took the form of both major centre schemes, retail parks and smaller “courtyard” developments, sometimes in secondary locations in the larger centres.

2.7 Between 1987 and 1996 the quantity of out of centre floorspace in the UK grew by over 87% (an increase of almost five million sq m), whereas the equivalent figure for in-town retail floorspace showed a growth of only 0.7% (less than 0.2 million sq m). Thus in floorspace terms virtually the whole of the net additional growth in the UK retail sector between 1987 and 1996 was out of centre. During this time migration of the main out of centre sectors from the high street created space into which the more traditional high street retail uses expanded. By the end of 2000 out of centre shopping accounted for 27% of total retail space and 28% of retail sales, with both these figures rising to 34%
and 31% respectively by 2009. Figures 2.2 to 2.4 summarise changes in the quantum of retail sales and retail floorspace by physical location over the past decade and the relationship between the two indicators (sales densities).

Figure 2.2 Retail Floorspace by Location, 1998-2009

![Retail Floorspace by Location, 1998-2009](image)

*Source: Verdict, UK Out of Town Retailing, October 2010.*

Figure 2.3 Retail Sales by Location at Current Prices, 1998-2009

![Retail Sales by Location at Current Prices, 1998-2009](image)

*Source: Verdict, UK Out of Town Retailing, October 2010.*
2.8 In relation to high street retail the 1980s and 1990s saw an increasing concentration of shopping provision within the UK's largest city and town centres. By 2000, for example, the top 100 locations accounted for an estimated 36% of (town centre) floorspace and 58% of sales.

**EARLY 1990s RECESSION**

2.9 The results of the onset of the recession at the end of the 1980s / early 1990s are well documented - a virtual standstill in retail sales and a sharp decline in the fortunes of high street stores. From 1989 to the end of 1992, the general trend in retail sales at constant prices (ie. discounting for inflation) was static (see Figure 2.5 overleaf) in marked contrast to the expectations on which some retailers’ business plans at the time was based.
2.10 High rents and low sales resulted in many retailers (multiples and independents) having a particularly difficult time. Some retailers closed down or down-sized their holdings considerably. This period also saw the growth of the “discounters” (food and non-food) as consumers became very cost conscious. In addition, charity shops proliferated as landlords tried to recoup lost income from voids arising from the downturn. This period was characterised as being very much a tenants market as occupiers had substantial negotiating clout resulting from the downturn.

2.11 Early 2009 saw the UK slide into economic recession once more. A number of these trends are therefore being repeated. Woolworths and MFI were among the early retail casualties of the present downturn (see later).

RETAIL EVOLUTION SINCE THE MID 1990s

2.12 From 1996, until relatively recently, growing consumer confidence had led to increasing retail spend, which in turn encouraged retailers to expand with strong competition for prime sites and a resultant increase in prime rents (see Figure 2.6 overleaf). Although prime rents rose each year from 1993-94 to 2007/08, in real terms (i.e. after taking inflation into account) values remained lower than those achieved more than a decade
earlier. In absolute terms, the average GB prime rent rose from £592 per sq. m in 1987 to £883 per sq. m in 1990 before falling back to £797 per sq. m in 1993. Since then, the average rent increased annually to reach £1,400 per sq m in May 2008 before declining once more to £1,227 per sq m in May 2010.

Figure 2.6 Great Britain Prime Rental Performance, Nominal & Real Values (June 1987 to June 2010)

2.13 The general confidence in retail markets since 1996, until quite recently, has been the result of a buoyant national economy, resulting in increasing consumer affluence and confidence. Positive economic indicators included a growth in Gross Domestic Product (GDP), relatively low inflation and falling unemployment. This confidence in the economy saw improvement in rents across all property sectors. Property also witnessed a significant increase in investment from institutional investors.

2.14 Retailers responded to these emerging consumer needs by focusing more on the establishment of larger shops that were able to provide the full range of their products at a competitive price. According to Verdict, high street stores are now 25% larger than a decade ago as retailers such as Marks & Spencer and Next strive to expand floorspace to accommodate broader ranges and services. Typically, these new “mega” shops are located in the larger “quality” regional centres where catchment populations are
considerable and affluent, and where retailers can maximise market share through a more focused branch network.

2.15 Retailing is also becoming more and more about branding and specialisation. The retail generalists, such as W H Smith and Boots, are finding it difficult to maintain market share, especially as the supermarkets move increasingly into non-foods. The buying power of these operators now enables them to undercut most high street retailers on price.

2.16 There is also a growing element of convergence between retailing and leisure. Both retailing and leisure have a developing synergy so that the shopping trip is now increasingly seen as a “day out” rather than a regular routine or chore. An example of this trend is the shopping trip which in itself is undertaken as a leisure activity. This is particularly well illustrated by the new breed of factory outlet centres which have opened throughout the UK, where research which we have undertaken shows that up to 75% of visits are essentially leisure based trips and are “net additional” to regular visits made to the high street.

2.17 There has been growing pressure and competition from café, snack bar, restaurant and licensed retail operators (e.g. JD Wetherspoon), responding to the trend of people choosing to eat out more regularly and contributing to the concept of the evening economy.

2.18 In key centres, international retailers have also very active. The best example of this is central London, where locations such Oxford Street, Bond Street and Regent Street have attracted an influx of major names including Armani, Donna Karan, Louis Vuitton and Gianni Versace. However, demand from overseas retailers has also been healthy in a number of the other major regional centres such as Manchester, Glasgow and Leeds.

OUT OF TOWN RETAILING

FOOD

2.19 Food retailers continued to expand through the recession of the early 1990s, particularly in out of centre locations. The slow growth in convenience goods expenditure (illustrated in Figure 2.7 overleaf) contributed to the expansion plans of food retailers by forcing them to fight for market share and to benefit further from economies of scale.
The logic appears to be that to increase market share and profits, there is a need to increase floorspace.

**Figure 2.7: Consumer Retail Expenditure by Goods Type for the UK (Constant 2006 Prices), 1990 to 2027**

Source: Experian Forecast, August 2010

In the past, increasing floorspace was achieved mainly through new superstore development, especially out of centre. However, with government planning policy curtailing opportunities out of centre, the major operators are increasingly looking to extend their existing stores. Extensions are used to accommodate non-food ranges which have lower sales densities (than food) but generate better margins. Larger stores also enable food store operators to diversify into services or to accommodate in-store service use concessions (e.g. coffee shops, dry cleaners, shoe repairers and photographic processing).

Smaller store formats have been devised by a number of major food store operators and this has also spearheaded the movement back to town centres. An example of one of the new formats is Tesco with its “Metro” and “Express” concepts. The promotion of
town centre living, along with the growth in one person households as well as an increasingly ageing population, has created a market for in-town supermarkets.

2.22 The growth in the number of larger superstores (Table 2.1) has been at the expense of smaller supermarkets and other food specialists. The net effect of the expansion of the superstores has been a loss of more than 36,000 food shops over the past 13 years.

Table 2.1 Total Grocery Store Numbers by Retail Type, 1997-2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Superstores</th>
<th>Supermarkets and Smaller Grocers</th>
<th>Food Specialists</th>
<th>Off-Licenses &amp; Tobacconists</th>
<th>All Stores</th>
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<tbody>
<tr>
<td>1997</td>
<td>1,084</td>
<td>34,438</td>
<td>41,493</td>
<td>27,667</td>
<td>104,682</td>
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<td>1998</td>
<td>1,117</td>
<td>33,766</td>
<td>39,407</td>
<td>25,691</td>
<td>99,981</td>
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<tr>
<td>1999</td>
<td>1,150</td>
<td>33,586</td>
<td>37,996</td>
<td>22,480</td>
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<td>2000</td>
<td>1,180</td>
<td>33,228</td>
<td>36,157</td>
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<td>2001</td>
<td>1,235</td>
<td>33,040</td>
<td>34,240</td>
<td>19,208</td>
<td>87,723</td>
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<td>2002</td>
<td>1,292</td>
<td>32,785</td>
<td>33,155</td>
<td>17,644</td>
<td>84,876</td>
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<td>2003</td>
<td>1,319</td>
<td>32,523</td>
<td>30,856</td>
<td>16,349</td>
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<td>2004</td>
<td>1,351</td>
<td>32,423</td>
<td>28,963</td>
<td>14,194</td>
<td>76,931</td>
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<td>2005</td>
<td>1,385</td>
<td>32,288</td>
<td>28,244</td>
<td>13,373</td>
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<td>1,434</td>
<td>32,138</td>
<td>27,750</td>
<td>12,540</td>
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<td>2007</td>
<td>1,463</td>
<td>31,953</td>
<td>27,123</td>
<td>11,760</td>
<td>72,298</td>
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<td>2008</td>
<td>1,490</td>
<td>31,857</td>
<td>26,309</td>
<td>11,125</td>
<td>70,781</td>
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<td>2009</td>
<td>1,513</td>
<td>31,729</td>
<td>25,467</td>
<td>10,546</td>
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<td>2010</td>
<td>1,539</td>
<td>31,666</td>
<td>24,856</td>
<td>10,019</td>
<td>68,080</td>
</tr>
<tr>
<td>% Change 1997-2010</td>
<td>+42</td>
<td>-8</td>
<td>-40</td>
<td>-64</td>
<td>-35</td>
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Source: Verdict, UK Out of Town Retailing, October 2010.

NON-FOOD

2.23 Following many years of rapid growth, the out of town retail warehouse sector suffered a down-turn at the end of the 1980s. By the mid 1990s it had recovered and the market remained strong through to around 2005. This 10 year renaissance derived from a series of innovations which, when combined, created the modern purpose-built retail park. Schemes built in the early 1980s began to be examined critically and some were
redeveloped or extended. Free-standing ("solus") units started to become outmoded. Some units were reduced in size from that typically required by DIY operators to meet the new range of retail warehouse or “showroom” occupiers.

2.24 The retail warehouse market continues to segment as it matures. Prime rents are generally paid for space on purpose built retail parks which are accessible by a large catchment population and which benefit from an “open” (non food) retail planning consent (the first tier - “superprime”). In other locations, premiums can be paid by a wider range of retailers (typically for smaller retail warehouses) – on parks having such a planning consent (the second tier). With the increased use of planning conditions to restrict the use of out of town retail warehouses to “bulky goods”, a third tier has developed in investment terms.

2.25 During recent years there has been a polarisation in the retail warehouse market between bulky goods (weak demand) and open A1 (relatively healthy demand). There is currently a huge total of second hand space on the market and most of this is bulky goods restricted and often large and difficult to sub-divide. The weak bulky goods market is typified by major events such as the collapse of Courts at the end of 2004, which resulted in 70,000 sq m gross of vacant space coming onto the market, and the down-sizing of B&Q. Added to this are the residual units from the more recent collapse of Allders, Furnitureland, Durham Pine, Textile World, MFI etc. and on-going disposals from a number of other retailers. Running in parallel there has been the development of new retail warehouse floorspace that has never been occupied.

**E-TAILING**

2.26 In 2002, the value of online retail spending was just £3.8 billion, representing 1.6% of all UK retail sales. By 2008, however, it had grown to £18.4 billion (6.4%). Online sales have therefore risen rapidly to become an integral part of the UK retail market, and in many cases it is now the strength of retailers online sales that is helping to counter the weaker in-store performance.

2.27 Consumer confidence in online retailers has risen as shoppers have tested out the internet and found websites increasingly easy to navigate, credit card use to be secure and delivery to be convenient and reliable. The ease of comparing the price of goods and services has also led sales to soar, as has the increasing availability and falling price of broadband.
2.28 It is important to note that not all of the growth in online sales impacts directly on spend available to the high street. Nevertheless, online sales are now well beyond the point where growth is simply cannibalisation of more traditional home shopping formats. E-tailing is therefore now capturing more of the consumer spend that previously flowed to bricks and mortar retailing.

2.29 This implies that internet sales are drawing trade away from the UK’s high streets. In practice, however, some retail operators run both traditional and online operations; for example, Argos and Tesco. Therefore, internet shopping does not necessarily mean high street retailers are losing out. In the case of some retailers, electronic orders are fulfilled out of existing stores, so growing online sales may even increase the need for retail property in certain cases.

2.30 The forecasts for e-tailing suggest that online sales will continue to increase rapidly over the next five years, after which rate of growth is expected to slow. Perhaps of more importance to retailers is the expectation special forms of trading (mainly internet shopping) is expected to capture an increasing share of all retail goods sales, rising to around 12.6% by 2016 according to Experian. Experian expects e-tailing to follow the s-curve profile of a slow start, rapid take-off (the present position) and an eventual plateau. They expect the market share of e-tailing as a proportion of total retail to stabilise from 2016 onwards.

LEISURE

2.31 The concept of the out of town leisure park, anchored by a multiplex cinema and bringing together a range of leisure and restaurant uses, evolved rapidly during the 1990s. Like the retail sector, large sites of 4.0 ha (10 acres) or more have typically been sought with a catchment of about 250,000 people in a 20 minute drive time. However, new government planning policy is also beginning to have an impact on the leisure sector, particularly in relation to the sequential approach to site location.

2.32 In recent years the leisure property sector has seen a period of consolidation and this trend is expected to continue, although the public appetite for the “leisure offer” continues to grow. Expansion in the cinema, bowling and bingo sectors is generally highly selective and is beginning to encompass smaller market towns. In relation to health and fitness clubs the focus is now on smaller wellness and/or spa facilities, either associated with hotels or as stand alone operations.
2.33 A number of city centre based urban entertainment centres have opened over the past decade (e.g. The Light, Leeds; and The Cornerhouse, Nottingham) in which leisure occupiers largely tap into urban dwellers, office workers and students. This is creating a polarisation effect with the established out of town leisure park, which retains a more family orientated customer base. A more recent consumer trend is the move towards active leisure pursuits and developers are responding by promoting ski slopes and five a-side football operations.

THE CREDIT CRUNCH AND ITS EFFECTS ON THE RETAIL ECONOMY

2.34 The year, 2008, was one of the most turbulent years for the global economy in history, primarily caused by the US sub-prime mortgage market, whereby banks around the world were exposed to bad debts.

2.35 The actual start of the “credit crunch”, however, can be pinpointed to 9th August 2007 when investment bank BNP Paribas closed two of its funds because it could not value the assets in them. This was followed in September 2007 by the collapse of Northern Rock and the biggest run on a British bank in more than a century.

2.36 Throughout 2008 a number of major events rocked the UK and global economy. On 15th September, Lehman Brothers became the first major bank to collapse with the warning that more would follow. This was followed by one of Britain’s biggest mortgage lenders Bradford and Bingley being nationalised and the government taking control of £50bn worth of mortgages and loans. In an unprecedented move six central banks around the world including the Bank of England, US Federal Reserve and European Central Bank all cut interest rates by half a percentage point on October 8th. This came hours after the UK government announced details of its rescue package for the banking system including a cash injection of £50bn and the offering up to £200bn in short-term lending support. Days later the government announced further plans to save the British banking system by effectively nationalising three UK banks, RBS, Lloyds TSB and HBOS injecting a total of £37bn of taxpayers’ money into them. 2008 saw the FTSE 100 fall 31.3%, the biggest decline in its history.

2.37 As a result of the economic downturn, the retail sector also took a severe battering. A string of high profile retailers went into or filed for administration including MFI, Land of Leather, Zavvi, and most significantly Woolworths, resulting in a number of changes on the high street.
2.38 Consumer confidence fell sharply over 2008 (see Figure 2.8) despite efforts by the government to get consumers spending. VAT was cut from 17.5% to 15% at the end of November 2008 in an attempt to instil some confidence, whilst in March 2009 the latest in a line of interest rate cuts saw the Bank of England base rate set at 0.5%, the lowest in its history.

![Figure 2.8 Retail Sales -v- Nationwide Consumer Confidence](image)

**Figure 2.8 Retail Sales -v- Nationwide Consumer Confidence**

![Graph showing retail sales and consumer confidence index](image)

*Source: British Retail Consortium / Nationwide Buildings Society*

2.39 Confidence in the retail sector remained weak throughout 2009 and into 2010, although sales held up better than many forecasters predicted. The food store operators and value retailers in particular bucked the trend and continued to perform well.

2.40 Due to the economic downturn, vacant retail floorspace across the country has risen steadily for the past four years and is around double what it was in 2006 (see Figure 2.9 overleaf). There are recent signs that the rate of growth in voids may be slowing, but future trends will depend largely on economic conditions and consumer retail expenditure growth. Our in-house research (based on a sample if 15 sample and town centres) has shown that rising vacancy rates are now being driven entirely by the
obsolescence of secondary space, with void floorspace in prime shopping areas already falling, albeit slowly.

**Figure 2.9 Increase in UK Retail Vacancy Rates, October 2006-April 2010**

![Graph showing increase in UK retail vacancy rates from October 2006 to April 2010.](image)

**Source:** Colliers International

### CURRENT MARKET CONDITIONS AND OUTLOOK

2.41 The UK has experienced the worst economic recession since the 1930s. Although GDP figures indicate that the country has recently moved out of recession the recovery is expected to be long and fragile. The Coalition Government's measures to drastically reduce the deficit, which include a hike in VAT to 20% in January 2011, and huge public spending cuts, are expected to further dampen consumer retail expenditure over the coming months.

2.42 The recession took a heavy toll on the **high street** with capital values for some retail properties falling by up to half, eradicating many investor’s equity and making banks the owners of many shopping centres and high streets. However, the large number of retail failures during late 2007/early 2008 has largely been stemmed and although there may be further casualties, occupier demand has been surprisingly buoyant. The key issue is the terms upon which retailers are prepared to take a unit.
2.43 Landlords these days are often prepared to keep units occupied almost on any terms, encouraged to do so by the Government’s implementation of full vacant rate payments. Rent free periods and/or incentives equal to two or three years are commonplace with there being extreme examples of five or even six years free being accepted. Short term leases on a turnover basis are often being entered into but at least the occupancy of a unit helps maintain vibrancy and a feeling of well being in the nation’s high streets and shopping centres.

2.44 In the out of town retail market, vacancy has increased significantly in recent years as a result of a series of administrations, particularly during 2008/09 (eg. MFI, Land of Leathers and Allied Carpets). This caused rents to fall (up to 40% in some instances), the first significant reverse in the out of town market since its emerged 30 years ago. Many of these voids remain unlet, especially on the more difficult bulky goods retail parks. Accordingly, rental levels can no longer be held up by incentives and landlords are having to adopt a more pragmatic (flexible) approach to keep parks occupied. However, this does mean that there are attractive opportunities for existing retailers and new retailers to expand.

2.45 The out of town sector is currently experiencing the lowest level of retail warehouse development ever seen. From a high of 440,000 sq m developed in 1997, 2010 will only see 46,000 sq m built. New construction has been hit in recent years by rising yields, and increasing build costs, but the major factor has been that active retailers have been able to source better terms taking existing vacant properties.

2.46 However, as the lack of a development pipeline combines with the take up of existing units, the super deals are beginning to dry up and retailers are turning to developers to deliver the space they need. Mothballed schemes are being dusted down in readiness for a new wave of construction. We expect 90,000 sq m of new retail warehouse space to come on stream in 2011, double the level of this year.

2.47 The food store sector remains healthy despite the economic downturn with like for like sales growth being achieved. The big four operators – Tesco, Sainsburys, Asda and Morrisons – continue to do well, whilst the likes of Waitrose and the Co-op also seek to expand market share through the acquisition of existing stores or new store openings. Convenience stores, in particular, are generating a lot of activity as retailers seek new formats and new ways of securing extra trading space without having to wait the typical three to five year timescale required to open a main store. The discounters are also
expanding on the back of changing consumer food shopping preferences with more emphasis being placed on value.

2.48 In terms of the UK shopping hierarchy, Central London and the large dominant in and out-of-town regional centres, together with the much smaller market towns are faring the best as they did back in the economic downturn of the early 1990’s. Discount retailers and those with very strong brands are also trading much better than those occupying the middle market who cannot appeal on price and/or quality in an evermore discerning market. Retailers with an effective website also continue to trade well despite the adverse economic conditions.

2.49 Whilst 2007 and 2008 were the years of yield weaknesses and falling capital values, 2009 was characterised by a decline in retail rents. Our data indicates that the Great Britain average prime retail rent fell by 12.2% during the year to May 2009, the biggest annual fall since we began our rental series in 1987. This average figure masks a big variation in performance with many centres experiencing much larger rental falls of up to 55%. Rents fell by a further 1.5% over the year to May 2010 and are expected to slip back even more over the next 12 months.

2.50 New retail development has slowed right down – only 230,000 sq m of new shopping centre floorspace opened in 2010 - whilst the longer term pipeline has slipped back from five million sq m in 2008 to 3.2 million sq m today (a fall of one-third) (see Figure 2.10 overleaf). However, only 11% of this pipeline is under construction, so the majority may be subject to delay or cancellation, reducing the pipeline even more. This will place a significant break on new retail accommodation over the next few years which, combined with an expected recovery in occupier demand, could lead to a relatively quick contraction of concessions and a steep rise in rents in around two to three years time in prime areas and/or key centres.
2.51 For many secondary shopping locations, however, the return to buoyancy may be more difficult to achieve. The larger regional centres are capturing that once a month ‘big shop’, with the convenience stores and the supermarkets catering for the majority of consumers local needs. Whilst market towns serving rural catchments will continue to prosper, those middle market locations which offer neither convenience, inexpensive parking and/or the full consumer experience will face a struggle to maintain their current levels of vitality and viability.

MEDIUM TO LONG TERM TRENDS

2.52 In the medium to longer term the UK retail property market is likely to be impacted by a number of important national trends, the most important of which are:-

- the potential effect of internet shopping – e-tailing in the UK has grown rapidly in recent years. Economic forecasters expect its rate of growth to level-off in around five years time. However, should these forecasts prove wrong and spending on-line continues to gather pace in the medium to longer term, this will clearly divert even more spending away from ‘bricks and mortar’ shops to the detriment of all city and town centres;
- A rapidly ageing population – by 2016 it is estimated that there will be 2.1 million fewer people aged under 40, but 3.5 million more people over 40 years of age;

- A declining share of consumer expenditure – although disposable incomes have risen every year for more than a decade, the proportion of expenditure which is spent on retailing goods has fallen from 38.3% in 1997 to 34.4% in 2007 and is expected to fall to 31.3% by 2012;

- An increasing proportion of retail activity is becoming concentrated in the largest towns and cities – in the 1960’s it took 200 retail locations to account for 50% of all UK non-food sales but today this same proportion of turnover is channelled through less than 80 retail centres and the number is forecast to decrease even more.

**SUMMARY**

2.53 The retail and leisure sectors have been subject to significant changes when looked at over the medium term. The recent economic downturn has added to the dynamic. These shifts and trends should not be ignored. Operators are constantly monitoring changing trends in fashion and demographics in order that consumer demand is satisfied. Retail and leisure are both evolving processes with operators constantly adapting to demand and increasingly analysing and targeting their customers. These continual changes have important implications for property and business location, which in turn are related to policy. Local authorities should therefore regularly monitor the retail and leisure sectors in order to ensure that their policies are both up to date and appropriate.
3. PLANNING POLICY CONTEXT

INTRODUCTION

3.1 This section describes the planning policy context to the assessment of retail and leisure uses within Rotherham MB and its main centres. Existing planning guidance and policy at the national, regional and local levels is reviewed.

PLANNING POLICY STATEMENT 4: PLANNING FOR SUSTAINABLE ECONOMIC GROWTH

3.2 PPS 4 was published on 29 December, 2009. It sets out the Government’s national planning policies for economic development.

3.3 Economic development includes development within the B Use Classes, public and community uses, main town centre uses and other forms of development which achieves at least one of the following objectives:

- provides employment opportunities
- generates wealth or
- produces or generates an economic output or product.

3.4 Of most relevance to this study are the town centre uses to which town centre policies apply. These uses are defined as comprising:

- retail development;
- leisure, entertainment facilities, and the more intensive sport and recreation uses;
- offices; and
- arts, culture and tourism development.

3.5 The Government’s overriding objective is sustainable economic growth. To achieve this, its objectives for planning for urban areas are to:

- build prosperous communities by improving the economic performance of cities, towns, regions, sub-regions and local areas, both urban and rural;
• reduce the gap in economic growth between regions, promoting regeneration and tackling deprivation;

• deliver more sustainable patterns of development, reduce the need to travel, especially by car and respond to climate change; and

• promote the vitality and viability of town and other centres as important places for communities. To do this, the Government wants:

  - new economic growth and development of main town centre uses to be focused in existing centres;

  - competition between retailers and enhanced consumer choice through the provision of innovative and efficient shopping, leisure, tourism and local services in town centres;

  - the historic, archaeological and architectural heritage of centres to be conserved and, where appropriate, enhanced.

3.6 At the local level, PPS 4 states that the evidence base should:-

• be informed by regional assessments (to be revoked in full);

• assess the detailed need for land or floorspace for economic development, including for all main town centre uses over the plan period;

• identify any deficiencies in the provision of local convenience shopping;

• assess the existing and future supply of land for economic development;

• assess the capacity of existing centres to accommodate new town centre development taking account of the role of centres in the hierarchy and identify centres in decline where change needs to be managed.

3.7 PPS 4 requires that when assessing the need for retail and leisure development local planning authorities should:-
• take account of both quantitative and qualitative need for additional floorspace;

• give special weight to meeting qualitative deficiencies in deprived areas, although any benefits in respect of regeneration and employment are material considerations rather than elements of qualitative need;

• have regard to relevant market information and economic data, such as population levels, forecast expenditure and improvements in retail sales densities; when assessing quantitative need;

• consider whether the choice of shopping, leisure and local services is adequate, particularly in deprived areas, in the assessment of qualitative need; and to take into account the degree to which shops may be over-trading and whether competition and retail mix should be improved.

3.8 Land authorities are required to set out a strategy for the management and growth of their centres. This should include setting flexible policies:

• defining a network and hierarchy of centres;

• defining centre boundaries and primary shopping areas and, where appropriate primary and secondary frontages; and

• consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development which should be subject to an impact assessment.

3.9 PPS 4 also states that local authorities should proactively plan to promote competitive town centres and provide consumer choice by:

• supporting a diverse range of uses;

• planning for a strong retail mix;

• supporting shops, services and other small scale economic uses in local centres and villages;

• identifying sites for new development where a need has been identified;
• retaining and enhancing existing markets and, where appropriate, re-introducing or creating new ones;

• taking measures to conserve and, where appropriate, enhance the established character and diversity of centres.

3.10 Government policy also requires that local authorities manage the evening and night-time economy of town centres, by encouraging a diverse range of complementary uses and by setting out the number and scale of new leisure development they wish to encourage.

3.11 Lastly, PPS 4 advises that Councils should use their annual monitoring report to keep under review:

• the network and hierarchy of centres;
• the need for further development; and
• the vitality and viability of centres.

3.12 The Business Plan published by the Department of Communities and Local Government (DCLG) in November 2010, indicates that PPS 4 (and other Planning Statements) will be superceded by a new National Planning Policy Framework. The Coalition Government hopes to publish this by April 2011. It is expected that this will role back national planning policy and put more emphasis on to planning at the local level, with local planning authorities assuming a greater responsibility in their areas.

THE YORKSHIRE AND THE HUMBER PLAN: REGIONAL SPATIAL STRATEGY TO 2026

3.13 The Regional Spatial Strategy for Yorkshire and The Humber to 2026 was published in May 2008, and replaced the RSS for Yorkshire and the Humber (2004). It focuses on ‘where things take place’ and on ‘how much’ in terms of relative scales and priorities for development and investment.

3.14 In relation to retail and leisure, the Plan lists a number of relevant policies as follows:

• YH4 Regional cities and sub-regional cities and towns (which includes Rotherham) should be the prime focus for housing, employment, shopping, leisure, education, health and cultural
activities and facilities in the region. It also supports strengthening the identity and roles of city and town centres as accessible and vibrant focal points for high trip generating uses.

- **YH5** Principal towns (which includes Dinnington) should be the main local focus for housing, employment, shopping, leisure, education, health and cultural activities and facilities.

- **SY1** South Yorkshire sub area policy – supports the transformation of sub-regional towns particularly their town centres, as vibrant, healthy, accessible, attractive and safe places. In relation to Rotherham, the RSS supports the development of its town centre so as to ensure it is a brighter and more vibrant place to work, visit and invest in.

- **E2** Town centre and major facilities – this policy supports focusing new development in town centres and in principal towns and district centres; in addition, it also states that no further development of new or large scale expansion of existing out of centre regionals or sub-regional shopping centres should be permitted.

3.15 The Yorkshire and The Humber Plan – along with all the other RSS’s – was revoked by the new Coalition Government’s Secretary of State on 6 July, 2010. This action was challenged in the High Court by developer Cala Homes on 11 November, 2010. The Court’s decision was that the Secretary of State could not revoke all Regional Strategies in their entirety. However, in practice this changes very little as the Coalition Government has already introduced the Localism Bill to Parliament. Once this new legislation has been passed the Regional Strategies that were introduced by the last Government will be abolished. The Second Reading of the Localism Bill took place on 17 January, 2011.

**ROtherham Unitary Development Plan, Adopted Version, June 1999**


3.17 The Plan acknowledges that the surge in retail spending and investment during the 1980s and 90s led to a variety of new shopping floorspace, locations and trading
formats in the Rotherham area, including the vast new out of centre regional shopping
centre at Meadowhall (in Sheffield), the large retail park at Parkgate Shopping and a
number of other retail warehouses clusters and solus superstores. Even back in 1999
the Plan noted that these new developments were having an impact over a wide area
and challenging the traditional role of existing town centres.

3.18 The Plan highlights the loss of locally generated retail spending in the borough,
particularly in relation to car borne trips. Leakage to Meadowhall (and to Sheffield and
other competing centres) is aggravated by Rotherham MB having the highest level of
car ownership in South Yorkshire. The Plan noted that the rise of Meadowhall and
Parkgate Shopping had gone hand in hand with the decline of Rotherham town centre,
with key multiples leaving and retail vacancies increasing.

3.19 In the light of these trends, the UDP’s shopping policies sought to redress the
imbalance between town centre and out of centre retailing. The principal objective is to
retain as much retail spending as possible within the borough and to channel new retail
investment to established town centres in the first instance.

3.20 The UDP defines the following 10 locations as town centres:

- Rotherham
- Wath-upon-Dearne
- Swinton
- Rawmarsh-Parkgate
- Bramley-Wickersley
- Maltby
- Thurcroft
- Aston-cum-Aughton
- Dinnington and
- Wales – Kiveton Park.

3.21 The Plan states that the retail function should continue to underpin town centres,
although also noting that vitality and viability also depends on the range and quality of
activities that take place and their accessibility to people living and working in the area.

3.22 The UDP states that the 10 town centres represent the borough’s greatest
concentrations of shopping, employment, social, business, civic and cultural uses and,
accordingly, the Council does not wish to see a significant increase in vacancy or a marked reduction in the range of services that they provide.

3.23 The Plan defines prime shopping frontages in a number of town centres. In these locations “the Council will limit ground floor use to Class A1…unless a proposed use contributes to the vitality and viability of the centre and does not undermine its retail character and function”. The UDP recognises that a range of uses contribute to the overall attractiveness of town centres, but that some degree of regulation is necessary to ensure non-retail uses do not undermine the retail function of a centre.

3.24 The Plan is consistent with Government advice that new retail development should be located in town and district centres. Accordingly, the sequential test should be applied to the location of both new convenience and comparison goods shopping. The UDP states that comparison shopping should continue to be the mainstay of retailing in most sizeable town centres and that applications for comparison shopping out of centre, especially sporadic siting along road corridors, will be revisited.

3.25 The Plan accepts that food superstores and supermarkets in town centres often play a central role in meeting the community’s shopping needs. Therefore, ideally new stores should be located in existing centres, although it is recognised this is not always possible.

3.26 In relation to retail warehousing, the Plan states that “proposals specifically for bulky durable goods\(^1\), which may not be readily accommodated within existing town centres, will be acceptable in principle on a limited number of sites at Canklow Meadows, Cortonwood and Parkgate-Aldwarke”. However, the Plan states there is no justification for further retail warehouse floorspace beyond that currently committed, within the Plan period.

3.27 The Plan notes that retail warehouse parks are capable of changing their composition over time, and therefore the sensible use of planning conditions is highlighted to prevent the sub-division of units and/or to restrict the range of goods to be sold.

3.28 Lastly, the Plan supports the provision of local shopping in established local shopping centres or in new locations of residential growth. The Plan recognises that smaller, local shops often cater for the daily needs of consumers, particularly those on low incomes,

\(^{1}\) Defined as comprising DIY, furniture, carpets, electrical goods, garden equipment and motor accessories.
those with disabilities and the elderly. Therefore, the retention of existing local shops and services is encouraged.

**ROtherham Local Development Framework**

3.29 The Council is currently in the process of preparing its Local Development Framework (LDF), which will cover the period to 2027. Consultation on revised options for the Core Strategy was undertaken in 2009 and work on the Site Allocations and Policies DPD is on-going. This study will inform the strategy and supporting policies for retail and leisure development across the borough. The Core Strategy Preferred Options (2007) redefined the current UDP town centres into a hierarchy of centres more consistent with current Government planning guidance. This hierarchy is shown in Table 3.1.

**Table 3.1 Emerging Hierarchy of Centres in Rotherham MB**

<table>
<thead>
<tr>
<th>Hierarchy</th>
<th>Centre</th>
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<tbody>
<tr>
<td>Principal Town Centre</td>
<td>Rotherham Town Centre</td>
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<tr>
<td>Town Centre</td>
<td>Dinnington</td>
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<td></td>
<td>Maltby</td>
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<td></td>
<td>Parkgate</td>
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<td></td>
<td>Wath-upon-Dearne</td>
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<td>Distinct Centre</td>
<td>Rawmarsh</td>
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<td>Thurcroft</td>
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<td></td>
<td>Wickersley</td>
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<tr>
<td>Local Centre¹</td>
<td>Bramley</td>
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<tr>
<td></td>
<td>Kiveton Park</td>
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<tr>
<td></td>
<td>Waverley (planned)</td>
</tr>
<tr>
<td></td>
<td>Others to be proposed in association with urban extensions or future areas of growth</td>
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</tbody>
</table>

(¹) The UDP identifies around 60 other local centres. These will be reviewed by Rotherham MBC against the definitions set out in PPS 4.

3.30 This hierarchy will be confirmed by the present study and further Core Strategy work which will identify where housing and employment growth will be distributed.
SUMMARY

3.31 Current retail planning policy in Rotherham MB is broadly consistent with Government guidance in that it promotes a town centre first policy and adopts the sequential approach to site selection, whilst also seeking to support and enhance local shops.

3.32 However, in practice the application of this policy over the past decade has not resulted in the level of protection and enhancement of existing town and district centres envisaged by the Council. This is because the major out of centre retail schemes at Meadowhall and Parkgate Shopping were originally developed during the late 1980’s and were already trading before the UDP policy could be applied.

3.33 Moreover, the impact of these schemes on established town centres continues to be felt, perhaps even more so, as a result of increasing car ownership (producing increasing levels of shopper mobility), the national trend towards a greater concentration of shopping trips at the more attractive centres, and the recent economic downturn, which has depressed overall levels of consumer retail expenditure.
4. RETAIL NEED: DATA SOURCES AND ASSUMPTIONS

OBJECTIVES

4.1 A major objective of this study is to estimate the need for additional retail floorspace within Rotherham MB through to 2027. The assessment has been undertaken for the following categories of retailing – convenience goods, non-bulky comparison goods and bulky comparison goods.

4.2 Although the assessment of retail floorspace need is necessarily detailed and relatively complex, we have at all stages sought to achieve transparency in our calculations. We have followed a traditional approach to estimating retail floorspace need and have incorporated the latest published data and the results of a specially commissioned household survey. This should ensure that our assessment is up to date, comprehensive and robust.

4.3 Section 7 of this report describes our approach to quantifying retail floorspace need, whilst we present the results of the assessment, together with our retail planning policy recommendations, in Section 9. In this section, we introduce the methodology, summarise the role of the household telephone survey and (for convenience) set out in one place the main assumptions and definitions which we have used and our principal sources of data.

RETAIL NEED METHODOLOGY

4.4 The need for additional retail floorspace within a centre (or area) is dependent on the future relationship between the demand for and supply of space, ideally after taking into account the extent (if any) of any over/under trading that is occurring at the base year. The demand for floorspace is then determined by assessing the likely growth in the volume of consumer retail expenditure, while an assessment of floorspace supply involves quantifying the extent to which proposed changes in the location, quality and quantity of retail floorspace will meet the forecast increases in expenditure. Any monetary shortfall of supply relative to demand in the future indicates there is the need for more retail floorspace in quantitative terms. The scale of additional retail provision is then determined by converting any excess of consumer expenditure (or headroom
expenditure) into a retail floorspace need by applying appropriate sales densities. In practice, because shopping patterns are complex and vary for different types of goods, the methodology utilises survey data to determine base year shopping patterns.

4.5 Our methodology for estimating retail floorspace need is presented diagrammatically in Figure 4.1 (overleaf). The key steps are set out below.

**STEP 1 CATCHMENT AREA DEFINITION**

4.6 The catchment area should be defined with regard to the study objective. For this study it covers Rotherham MB and its shopping hinterland.

**STEP 2 ANALYSE CONSUMER DEMAND**

4.7 This involves multiplying population by consumer retail expenditure per head for the base and forecast years. This should include resident population, but also, where it is likely to occur, any in-flow retail expenditure from residents and tourists living outside the survey area.

**STEP 3 ANALYSE RETAIL SUPPLY**

4.8 This step comprises an assessment of the turnover of the retail floorspace stock at the base year. This will involve a household survey to estimate the actual retail turnover of centres and stores, and a comparison with estimated benchmark turnover.

**STEP 4 RETAIL DEMAND VS RETAIL SUPPLY AT THE BASE YEAR**

4.9 At this stage, the adequacy of the existing retail provision is assessed. For example, if actual turnovers assessed in Step 3 exceed the benchmark turnovers, it could be argued that the floorspace is over-trading and, therefore, there may be an existing need for additional retail floorspace. Alternatively, if actual turnovers are less than benchmark levels then the floorspace may be assumed to be under-trading, signalling a potential over-supply of existing retail floorspace. PPS 4 defines any base year over or under trading as being a component of qualitative need.
Fig. 4.1 Quantitative Retail Methodology

**DEMAND**

**BASE YEAR**
- Estimate Total Available Retail Expenditure within Catchment (and sub areas) (£m)

**SUPPLY**
- Estimate Existing Actual Retail Turnover within Catchment (and sub areas) (£m)

(a) Resident population x Average spend per head
(b) Take account of inflow expenditure (e.g. tourists, commuters, longer distance trips)
   
   © Take account of expenditure from (any) armed forces and students living in the county – if excluded at (a) then deduct
(d) Special forms of trading (i.e. spend not undertaken in shops)

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**FORECAST YEAR**

**(a)** Increase in resident population x Increase in real average spend per head
**(b)** Take account of (any) changes in inflow expenditure
**(c)** Take account of (any) changes in expenditure from armed forces and students living in the area – if excluded at (a) then deduct
**(d)** Special forms of trading (i.e. spend not undertaken in shops)

---

**QUANTIFY FLOORSPACE NEED IN FORECAST YEAR**

Subtract forecast of actual retail turnover in forecast year from total potential retail expenditure.

If surplus expenditure, convert to a floorspace requirement (or need) by dividing by an appropriate average sales density or if expenditure deficit, convert to an over-supply in the same way.

Take into account floorspace over or under supply at the base year (if any)
STEP 5 CHANGES IN RETAIL DEMAND AND RETAIL SUPPLY THROUGH TO THE FORECAST YEAR

4.10 This step projects forward total available expenditure in the catchment area and the turnover of existing and committed retail floorspace. In simple terms, the difference between the forecast totals of available expenditure and retail turnover gives a measure of the need for additional retail floorspace. If there is an expenditure surplus, this is converted into potential floorspace by dividing by an appropriate sales density. Similarly, if there is an expenditure deficit, a floorspace over supply may exist.

THE HOUSEHOLD TELEPHONE SURVEY

OBJECTIVES OF THE SURVEY

4.11 The household survey performs an important role in the assessment of retail floorspace need\(^1\) since it provides important information on the pattern of shopping activity throughout Rotherham MB and the surrounding area. As such, it forms the foundation upon which the retail need estimates are built.

4.12 A major aim of the survey is to generate quantitative data on consumer retail expenditure flows between areas or zones (where people live) and retail centres (where they spend their money). This has been carried out for the following three types of shopping:-

- convenience goods;
- non-bulky comparison goods; and
- bulky comparison goods.

DEFINITION OF SURVEY AREA

4.13 We reached agreement with Rotherham MB Council on the outer boundary of the household survey area. The survey area is shown in Figure 4.2 overleaf. It has been drawn to encompass the shopping catchment areas of all centres within Rotherham MB. The household survey was carried out during February/March, 2009 to originally inform the Rotherham Town Centre Retail and Leisure Study.

\(^1\) The household survey also provides information on consumer trip patterns in relation to a range of leisure activities (see Section 8).
Fig. 4.2 Definition of Household Telephone Survey Area and Zones

Zone 1
Zone 2
Zone 3
Zone 4
Zone 5
Zone 6
Zone 7
Zone 8
Zone 9
Zone 10
Zone 11
Zone 12

Sheffield
Meadowhall
Parkgate
Rotherham
Waverley
Doncaster
Chesterfield
Worksop
Barnsley

Scale: 1 : 222,125
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DEFINITION OF EXPENDITURE ZONES

4.14 For the purpose of sampling and analysis, the survey area has been divided into 12 zones. These zones are defined on the basis of ward boundaries and each zone comprises one or more wards. In broad terms they relate to natural shopping activity areas on the ground and to the size and location of retail centres.

4.15 Figure 4.2 also shows the locations and general configuration of the 12 zones throughout the survey area. These were agreed with the Council prior to the survey being carried out. Zones 1 to 7 inclusive cover Rotherham MB, whilst zones 8 to 12 inclusive cover its shopping hinterland.

SAMPLING

4.16 In consultation with the Council an overall target sample of 1,000 completed interviews was agreed. Within each of the 12 zones the interview sample was drawn randomly and in proportion to the distribution of population. This ensures the results of the survey for each zone reflect the density of population on the ground. At the analysis stage of the survey, individual zone samples are then weighted to their appropriate representation within the survey population to produce an overall result which is representative of the survey area as a whole. Without this weighting, the less densely populated zones would have a disproportionately large effect on the overall survey results, contrary to their population size. The whole principle of weighting therefore allows the characteristics of less densely populated zones to be represented without the unnecessary cost of a grossly inflated sample. Appendix 1A provides a more detailed statistical synopsis of the sampling methodology and the degree of confidence which can be attributed to the survey results.

THE SURVEY QUESTIONNAIRE

4.17 The survey questionnaire was drafted in consultation with Rotherham MB Council and its agreement was obtained prior to the commencement of interviewing. A copy of the survey questionnaire is reproduced in Appendix 1B.

SURVEY ANALYSIS AND RESULTS

4.18 In so far as we use the survey results to inform our assessment of retail floorspace need, the key data which the survey generates is the percentage market share (in terms of expenditure) of towns and other centres/stores within each of the 12 zones. This is
analysed separately for convenience goods and non-bulky and bulky comparison goods shopping. Using this quantitative information, it is possible to build-up a detailed picture of existing shopper behaviour within the survey area as a whole. In particular, the data allows the existing catchment areas and retail turnovers of centres within Rotherham MB to be determined for each broad category of goods.

PRINCIPAL DATA SOURCES

4.19 The retail need assessment which we present in Section 7 utilises four major sources of data. The data sources are as follows:-

Data on shopping trips patterns and consumer retail expenditure flows

Source: We have incorporated the results from a specially commissioned household telephone survey carried out during February/March, 2009. This has been described at paragraphs 4.11 to 4.18 above.

Data on population and population projections

Source: Current populations and population projections to 2027 have been provided by Rotherham MB Council for three different scenarios – low, central and high population growth projections. Scenario 1 (the central or mid projection) is based on local authority growth rates, scenario 2 (the low projection) is based on estimated housing growth of 750 dwellings per year, whilst scenario 3 (the high projection) is based on housing growth of 1,050 dwellings per year. (Full details of the methodology for projecting population is set out at Appendix 2).

Data on consumer retail expenditure per head

Source: Data on average convenience goods and non-bulky and bulky comparison goods expenditure per head for 2009 has been derived for the resident population living within each of the 12 zones. The expenditure per head data is summarised in Appendix 3B.
Data on existing retail floorspace/retail floorspace commitments

Source: Retail floorspace data for town, district and local centres within Rotherham MB has been estimated by Colliers from the Council’s own 2010 centre floorspace audits. For out of centre retail parks we have used information provided by our in-house retail warehouse database, and for supermarkets and superstores we have used information published by the Institute of Grocery Distribution. The detailed retail floorspace audit – an important element of our report – is set out in full in Appendix 4. Existing and pipeline retail floorspace is disaggregated between convenience goods, non-bulky comparison goods and bulky comparison goods and also by location and zone.

INTERPRETATION AND DEFINITIONS

4.20 In addition to the principal sources of data, there are a number of further definitions, assumptions and forecasts which we have adopted throughout this study. Although many are referred to again in Section 7, we hope that grouping them together below will assist the reader in understanding the technical analysis which follows.

STUDY CENTRES

4.21 In this study, at the request of Rotherham MB Council, we assess the need for additional retail floorspace for:

- Rotherham MB as a whole
- Sub-areas of the District (seven in total\(^1\))
- Town, District and Local Centres (those defined in the LDF\(^2\))

COMPOSITION OF MAIN RETAIL GOODS CATEGORIES

4.22 In this study, in order to address the requirements of Rotherham MBC, we undertake separate retail need assessments for convenience goods, non-bulky comparison goods

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\(^1\) These seven areas are consistent with the seven household survey zones within Rotherham MB.

\(^2\) See Table 3.1 on page 31.
Appendix 3A defines the detailed types of goods which comprise each goods category.

**BASE YEAR**

4.23 We adopt a base year of 2010. It is the year at which we determine the existing pattern of shopper behaviour and consumer retail expenditure flows.

**FORECAST YEAR**

4.24 Rotherham MB Council has requested that we forecast retail floorspace need to 2027. We also provide ‘interim’ need totals at 2017 and 2022 (five year periods).

**PRICE BASE**

4.25 All monetary figures in this report are given in **constant 2009 prices**. This is the price base for the consumer expenditure per head data obtained from Experian.

**FUTURE GROWTH IN CONSUMER RETAIL EXPENDITURE PER HEAD**

4.26 Future spending levels have an important bearing on the need for additional retail floorspace. The assumptions used are therefore critical to the validity of the overall assessment and it is vital that up to date, realistic and robust sources are used.

4.27 In this study, we adopt the latest available (August 2010) UK expenditure forecasts published by Experian. These are set out in full at **Appendix 3C** and incorporate the move by the Office of National Statistics (ONS) in 2003 to an annual chain linking approach to producing constant price economic aggregates. These forecasts take into account the major downturn in the UK economy.

4.28 Experian’s expenditure **forecasts** are estimates of future spending based on an economic model of disaggregated consumer spending. They differ from expenditure **projections** published by Experian (and also Pitney Bowes)\(^1\) that are estimates of future spending based on the extrapolation of past trends. Experian advise that when carrying out longer term retail need assessments, the use of forecasts is preferred to projections, particularly given the UK’s present position in the economic cycle. This is because all of the projections extrapolate past time periods, characterised (in the main) by buoyant economic growth, whereas the UK has recently experienced economic recession and

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\(^1\) Previously known as MapInfo.
any recovery is still fragile and uncertain. Thus the use of projections is likely to materially over-state the growth in consumer retail expenditure over the coming years, whereas forecasts will better reflect the weaker economy and the current fall in spending levels. Experian recommend, therefore, that:

- “economic forecasts are to be preferred over the projections for planning for future demand growth”.

4.29 Following the advice of Experian, we therefore adopt their latest UK wide expenditure per head forecasts through to 2027. These forecasts, which are at constant prices, are set out in Table 4.1.

Table 4.1: Expenditure Per Head Growth Forecasts (% Per Annum)

<table>
<thead>
<tr>
<th>Goods Category</th>
<th>Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience Goods</td>
<td>-1.6</td>
</tr>
<tr>
<td>Non-Bulky Comparison Goods</td>
<td>1.9</td>
</tr>
<tr>
<td>Bulky Comparison Goods</td>
<td>6.9</td>
</tr>
<tr>
<td>All Comparison Goods</td>
<td>3.7</td>
</tr>
</tbody>
</table>

Source: Experian Forecasts, August 2010. Retail Planner Briefing Note 8.1. See Appendix 3C for full details.

**IN-FLOW EXPENDITURE**

4.30 By extending the household telephone survey area to well beyond Rotherham MB (see Figure 4.2), the objective was to capture virtually all trips made into the borough for shopping purposes. This approach is borne out by the pattern of market shares generated by the household survey. Even for Rotherham Town Centre trade penetration falls off rapidly in the more distant zones due to competition.

4.31 Nevertheless, we do anticipate that some spending will occur in Rotherham MB from people living outside the survey area. We assume that in flow spend occurs only in relation to comparison goods shopping – convenience shopping is undertaken much more locally – and that it all flows to Parkgate Shopping, which is by a considerable margin the most attractive shopping destination in the borough to consumers. Our retail assessment assumes that this major retail destination currently attracts 5% of its
comparison goods trade from outside the survey area, and that this proportion will remain constant through to 2027.

**SPECIAL FORMS OF TRADING AND E-TAILING**

4.32 It is normal practice in the preparation of retail need studies to make deductions from the consumer retail expenditure per person figures adopted to allow for expenditure by ‘special forms of trading’ (SFT). This is retail expenditure that does not take place in shops, such as that via mail order houses, door to door salesmen and stalls and markets. It also includes spending using digital TV and over the internet.

4.33 Recent evidence suggests that e-tailing sales are increasing as a proportion of total retail expenditure, although perhaps not at the rate many commentators forecast at the height of the dot.com boom. Much of the initial growth in e-tailing was achieved through the cannibalisation of retail expenditure on traditional catalogue-based mail order. However, with this source almost ‘exhausted’, further gains in e-tailing have fed directly through into an increase in retail sales through SFT. Accordingly, we feel it is prudent to take this into account in our retail need assessment.

4.34 In preparing this study, we have examined a range of published material on the subject of e-tailing. However, in our view, the most appropriate and up to date research paper available on the topic has been prepared by Experian¹ and this is reproduced in full in Appendix 3D. This paper takes into account the new methodology for calculating the value of internet sales announced by the Office for National Statistics (ONS) in February 2010, which resulted in a large increase in estimated internet retail sales and their share of the total retail market. The upward revision reflects the inclusion in the new methodology of all sales made over the internet by individual businesses using information derived from the monthly ONS Retail Sales Inquiry (RSI²).

4.35 Experian note that after a slow start, the UK now appears to be in the rapid growth phase of the spread of e-tailing, although growth is expected to begin to plateau from around 2016. The company publish separate projections of the future market share for SFT (including e-tailing) through to 2027 for convenience and comparison goods shopping.

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¹ Source: Experian Retail Planner Note Briefing Note 8.1, August 2010.

² The RSI covers 5,000 businesses in Great Britain accounting for 95% of the retail section in terms of turnover.
4.36 It must be stressed that the Experian forecasts are only estimates, since it is very difficult to predict precisely what will happen, particularly over a long time frame. Moreover, Experian themselves note that:

“the non-store retailing figures include supermarkets and other retailers that source internet goods sales from store space”.

4.37 For this reason, the ‘headline’ rate for share of non-store retailing is likely to be overstated if the focus, as in this report, is purely on physical shop units. This is particularly the case for convenience goods, where a number of major operators, including Tesco, supply a proportion of the goods purchased online direct from their stores. To reflect these operational factors, Experian have published a parallel series of SFT forecasts that are adjusted for internet sales from stores. Experian SFT forecasts are set out in Table 4.2. In this report, we adopt these ‘adjusted’ forecasts.

Table 4.2 Estimated Share of Consumer Retail Expenditure Accounted for by Special Forms of Trading

<table>
<thead>
<tr>
<th>Year</th>
<th>Convenience Goods</th>
<th>Comparison Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SFT (%)</td>
<td>SFT (Adjusted for sales from stores)</td>
</tr>
<tr>
<td>2008</td>
<td>5.0 (A)</td>
<td>2.5</td>
</tr>
<tr>
<td>2010</td>
<td>7.4</td>
<td>3.7</td>
</tr>
<tr>
<td>2017</td>
<td>9.7</td>
<td>4.8</td>
</tr>
<tr>
<td>2022</td>
<td>10.2</td>
<td>5.1</td>
</tr>
<tr>
<td>2027</td>
<td>10.8</td>
<td>5.4</td>
</tr>
</tbody>
</table>

Source: Experian (A = actual. All other figures are Experian estimates and forecasts).

TURNOVER ALLOCATION FOR EXISTING RETAIL FLOORSPACE

4.38 It would, in our view, be wrong to assume that all of the increase in available retail expenditure within the survey area is available to support additional retail floorspace. This is because it is appropriate that some of the forecast growth in expenditure should be allocated to existing retailers because the evidence confirms that existing retail shops, in general, achieve real and necessary gains in sales productivities year on year. Rising sales densities are driven by a number of factors including growth in floorspace
efficiency and changes in trading hours, net to gross ratios and the mix of goods. Rapidly rising costs also mean existing retailers must grow their sales densities in real terms to remain viable.

4.39 Consequently, to avoid making a turnover allowance for existing retailers would, in our view, lead to a “double-counting” of future available retail expenditure and thus an over-estimation of the need for additional retail floorspace (ie. the consumer spend required by existing retail floorspace would be used to justify the need for new retail floorspace).

4.40 Experian has recently published a Retail Planner Briefing Note which provides their latest forecasts for changes in retail sales densities. This is set out in Appendix 3E. The forecasts take into account likely changes to the stock of retail floorspace, which is Experian’s “recommended” method. The forecasts are summarised in Table 4.3, and show declines from 2009 to 2011, prior to a return to positive average growth from 2012 through to 2027.

### Table 4.3 Retail Sales Densities: Forecasts (% Per Annum)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience</td>
<td>-3.4</td>
<td>-1.3</td>
<td>-0.5</td>
<td>0.0</td>
<td>0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Comparison</td>
<td>-0.5</td>
<td>0.4</td>
<td>1.5</td>
<td>2.3</td>
<td>2.2</td>
<td>2.3</td>
</tr>
</tbody>
</table>

**Source:** Experian, Retail Planning Briefing Note 8.1, August 2010.

4.41 Experian further advise that for centres where there is a material over-trading at the present time, it is likely that the potential for real gains in sales productivity in the future will be less than the UK averages set out in paragraph 4.40. Similarly, in centres where there is currently significant under-trading, there is likely to be potential for gains in sales productivity in excess of the national average. However, if the monetary effects of (any) over-trading and under-trading in the base year are fully taken into account in the retail assessment – as is the case in this study – then it brings the centre retail economies into a retail equilibrium position akin to the UK average and consistent with Experian’s forecasts on the growth in store productivities. This link is important and has been established in discussions we have had with Experian. Consequently, it is perfectly reasonable to apply the Experian store productivity forecasts set out in Table 4.3 to the benchmark turnovers of existing convenience and non bulky and bulky comparison goods floorspace within the centres in Rotherham MB.
**BENCHMARK TURNOVERS**

4.42 In order to assess the scale of any over or under trading of the existing retail floorspace stock in centres at the base year (2010), we compare estimated actual retail turnovers, which are derived from the results of the household telephone survey, against estimated benchmark turnovers. Benchmark turnover has been estimated for each broad category of goods. The turnover estimates are built-up using published statistics on company average sales densities\(^1\) as applied to major stores, and on the basis of our professional judgement. The benchmark turnovers feed through into our assessment of retail floorspace need (*Appendix 6*).

**FORECAST SALES DENSITIES**

4.43 Sales density measures the relative efficiency with which floorspace is used by retailers to convert sales floorspace into retail turnover. We use forecast sales densities at two stages in our retail floorspace need assessment:-

- to estimate the turnover of (any) retail commitments; and

- to convert the available residual headroom expenditure at each of the forecast years into a need for additional retail floorspace.

4.44 In considering what are the most important sales densities to use it is necessary to bear in mind the following:-

- that sales densities relating to new food-based stores (which will open in the future) are likely to be higher than those which apply to all of the existing convenience goods floorspace stock in a centre at the base year (2010);

- that sales densities vary widely between different goods categories - being generally higher for convenience goods floorspace; and

- that sales densities for both convenience goods and comparison goods will increase over time due to the real increases in store productivity which we apply to all retail floorspace (see paragraph 4.40).

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\(^1\) For example, as published in UK Retail Rankings 2010, Mintel.
4.45 In selecting what we consider to be the most realistic sales densities to adopt, we have had regard to the characteristics of the retail economies of the centres in Rotherham MB, as well as published sources which give the average sales densities for leading retail operators.

4.46 Our assumed sales densities for estimating the turnover of retail floorspace in the development pipeline (if details of specific operators are unknown) and for converting available headroom expenditure into a need for additional floorspace are set out in Table 4.4.

Table 4.4  Assumed Forecast Sales Densities (£ psm net)

<table>
<thead>
<tr>
<th>Goods Category</th>
<th>Base Year</th>
<th>Forecast Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2010</td>
</tr>
<tr>
<td>Non-Bulky Comparison goods</td>
<td>6,000</td>
<td>6,912</td>
</tr>
<tr>
<td>Bulky Comparison Goods</td>
<td>3,000</td>
<td>3,456</td>
</tr>
<tr>
<td>All Comparison Goods</td>
<td>5,000</td>
<td>5,760</td>
</tr>
<tr>
<td>Convenience Goods</td>
<td>10,000</td>
<td>10,150</td>
</tr>
</tbody>
</table>

Note: The sales densities are higher in 2017, 2022 and 2027 because they include appropriate real increases in store productivities as set out in Table 4.3.

4.47 Where actual gross and net floorspace figures have been sourced we have used them. However, where it has been necessary to convert from gross to net (or vice versa) we have used the following net to gross ratios for retail floorspace:-

- Convenience goods 65:100 All locations and formats
- Non-bulky comparison goods 65:100 Town, District and Local Centres
  90:100 Retail Warehouses (Out of Centre)
- Bulky comparison goods 65:100 Town, District and Local Centres
  90:100 Retail Warehouses (Out of Centre)

4.48 Where necessary, we have converted square feet into metres (and vice versa) using the following formulae:-

METRIC CONVERSION
1 sq m = 10.764 sq ft
1 sq ft = 0.093 sq m

VAT

4.49 Expenditure and sales/turnover data used throughout the retail need assessment includes VAT.
5. SHOPPING PATTERNS AND EXPENDITURE FLOWS

INTRODUCTION

5.1 The main purpose of this section is to quantify shopper behaviour and to determine the present retail trading performance of Rotherham MB as a whole and Rotherham town centre in relation to non-bulky and bulky comparison goods and convenience goods shopping. We also identify centre dominance across the sub-region and highlight the key characters of shopper behaviour.

5.2 The assessment draws on the results of a household telephone survey which was carried out during February/March 2009 within Rotherham MB and its shopping hinterland\(^1\). In addition, we refer to retail floorspace, population and consumer expenditure data. The sources of this information have already been described in Section 4.

5.3 Using the survey results, we also identify the main characteristics of consumer behaviour for non-bulky and bulky comparison goods and convenience goods shopping within the borough and surrounding areas.

CATCHMENT AREA DEFINITION

5.4 The main objective of the household telephone survey was to obtain comprehensive information on consumer shopping trip patterns and expenditure flows for non-bulky and bulky comparison goods and convenience goods shopping within the sub-region. Our approach permits the following important assessments to be carried out:-

- for any given local area (or zone) or major centre we are able to not only estimate its retail turnover, but also identify where these sales originate from across the sub-region;

\(^1\) In preparing this report the centre market shares generated by the household survey have been adjusted in some instances to reflect the opening/closure of retail facilities since the survey was carried out and to take into account the under-estimation of consumer expenditure flows to some of the smaller centres.
• for any given local area (or zone) we are able to not only estimate the amount of available expenditure, but also identify the volume and source of in-flow expenditure and the volume and destination of out-flow expenditure.

5.5 Within the survey area as a whole, we sought to determine the catchment area of Rotherham town centre for non-bulky and bulky comparison goods and convenience goods shopping using survey data on consumer retail expenditure patterns. Our analysis permits the core, primary, secondary and tertiary catchments (where they exist) to be determined. For the purpose of this study, we have adopted the following definitions:-

- **core catchment**: comprises those zones from which a centre attracts the majority of generated expenditure (i.e. more than 50%);

- **primary catchment**: comprises those remaining zones from which a centre attracts 25% or more of generated expenditure;

- **secondary catchment**: comprises those remaining zones from which a centre attracts 10% or more of generated expenditure;

- **tertiary catchment**: comprises all remaining zones from which a centre attracts 5% or more of generated expenditure.

5.6 Beyond the tertiary catchment, the detailed survey results show that Rotherham town centre attracts even smaller amounts of consumer retail expenditure from additional zones. Such expenditure flows will account for a very low proportion of Rotherham town centre’s turnover and can, for most analytical purposes, be ignored. We have therefore excluded these zones from our definition of the town centre catchment area in this section, although such flows (as well in-flow as expenditure to the survey area) are taken into account in the quantitative retail need assessment (Section 7).

**ROtherHAM TOWN CENTRE CATCHMENT AREA**

5.7 We now turn to defining the comparison goods and convenience goods shopping catchment areas for Rotherham town centre using the results of the household survey (and the catchment methodology set out at paragraph 5.5). It should be borne in mind in the following analysis that zones are dealt with in their entirety, although in practice
parts of a zone may actually fall within the retail influence of a different centre to that being described.

**NON-BULKY COMPARISON GOODS**

5.8 Rotherham town centre’s catchment area for non-bulky comparison goods shopping is defined in Figure 5.1 overleaf. The map shows that the town centre is not strong enough to generate a core catchment, but produces a primary catchment area extending across zone 1, whilst its secondary catchment encompass further three zones located to the north and south of the town. Zones 4 and 7 comprise Rotherham town centre’s tertiary catchment. Six zones fall outside of the town centre’s catchment; zone 3 which falls within the borough (due to the influence of Parkgate Shopping) and zones 8 to 12 inclusive that are outside.

**BULKY COMPARISON GOODS**

5.9 Rotherham town centre is too weak in bulky comparison goods shopping for it to produce any catchment area using the definition set out at paragraph 5.5.

**CONVENIENCE GOODS**

5.10 Convenience goods representation in Rotherham town centre is insufficient for it to generate a core catchment, whilst its primary catchment extends to only one zone (zone 1), (Figure 5.2 overleaf). Zone 2 constitutes the town centre’s secondary catchment, whilst zones 3, 4 and 5 comprise its tertiary catchment. Seven zones fall outside its catchment altogether, including zones 6 and 7 which cover the south of the borough.

**ASSESSMENT OF THE ROTHERHAM MB RETAIL ECONOMY AS A WHOLE**

5.11 Using the results of the household survey, we first consider the retail trading characteristics of Rotherham MB as a whole in relation to non-bulky and bulky comparison goods and convenience goods shopping at the base year of 2010. In particular, we are able to determine the volume of expenditure in-flows and out-flows to and from the borough for each category of goods.

5.12 By relating the scale of these expenditure in-flows and out-flows to the known ‘pool’ of available expenditure generated within Rotherham MB, we are able to estimate the present (2010) retail turnover of the borough by category of goods. In addition, by
Fig. 5.1 Rotherham Town Centre: Catchment Area for Non-Bulky Comparison Goods

- Zone 1
- Zone 2
- Zone 3
- Zone 4
- Zone 5
- Zone 6
- Zone 7
- Zone 8
- Zone 9
- Zone 10
- Zone 11
- Zone 12

Cities:
- Sheffield
- Rotherham
- Parkgate
- Meadowhall
- Chesterfield
- Doncaster
- Barnsley
- Worksop

Catchment Areas:
- Core Catchment
- Primary Catchment
- Secondary Catchment
- Tertiary Catchment

Scale: 1 : 222,125

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Fig. 5.2 Rotherham Town Centre: Catchment Area for Convenience Goods

- Zone 1
- Zone 2
- Zone 3
- Zone 4
- Zone 5
- Zone 6
- Zone 7
- Zone 8
- Zone 9
- Zone 10
- Zone 11
- Zone 12

Core Catchment
Primary Catchment
Secondary Catchment
Tertiary Catchment
Rotherham MB Boundary

Scale: 1 : 222,125
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Source: 2001 Census, Output Area Boundaries.
expressing turnover as a proportion of available expenditure, the level of expenditure ‘retention’ can be estimated.

NON-BULKY COMPARISON GOODS

5.13 The household survey indicates that of the £414 million of non-bulky comparison goods expenditure generated by the residents of Rotherham MB some £207 million leaks out to centres in adjoining areas (Figure 5.3). Thus the borough retains £207 million of its non-bulky comparison goods spend, which equates to a retention rate of 50%. To this total, the borough attracts an estimated in-flow of £72 million\(^1\), which results in an annual non-bulky comparison goods turnover of £279 million.

Figure 5.3: Rotherham MB: Retail Trading Characteristics: Non-Bulky Comparison Goods, 2010

5.14 The total non-bulky comparison goods turnover of Rotherham MB may be broken down by location as set out in Figure 5.4 overleaf. The figures indicate that Rotherham town centre currently accounts for 24% of the borough’s non-bulky comparison goods sales, whilst all the remaining (defined) town, district and local centres together attract only 6% of trade. In contrast, out of centre stores account for 70% of turnover.

\(^1\) Inflow spend to Rotherham MB comprises of two components:- (a) £65 million of inflow spend from residents living in the survey area (but outside the borough) and (b) £7.0 million of inflow spend from outside the survey area (we assume all flows are to Parkgate Shopping).
For bulky comparison goods, the household survey indicates that £65 million of the available spend of £182 million currently leaks out of Rotherham MB to competing centres. (Figure 5.5 overleaf). Thus £117 million of locally generated bulky comparison goods expenditure is retained within the borough, equating to a retention rate of 64%. Adding to this an estimated in-flow spend of £85 million produces an estimated annual bulky comparison goods turnover for Rotherham MB of £202 million.
5.16 Figure 5.6 disaggregates the total bulky comparison goods turnover of Rotherham MB by location. Out of centre retailers account for a staggering 95% of overall turnover, even higher than for non-bulky comparison goods, whilst Rotherham town centre captures just 1% of trade. The remaining town, district and local centres have a combined market share of only 4%.

5.17 Combining the non-bulky and bulky comparison goods turnovers indicates that Rotherham MB has a total comparison goods turnover of £481 million, of which only
14% is generated by Rotherham town centre with 6% of sales accounted for by the remaining town, district and local centres. Thus 80% of comparison goods trade is being captured by out of centre retailers. (Figure 5.7).

Figure 5.7: Rotherham MB: All Comparison Goods Turnover Disaggregated by Location, 2010

5.18 Figure 5.8 summarises the consumer retail expenditure patterns for Rotherham MB in relation to all comparison goods. Overall, 54% of all comparison goods expenditure generated by households within Rotherham MB is spent within the area, whilst 46% leaks out to competitor centres/stores.

Figure 5.8: Rotherham MB: Retail Trading Characteristics: All Comparison Goods, 2010

ROtherham MB

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Expenditure</td>
<td>£596m</td>
</tr>
<tr>
<td>- Out-flow Expenditure</td>
<td>£272m</td>
</tr>
<tr>
<td>= Retained Expenditure</td>
<td>£324m</td>
</tr>
<tr>
<td>+ In-flow Expenditure</td>
<td>£157m</td>
</tr>
</tbody>
</table>

= Retail Turnover

£481m
CONVENIENCE GOODS

5.19 In relation to convenience goods (Figure 5.9), we estimate that Rotherham MB currently attracts an estimated in-flow of £112 million, but that some £66 million leaks out to competitor centres/stores in other areas. Therefore, the borough is a net importer of £46 million of convenience goods spend. Moreover, the figures indicate that the retail floorspace stock in Rotherham MB currently retains around 84% of the convenience goods expenditure generated within the area and has an estimated convenience goods turnover of some £468 million.

Figure 5.9: Rotherham MB: Retail Trading Characteristics: Convenience Goods, 2010

5.20 In Figure 5.10 overleaf the convenience goods turnover of Rotherham MB is disaggregated by location. This confirms that out of centre stores currently account for 72% of the borough’s convenience goods trade, with all town, district and local centres capturing 28%. Rotherham town centre’s market share of the convenience goods trade is just 9%.
Combining the convenience and comparison goods categories indicates that Rotherham MB has an estimated total retail turnover of £949 million, of which 50% relates to comparison goods shopping (comprising 29% for non-bulky and 21% for bulky goods) and 50% to convenience goods (see Figure 5.11). Overall, 67% or £680 million of the total retail expenditure generated by households within Rotherham MB is spent within the area, whilst 33% or £338 million leaks out to competitor centres. (See Figure 5.12 overleaf).
CENTRE DOMINANCE

5.22 Centres or retail locations which capture the largest single share of available comparison goods or convenience goods expenditure within a zone we describe as being dominant within that area. Figures 5.13, 5.14, and 5.15 overleaf show centre dominance across the survey area for non-bulky and bulky comparison and convenience goods shopping respectively. The maps provide a good visual indication of the relative strengths of centres - whether in centre or out of centre - across the entire survey area for each category of goods.

NON-BULKY COMPARISON GOODS

5.23 Rotherham town centre is too weak in retail terms to dominate any of the 12 survey zones for non-bulky comparison goods. In comparison, Meadowhall dominates nine of the 12 zones across our survey area including five of the seven within Rotherham MB (see Figure 5.13 overleaf). The remaining two zones in the borough (zones 3 and 4) are dominated by Parkgate Shopping. Each of the remaining five zones outside of the borough is dominated by a different centre.
Fig. 5.13 Centre Dominance Map: Non-Bulky Comparison Goods

Zone 1  Zone 2  Zone 3  Zone 4  Zone 5  Zone 6  Zone 7  Zone 8  Zone 9  Zone 10  Zone 11  Zone 12

Sheffield  Meadowhall  Rotherham  Parkgate  Doncaster  Barnsley  Chesterfield  Meadowhall  Parkgate  Sheffield  Doncaster  Barnsley  Worksop

Meadowhall  Parkgate Shopping  Sheffield  Doncaster  Barnsley  Worksop

Scale: 1 : 222,125

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BULKY COMPARISON GOODS

5.24 Bulky comparison goods shopping across the survey area is dominated by just four centres none of which is in Rotherham. The most dominant is Parkgate Shopping, which attracts the largest share of spend in no less than eight zones, including all zones within Rotherham MB except zone 7 (which is dominated by Worksop). Sheffield Crystal Peaks and Sheffield city centre dominate a single zone each (zones 11 and 12 respectively), whilst Worksop also dominates zone 10 (see Figure 5.14 overleaf).

CONVENIENCE GOODS

5.25 Convenience goods shopping is undertaken more locally than that for comparison goods and this is depicted well in our dominance map for this sector (see Figure 5.15 overleaf). It takes no less than 10 different centres/major stores to dominate the 12 zones within our survey area; Rotherham town centre (due mainly to the Tesco on Forge Island) dominates zone 1 only.

CHARACTERISTICS OF SHOPPER BEHAVIOUR

5.26 Information on shopper characteristics is drawn from the household telephone survey. Appendix 1 describes the survey methodology and sampling, and includes a copy of the survey questionnaire.

NON-BULKY COMPARISON GOODS

5.27 The household telephone survey\(^1\) confirms that non-bulky comparison goods shopping is undertaken relatively infrequently by survey area residents. On average more than 55% of households undertake their main trips monthly or less often.

5.28 For the survey area as a whole, 48% of households choose their main centre because it is convenient and close to home. For Rotherham town centre the proportion is even higher at 68%. The only other significant reason given is good choice of shops/wide range of goods, 22% overall, but just 4% for the town centre. In contrast, 25% of households choose to shop at Sheffield city centre and Meadowhall because of the good choice of shops/range of goods.

\(^1\) The text is based on the results of the household telephone survey undertaken to inform the study. The survey area covers zones 1 to 12 as shown in Figures 4.2.
5.29 Around 73% of households within the survey area use a private car to undertake their main non-bulky comparison goods shopping (52% as a driver and 21% as a passenger). In comparison 17% travel by bus, 4% use the train and 4% walk. For Rotherham town centre, however, 41% of shoppers use the bus, whilst 9% walk and 3% travel by taxi. Journeys by car account for only 46% of trips.

5.30 Across the survey area as a whole, 97% of households start their shopping for main non-bulky comparison goods from home, whilst just 3% begin from work/friends/relatives (c.1% each). For those households travelling from home to their main non-bulky comparison goods shopping destination, 48%, on average, take 15 minutes or less, 44% 16 to 30 minutes and 8% more than 30 minutes. For trips to Rotherham town centre, 56% take up to 15 minutes and the remaining 44% between 16 and 30 minutes, therefore indicating much shorter than average journey times.

5.31 Households gravitate towards Meadowhall for Christmas and other special occasion shopping. Meadowhall is the ‘normal’ main centre for 30% of survey area shoppers but this increases to 34% for ‘special’ trips. In contrast, Rotherham town centre loses its attraction for special occasion shopping; its share dropping to 4% from its normal 7%.

**BULKY COMPARISON GOODS**

5.32 Almost 83% of survey area households visit their main centre for bulky comparison goods shopping monthly or less often. This compares with 55% for non-bulky comparison goods indicating that shopping for bulky items - as one may expect - is undertaken less frequently.

5.33 As for non-bulky comparison goods shopping, convenience of location is the most important reason for choosing which centre to visit, although, at 60% of households, the proportion is higher. A good choice of retail goods/stores is the second ranked criteria (21%). For Rotherham town centre, 78% of shoppers who use it as their main centre visit because of convenience, with only 8% doing so due to the quality and range of shops/goods. In contrast, 35% of households who choose Meadowhall as their main centre do so because of the quality and range of its retail offer, whilst 56% are influenced by proximity to home. Similarly, 30% of shoppers choose Parkgate Shopping for the quality and range of its stores and goods and 55% for its convenient location.

5.34 Overall, 81% of main trips for bulky comparison goods shopping are undertaken by car, a higher proportion than for non-bulky comparison goods. Most of the remaining journeys are made by train (12%).
5.35 For the survey area as a whole, 99% of households carry out their main shopping for bulky comparison goods from home. The proportion for Rotherham town centre is 100%.

5.36 Some 58% of households in the survey area take 15 minutes or less to reach their main location for bulky comparison goods from home, whilst 37% take 16 to 30 minutes and just 5% more than 30 minutes. Travelling times are therefore, on average, less than for non-bulky comparison goods, indicating that local retail facilities are used more often. For Rotherham town centre, the average travelling times are 67% (up to 15 minutes), 27% (16-30 minutes) and 6% (more than 30 minutes).

**CONVENIENCE GOODS**

5.37 Some 68% of convenience goods main shopping trips take place during the week (Monday through to Friday) with 59% being carried out during the day and 9% in the evenings. In comparison only 13% are undertaken at weekends, whilst 19% of households vary their pattern of main food shopping.

5.38 The location of a store close to home is the main reason influencing the choice of main food shopping destination in 68% of households. A wide choice of products available is the second ranked reason, but this scored only 12% followed by good prices/value for money with 7%. Significantly, free/ease of parking is mentioned by just 2% of households.

5.39 The most common frequency of carrying out a main food shop is once a week (71% of households), whilst an additional 21% undertake such trips even more frequently. Shopping for convenience goods is therefore undertaken much more often than for non-bulky or bulky comparison goods.

5.40 Around 81% of survey area residents use a private car for their main food shopping (56% as driver), whilst 9% travel by bus, 8% walk and 2% use a taxi or cycle.

5.41 Overall, 97% of main food shopping trips originate from home with 2% from work and 1% other. For trips beginning at home, 89%, on average, take 15 minutes or less, 10% between 16 and 30 minutes and just 1% more than 30 minutes. The importance of convenience of location for food shopping is reflected in these travel times, which are, on average, significantly less than for either non-bulky or bulky comparison goods.
5.42 On average, some 26% of households in our survey link their main food shopping trips with another form of shopping. The food stores which generate the highest levels of linked trips are generally those located within town centres (eg. Tesco, Forge Island, 41%) or on retail parks (eg Morrisons, Parkgate Shopping, 47%). The types of shop/service visited most frequently on a linked trip are specialist food shops (25%), clothing stores (23%), chemists (20%), department/variety stores (19%), the post office (15%), DIY/hardware/garden products (14%) and financial outlets (12%).

SUMMARY

5.43 The household telephone survey confirms that the current retail offer within Rotherham MB as a whole is sufficiently strong and attractive in the bulky comparison goods and convenience goods sectors for relatively high levels of available expenditure to be retained locally, particularly given the close proximity of competing centres. However, in relation to non-bulky comparison goods, the borough performs poorly with half of the available spend leaking out to competitor centres/stores.

5.44 This pattern of shopping behaviour is largely a reflection of the limited non-bulky comparison goods retail offer in Rotherham town centre, which should ideally play a much more significant role in attracting expenditure in this sector and retaining spend within the borough. The fact that the town centre is currently not realising its retail potential is considered further in later sections of this report.
6. ROTHERHAM MB: RETAIL OVERVIEW AND ASSESSMENT OF CENTRE PERFORMANCE

6.1 In this section we examine the retail hierarchy within Rotherham MB and consider the role and performance of its town, district and local centres, as well as out of centre retailing. The assessment draws on data from a wide range of sources.

THE ROTHERHAM MB SHOPPING HIERARCHY

6.2 Rotherham is a metropolitan borough of South Yorkshire and is named after its main town, Rotherham. The borough was formed in 1974 under the Local Government Act 1972, as a merger of the former county borough of Rotherham, with Maltby, Rawmarsh, Swinton and Wath upon Dearne urban districts, along with Rotherham rural district and Kiveton Park rural district.

6.3 Rotherham MB has a population of c.255,000 and contains a large number of towns many of which merge into one another to create a relatively large urban area. Nevertheless, the borough also comprises of areas of open countryside, particularly to the south of the M18. Figure 6.1 overleaf shows the locations of existing town, district and local centres within Rotherham MB as identified by the Council in its Emerging Core Strategy.

6.4 This emerging hierarchy of centres within Rotherham MB is as follows:-

- **Principal Town Centre** - Rotherham Town Centre
- **Town Centres** - Dinnington, Maltby, Parkgate, Wath-upon-Deane
- **District Centres** - Rawmarsh, Swallownest, Swinton
Fig. 6.1 Location of Centres within Rotherham Metropolitan Borough (as defined by the emerging Core Strategy)

KEY
- Principal Town Centre
- Town Centre
- District Centre
- Local Centre
- Rotherham MB

Scale: 1 : 168,129
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© Source: 2001 Census, Output Area Boundaries, ODA04 NA/2003. All rights reserved. © CACI Limited 2010.
The ‘principal’ town centre in Rotherham MB is naturally Rotherham town centre which is located towards the centre of the borough. However, it is also close to Meadowhall (within Sheffield District) and Sheffield city centre, whilst the large out of centre retail complex at Parkgate Shopping is even closer – less than two kilometres distant. Rotherham town centre therefore continues to suffer from extensive, nearby retail competition.

The remaining four ‘town centres’ within the borough (as identified by the emerging Core Strategy) are geographically dispersed with Wath-upon-Dearne located in the far north, Parkgate in close proximity to Rotherham ‘principal town centre’, and Maltby and Dinnington to the east beyond the M1 and M18 that bisects the borough in a north-south direction.

The five ‘district centres’ are also spread around the borough. Swinton, Rawmarsh and Wickersley are located to the north of the M18, while Swallownest and Thurcroft are located towards the south of the borough. Bramley ‘local centre’ is located to the east of Rotherham principal town centre, whilst Kiveton Park ‘local centre’ is located in the far south.

Below the tier of local centre there are a number of smaller parades and ‘corner shops’ located throughout the borough. These primarily provide services and cater for top-up food shopping needs.

Rotherham MB also contains a range of out of centre retail parks and food superstores. The household survey indicates that the larger parks (e.g. Parkgate Shopping) attract trade from much of the borough and even further afield, whilst the large food superstores tend to serve more localised catchments.

We now describe the retail economies of Rotherham principal town centre and the remaining town, district and local centres, prior to focussing on out of centre retail provision in the borough.
6.11 The 2010 Rotherham Town Centre Retail and Leisure Study focused in-depth on the retail economy of the town centre and there is no need to repeat this information here, since this report primarily addresses retail and leisure provision in the rest of the borough. Nevertheless, in order to properly assess the future need for retail floorspace in the borough as a whole, there is a requirement to consider Rotherham town centre alongside other centres and out of centre retailing. We therefore provide an overview of the town centre’s retail performance and take the opportunity to up-date key statistics.

6.12 Rotherham town centre has benefited from relatively little new retail investment in recent decades. The town centre has therefore (at best) effectively ‘stood still’ in retail terms for many years, whilst throughout the rest of the UK many new shopping centres have been built (eg. Meadowhall in 1990), and others have experienced significant expansion and improvements. In addition, there are a number of new retail schemes with planning permission or proposed in competitor centres which will be likely to erode further Rotherham’s trading position (unless something is done) should they progress to completion. These include Sevenstone (50,000 sq m gross proposal) and The Moor (8,000 sq m gross permission) at Sheffield and Barnsley Markets (40,000 sq m gross permission) at Barnsley. Furthermore, over the past 20 years or so there has been substantial out of centre retail development within Rotherham MB, particularly in comparison goods shopping and this has soaked up a material share of locally available consumer expenditure.

6.13 To ‘stand still’ in what is a dynamic and rapidly evolving retail sector is to experience a relative decline against the competition even if in absolute terms the retail offer remains broadly similar. This is what has happened to Rotherham town centre as borne out by evidence of its changing retail ranking and prime retail rent.

6.14 The results of the household telephone survey confirm that Meadowhall and Sheffield city centre are Rotherham’s two principal competitor retail destinations. It is therefore interesting to compare Rotherham’s retail rank position against these centres over the past decade. The comparison in Table 6.1 overleaf shows that whilst Rotherham town centre has fallen 27 places down the UK (Venue Score\(^1\)) ranking since 2001, the falls of Sheffield and Meadowhall have been only 12 and four places respectively. What’s more, these figures include a surprise improvement in Rotherham’s ranking between

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\(^{1}\) The retail offer of each centre (or shopping venue) in the UK is evaluated using a straightforward scoring system which takes account of the presence in each location of multiple retailers, including anchor stores, fashion operators, non-fashion multiples and food stores. The score attached to each operator is weighted to reflect their overall impact on shopping patterns (eg. premier department store, 20 points down to small ‘other’ multiple, 1, point).
2007 and 2010 of 21 places, which appears to conflict with other indicators of performance.

Table 6.1 Rotherham vs Sheffield vs Meadowhall: UK Retail Rankings, 2001-2010

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ROTHERHAM TOWN CENTRE</th>
<th>SHEFFIELD CITY CENTRE</th>
<th>MEADOWHALL SHOPPING CENTRE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>214</td>
<td>26</td>
<td>33</td>
</tr>
<tr>
<td>2005</td>
<td>268</td>
<td>26</td>
<td>32</td>
</tr>
<tr>
<td>2007</td>
<td>262</td>
<td>32</td>
<td>36</td>
</tr>
<tr>
<td>2010</td>
<td>241</td>
<td>38</td>
<td>37</td>
</tr>
<tr>
<td>Change 2001-10</td>
<td>-27</td>
<td>-12</td>
<td>-4</td>
</tr>
</tbody>
</table>

Source: MHE Shopping Centre Index/Javelin Group VenueScore.

6.15 Both Sheffield and Meadowhall remain in the ‘top 40’ leading retail destinations in the UK, despite slipping a few places down the ranking over the past few years. The current 200+ position performance ‘gap’ between Rotherham and both Sheffield and Meadowhall is substantial and highlights the massive gulf that exists between their respective retail offers and, given the close proximity of these locations to Rotherham, the considerable influence these competitor centres have on the shopping behaviour of Rotherham MB’s residents.

6.16 Turning to prime retail rents, Figure 6.2 overleaf compares Rotherham town centre’s performance since 1987 against that of the Yorkshire and The Humber region as a whole and Great Britain (GB). The figures indicate that Rotherham’s rental performance matched that for Yorkshire and The Humber and GB through to the early 1990’s but since 1992 the town centre has begun to under perform, with under performance becoming increasingly more marked with the passage of time.
6.17 Figure 6.3 overleaf shows changes in absolute prime rents for Rotherham town centre, Yorkshire and The Humber and GB. The comparison shows that whilst Rotherham’s prime rent during the late 1980’s and early 1990’s was just about keeping pace with the averages for Yorkshire and the Humber and GB\(^1\), the rental ‘gap’ has steadily increased since then. The prime rent in Rotherham town centre is now little over one third of the average for Yorkshire and The Humber and less than half that for GB. However, during the 12 months to June 2010 Rotherham’s prime rent held level at £558 psm, whilst the average GB prime rent fell by 1.5%.

\(^1\) The average rents for Yorkshire and The Humber region and GB reflect the rents of the individual centres in each area that are included in the Colliers International database.
Figure 6.3  Prime Retail Rents: Rotherham Town Centre vs Yorkshire and The Humber Region vs GB, 1987-2010

6.18 Rotherham town centre’s rental performance is compared to that for Sheffield city centre and Meadowhall (its two major competitors) in Figure 6.4 overleaf. Meadowhall’s rents increased quickly on its opening in 1990 and easily out performed those in Sheffield and Rotherham. In the early to mid 1990’s, however, Rotherham’s rental performance matched that of Sheffield, but it then began to fall back and now lags someway behind.

Source: Colliers International
6.19 **Figure 6.5** overleaf shows the changes in absolute prime retail rents in the three centres since 1987. Rotherham town centre’s rent has been below its two main competitor centres throughout the period, but especially since the turn of the century. Today Rotherham’s prime retail rent is only marginally higher than it was back in 1987, whereas Sheffield’s is 82% higher. Meadowhall’s current prime rent is more than three times above its opening rent in 1990.
The evidence confirms that retailing in Rotherham town centre has not kept pace with either national trends or its closest competitors over the past 20 years. Moreover, the immediate outlook also appears challenging with the new Government having addressed the huge fiscal deficit by raising VAT and cutting back on welfare benefits. In addition, the significant planned reduction in public sector expenditure may hurt Rotherham particularly hard, given the town’s reliance on public sector employment.

Of course, the MB Council is well aware of many of these trends and the weakness of the town centre’s retail economy. Accordingly, a range of initiatives and programmes have already been put in place under the Rotherham Renaissance programme. These mainly focus on non-retail measures such as the redevelopment of the railway station, improvements to the Rotherham interchange and the refurbishment of a number of buildings to provide apartments, office space and food and beverage outlets. In addition, the public realm is being improved in order to make visiting the town centre more attractive to shoppers.
6.22 The recently completed Rotherham Town Centre Retail and Leisure Study analysed these initiatives in-depth and set out a series of recommendations that, if implemented, should play a major role in enhancing the town centre as a retail and leisure destination.

6.23 We estimate that Rotherham town centre contains around 19,700 sq m net of retail goods floorspace, of which some 13,300 sq m (67%) is estimated to trade in comparison goods, with virtually all of this comprising non-bulky goods (see Appendix 4A). In addition, there is a wide range of service uses, including cafes, bars and restaurants.

6.24 The town centre accounts for just 13% of currently occupied retail sales floorspace within the borough as a whole, as shown in Table 6.2. For convenience goods, the town centre’s proportion of sales floorspace stock is 14% and for comparison goods it is 13% (21% for non-bulky and just 1% for bulky goods). The remaining town, district and local centres account for 15% of the borough’s total retail floorspace stock, which means over 70% is located out of centre in retail warehouses and superstores.

<table>
<thead>
<tr>
<th>Location</th>
<th>Convenience Goods</th>
<th>Non Bulky Comparison Goods</th>
<th>Bulky Comparison Goods</th>
<th>All Retail Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sq M Net</td>
<td>Col %</td>
<td>Sq M Net</td>
<td>Col %</td>
</tr>
<tr>
<td>Rotherham Town Centre</td>
<td>6,446</td>
<td>14</td>
<td>12,742</td>
<td>21</td>
</tr>
<tr>
<td>Other Town, District and Local Centres</td>
<td>12,198</td>
<td>26</td>
<td>6,426</td>
<td>11</td>
</tr>
<tr>
<td>Out of Centre Retail Warehouses</td>
<td>525</td>
<td>1</td>
<td>38,415</td>
<td>61</td>
</tr>
<tr>
<td>Out of Centre Superstores</td>
<td>27,935</td>
<td>59</td>
<td>3,979</td>
<td>7</td>
</tr>
<tr>
<td>TOTAL (Rotherham MB)</td>
<td>47,104</td>
<td>100</td>
<td>59,562</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Colliers International
In terms of the quality of retailers currently trading in Rotherham town centre, the breakdown between “premium”, “mass” and “value” (as described by CACI) is close to the average for all GB centres in the relevant class. The figures are set out in Table 6.3.

### Table 6.3 Rotherham Town Centre: Quality of Retail Offer

<table>
<thead>
<tr>
<th>Location</th>
<th>Premium Retailers (Row%)</th>
<th>Mass Retailers (Row%)</th>
<th>Value Retailers (Row%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rotherham Town Centre</td>
<td>0</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td>Sheffield City Centre</td>
<td>29</td>
<td>52</td>
<td>19</td>
</tr>
<tr>
<td>Meadowhall Shopping Centre</td>
<td>32</td>
<td>55</td>
<td>14</td>
</tr>
<tr>
<td>GB Major Value Centres*</td>
<td>1</td>
<td>56</td>
<td>43</td>
</tr>
</tbody>
</table>

* Rotherham is classified by CACI as a ‘Major Value Centre’

Source: Colliers International

However, even when compared to other ‘GB Major Value’ Centres, Rotherham has one-quarter more value and 20% less mass retail. Against Sheffield and Meadowhall the difference is huge; almost one-third of the retailers in both centres are categorised as ‘premium’, whereas Rotherham scores zero in this category. It is therefore clear why these major competitor centres are attractive to residents of Rotherham MB, particularly those that are more affluent and mobile.

Rotherham town centre is one of 15 retail locations in the UK that we monitor every six months in order to determine the changing levels of retail vacancy. We began in October 2006 and our latest survey was carried out during October 2010. Figure 6.6 overleaf identifies the voids from this most recent visit. Over the past four years vacancy in the town centre has risen from 6.1% of all units to 28.2% and is the highest amongst the 15 centres in our sample. In terms of floorspace, vacancy has increased from 6.9% of stock in October 2006 to 23.2% at October 2010. Although vacancy rates across Great Britain have also risen, the figures in Table 6.4 overleaf confirm that voids in Rotherham town centre have risen around four-fold in four years, whereas the national average increase is less than double.

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1 CACI has given each retail fascia a quality allocation – premium, mass or value. This is based on a combination of market knowledge, fascia turnover and shopper perception. Examples are: Value – Poundstretcher; Mass – WHSmith and Premium – House of Fraser.
Fig. 6.6 Vacant Ground Floor Units in Rotherham Town Centre

Key
- Vacant Unit
- Unit in Prime Shopping Area (Colliers Definition)
- Unit in Secondary Shopping Area (Colliers Definition)

Source: Colliers International
Table 6.4 Retail Vacancy Rates in Rotherham Town Centre vs GB (Sample of 15 Centres), 2006-2010

<table>
<thead>
<tr>
<th>Survey Date</th>
<th>Rotherham Town Centre</th>
<th>Average for 15 Centres¹</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% Units</td>
<td>% Floorspace</td>
</tr>
<tr>
<td>October 2006</td>
<td>6.1</td>
<td>6.9</td>
</tr>
<tr>
<td>April 2007</td>
<td>8.8</td>
<td>9.8</td>
</tr>
<tr>
<td>October 2007</td>
<td>12.0</td>
<td>12.1</td>
</tr>
<tr>
<td>April 2008</td>
<td>15.6</td>
<td>14.0</td>
</tr>
<tr>
<td>October 2008</td>
<td>16.6</td>
<td>15.5</td>
</tr>
<tr>
<td>April 2009</td>
<td>15.3</td>
<td>17.6</td>
</tr>
<tr>
<td>October 2009</td>
<td>22.3</td>
<td>20.0</td>
</tr>
<tr>
<td>April 2010</td>
<td>23.7</td>
<td>22.0</td>
</tr>
<tr>
<td>October 2010</td>
<td>28.2</td>
<td>23.2</td>
</tr>
</tbody>
</table>

¹ The 15 centres are Bournemouth, Cardiff, Chippenham, Dundee, High Wycombe, Ilford, Kensington High Street, Lisburn, Liverpool, Metro Centre, Northampton, Oxford Street, Plymouth, Rotherham and Worcester.

Source: Colliers International

6.28 In summary, we conclude that Rotherham town centre in recent years has lost ground in the national retail ranking and has fallen further behind its major rivals. Moreover, a number of retailers have closed their stores over the past few years and the vacancy rate has risen and is currently amongst the highest of any town in the country. As a result, the range and choice of stores is now limited for what should be the main retail destination in the borough, producing a strong qualitative need for further retail provision.

TOWN, DISTRICT AND LOCAL CENTRES

6.29 The Emerging Core Strategy identifies 11 existing town, district and local centres in Rotherham MB. These are listed at paragraph 6.4 and have been defined in accordance with the definitions provided at Annex B of PPS 4 (and reproduced at Appendix 5L).

6.30 Before focusing on individual centres and assessing their current levels of vitality and viability (the health checks), it is useful to consider how they have evolved in retail terms as a group over the past decade, since this places our assessments into context. We are able to do this by analysing the detailed centre audit data collected by the MB Council each year since 2001.
6.31 These 11 centres together contained 302 occupied retail shop units back in 2001, but this number slowly declined to 272 in 2009, before plummeting to only 201 by mid 2010. Clearly the economic downturn is having a major impact. This fall in retail provision is illustrated in Figure 6.7, which also shows that the number of trading stores in Rotherham principal town centre has also declined by 60 over the past decade. The overall result is that Rotherham MB as a whole has lost almost 100 in-centre shops in less than 10 years, a 20% reduction.

Figure 6.7 Number of Occupied Shop Units (In-Centre) within Rotherham MB*, 2001-2010.

6.32 Running in parallel to the decline of in-centre retail provision across the borough has been a rise in vacant units. Figure 6.8 overleaf shows that the number of voids has risen over the past couple of years in the 11 town, district and local centres, although vacancy is today only a little higher than back in 2001. Thus the decline in shop numbers over the past decade has not generally given rise to a significant increase in vacant floorspace across the centres. This is because many former retail shops have been converted to service and food and beverage outlets. In Rotherham principal town centre the position is different; voids have risen dramatically since 2008 and now exceed the number in all 11 town, district and local centres combined. This is the reverse of the position in 2001.
The 11 centres contain just over 29,000 sq m net of occupied retail floorspace, of which 55% trades in convenience goods and the balance of 45% in comparison goods (29% as non-bulky and 16% as bulky). Together the sales floorspace of these 11 centres just exceeds that of Rotherham principal town centre (19,738 sq m net).

Figure 6.9 overleaf ranks the 11 centres according to their totals of occupied retail floorspace, disaggregating between convenience goods and non-bulky and bulky comparison goods. The sizes of centres are broadly consistent with their rank in the emerging hierarchy with the exceptions of Kiveton and Thurcroft, which are a little larger and smaller respectively than their rank positions would suggest.

The largest centre in retail terms is Dinnington town centre with a sales floorspace of 4,319 sq m. It also contains the largest totals of convenience goods and non-bulky and bulky comparison goods floorspace. Nevertheless, it is only a fifth the size of Rotherham principal town centre. The remaining three town centres all have in excess of 2,000 sq m net of retail floorspace, whilst all the remaining district and local centres (except Thurcroft 859 sq m net) contain between 1,000 and 2,000 sq m net of shopping.
In terms of numbers of units, Dinnington is the biggest centre with 114 units, of which 39 sell retail goods. The smallest centre is Kiveton with just 29 units of which only 12 are shops. Table 6.5 overleaf summaries the position for all of the town, district and local centres.
Table 6.5 Number and Mix of Units in Each Town, District and Local Centre (as at July 2010)

<table>
<thead>
<tr>
<th>District Centre</th>
<th>Convenience Goods Shops</th>
<th>Comparison Goods Shops</th>
<th>Service Units</th>
<th>Vacant Units</th>
<th>Total Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bramley</td>
<td>5</td>
<td>10</td>
<td>20</td>
<td>7</td>
<td>42</td>
</tr>
<tr>
<td>Maltby</td>
<td>9</td>
<td>29</td>
<td>32</td>
<td>8</td>
<td>78</td>
</tr>
<tr>
<td>Thurcroft</td>
<td>8</td>
<td>11</td>
<td>26</td>
<td>2</td>
<td>47</td>
</tr>
<tr>
<td>Swinton</td>
<td>6</td>
<td>14</td>
<td>16</td>
<td>4</td>
<td>40</td>
</tr>
<tr>
<td>Wath upon Dearne</td>
<td>11</td>
<td>23</td>
<td>41</td>
<td>5</td>
<td>80</td>
</tr>
<tr>
<td>Wickersley</td>
<td>10</td>
<td>22</td>
<td>51</td>
<td>3</td>
<td>86</td>
</tr>
<tr>
<td>Dinnington</td>
<td>9</td>
<td>30</td>
<td>56</td>
<td>19</td>
<td>114</td>
</tr>
<tr>
<td>Kiveton Park</td>
<td>3</td>
<td>9</td>
<td>14</td>
<td>3</td>
<td>29</td>
</tr>
<tr>
<td>Parkgate/Rawmarsh(2)</td>
<td>12</td>
<td>37</td>
<td>42</td>
<td>14</td>
<td>105</td>
</tr>
<tr>
<td>Swallownest</td>
<td>7</td>
<td>6</td>
<td>21</td>
<td>6</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>191</td>
<td>319</td>
<td>71</td>
<td>661</td>
</tr>
<tr>
<td>Row %</td>
<td>12</td>
<td>29</td>
<td>48</td>
<td>11</td>
<td>100</td>
</tr>
</tbody>
</table>

Notes: (1) Excludes miscellaneous uses
(2) The centre audits carried out by Rotherham MB Council combine the centres of Parkgate and Rawmarsh.

Source: Colliers International/Rotherham MBC

6.37 Overall there are 661 units in the 11 town, district and local centres. Of the total, 48% of units are service uses and 41% are retail goods shops. Voids account for 11% of units, ranging from 3% at Wickersley to 17% at Bramley and Dinnington.

VITALITY AND VIABILITY OF CENTRES

6.38 An important component of the study is an assessment of the current vitality and viability of the 11 defined town, district and local centres as identified by the Emerging Core Strategy. Our detailed assessment is set out at Appendix 5, which contains a range of data on each centre including time-series statistics a map and analysis under the key PPS 4 ‘health check’ indicators.

6.39 The body of detail set out at Appendix 5 is summarised in Table 6.6 overleaf, whilst Figure 6.10 overleaf shows how the affluence of the population varies across the borough. In our view, there is a relationship between local area deprivation and centre vitality and viability, although there are one or two exceptions.
Fig. 6.10 Map Showing Location of Town, District and Local Centres in Rotherham MB and Deprivation by Local Area

Index of Multiple Deprivation

1 (Most Deprived 20% of Population)
2
3
4
5 (Least Deprived 20% of Population)

Source: Index of Multiple Deprivation, ONS 2007
6.40 In broad terms, we consider that the 11 centres may be grouped into three categories according to their levels of vitality and viability as shown in Table 6.6. The listing in the table is intended to provide a useful means of comparing one centre to another, but it should not be interpreted as a definitive ranking.

Table 6.6 Summary Assessment of the Vitality and Viability of Town, District and Local Centres in Rotherham MB (as identified by the Emerging Core Strategy).

<table>
<thead>
<tr>
<th>Vitality and Viability</th>
<th>Centre and Position in Retail Hierarchy</th>
<th>Socio-Demographics of Local Population</th>
<th>Layout and Configuration</th>
<th>Key Retailers/Anchors</th>
<th>Other Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Vitality and Viability</td>
<td>Wath-upon-Dearne, Town Centre</td>
<td>Mainly most deprived</td>
<td>Hub, partially pedestrianised</td>
<td>Netto</td>
<td>Good links to edge of centre Tesco Extra. Material Investment in public realm.</td>
</tr>
<tr>
<td></td>
<td>Wickersley, District Centre</td>
<td>Mainly least deprived</td>
<td>Linear, vehicular street</td>
<td>Co-op</td>
<td>A number of up-market shops and food &amp; beverage operators present.</td>
</tr>
<tr>
<td>Average Vitality and Viability</td>
<td>Bramley, Local Centre</td>
<td>Mainly least deprived</td>
<td>Linear, vehicular street</td>
<td>None</td>
<td>New one-way system introduced. Close to Morrisons superstore at J1 M18</td>
</tr>
<tr>
<td></td>
<td>Dinnington, Town Centre</td>
<td>Mainly most deprived</td>
<td>Linear, vehicular street</td>
<td>Tesco</td>
<td>In and outdoor markets a major draw. Site for new Aldi discount food store</td>
</tr>
<tr>
<td></td>
<td>Kiveton Park, Local Centre</td>
<td>Mainly least deprived</td>
<td>Linear, vehicular street</td>
<td>Co-op</td>
<td>Close to Sheffield suburbs</td>
</tr>
<tr>
<td></td>
<td>Maltby Town Centre</td>
<td>Mainly most deprived</td>
<td>Linear, vehicular street</td>
<td>Tesco, Co-op</td>
<td>Straddles busy road (A631)</td>
</tr>
</tbody>
</table>

Table continued overleaf
Overall, Wath-upon-Dearne and Wickersley appear in best ‘health’. Both are busy centres with a range of shops, services and community uses appropriate to their status, and low vacancy rates. Whilst Wickersley is located in a relatively affluent area of the borough, Wath-upon-Dearne is surrounded by many deprived households. However, the latter centre has benefitted from considerable investment in its public realm and other facilities in recent years, most recently the Gateway Link between the edge of centre Tesco Extra and the town centre, which appears to have boosted footfall from the store (and its large, free car-park) into the hub of the town.

*Source: Colliers International*
6.42 There are six centres which we consider offer average levels of vitality and viability relative to their status in the hierarchy (Table 6.6). Three of these are located in areas of some, or significant, deprivation (Dinnington, Maltby and Parkgate), whilst three are located amidst more prosperous local catchments (Bramley, Kiveton Park and Swallownest).

6.43 Lastly, we consider two centres currently exhibit poor levels of vitality and viability – Rawmarsh and Swinton. Both centres are located amidst areas of deprivation (Figure 6.10). Rawmarsh is in a very bad state of repair and with the exception of a handful of shops is boarded up and vacant. However, we understand there are plans to demolish and rebuild the centre, which will clearly improve its ‘health’. Swinton is not nearly as poor as Rawmarsh, yet aside from the Co-op supermarket there is little retail provision in the centre. In particular, the shopping precinct is very tired and suffers from a number of voids. Pedestrian flows throughout the centre are also poor and the centre straddles a very busy road. Given that there are many civic and community uses located edge of centre which should generate some footfall activity, the centre seems to punch below its weight. Measures to improve vitality and viability should focus on improving the shopping precinct which forms the natural hub of the centre.

6.44 As shown in Table 6.6, most of the centres are anchored by a supermarket and, in addition, contain mainly independent traders. Only one centre is purpose built – Rawmarsh – and this requires demolition. All the other centres straddle vehicular roads (many of these are busy linear routes), although Wath is largely pedestrianised. We comment further on the town, district and local centres in Section 9, when we address specific retail planning issues such as the retail hierarchy, boundaries and the role of edge of centre supermarkets.

**OUT OF CENTRE RETAILING**

6.45 Out of centre retail provision has expanded rapidly in Rotherham MB over the past 15-20 years. Today 72% of the borough’s retail floorspace stock is located out of centre, with the proportion for comparison goods (77%) far exceeding that of convenience goods (60%). (See Table 6.2). The locations of retail parks and food stores are shown in Figure 6.11 overleaf.

6.46 In relation to convenience goods shopping, there are 13 major out of centre food-based stores in the borough¹ (see Appendix 4C for full details), of which six are superstores. These 13 stores provide 32,000 sq m of sales floorspace, of which 12% is estimated to

¹ Assuming the emerging Core Strategy hierarchy of centres and boundary definitions.
Fig. 6.11 Location of Out of Centre Food Stores and Retail Parks in Rotherham MB (Also Showing Major Stores and Parks in Adjoining Areas)

Scale: 1 : 149,256
©Crown copyright is reproduced with the permission of the Controller of HMSO
©Source: 2001 Census, Output Area Boundaries.
©2008 NAVTEQ. All rights reserved.
© CACI Limited, 2010
be for comparison goods (within the Tesco Extra at Wath-upon-Deane and the Asda at Aldwarke Lane, off the Doncaster Road). As shown in Figure 6.11, 12 of the 13 out of centre food stores are located in the northern half of the borough with only one south of the M1/M18 (the Morrisons at Catcliffe). The majority are concentrated in areas immediately to the north and east of Rotherham principal town centre.

6.47 Turning to comparison goods, there is c.79,000 sq m net of provision out of centre in the borough (see Table 6.2), of which by far the greatest concentration is at Parkgate Shopping (see Appendix 4B for full details).

6.48 Figure 6.11 shows that most of the out of centre non-food retailing provision is located in the northern half of the borough, primarily in a series of retail parks close to Rotherham principal town centre. These parks sell a wide range of comparison goods and include many key high street retailers, particularly at Parkgate Shopping and Canklow Meadows. Around 68% of non-bulky comparison goods floorspace in Rotherham MB is now located out of centre, whilst the comparable figure for bulky comparison goods is 91%. At the time of our site visits in October, 2010 a small number of vacant retail warehouses was noted, the floorspace of which has been excluded from our sales floorspace tables and retail need assessment.

**SUMMARY**

6.49 Rotherham principal town centre has benefited from little new retail investment over the past 20 years. As a consequence, its retail offer is not keeping pace with the competition, and the town centre is slipping down the retail ranking and experiencing falling rents. There appears to be a significant qualitative and quantitative need for additional retail floorspace to be provided in the town centre, primarily in non-bulky comparison goods, which would ‘clawback’ expenditure that is currently leaking out of the borough to competitor centres.

6.50 Elsewhere in the borough, the town, district and local centres are all modest in size and – in the main - serve their immediate catchments. There is a wide range in the vitality and viability of the centres with those of most concern being located in areas of highest deprivation. In broad terms the size of centres in retail terms is consistent with Rotherham MB Council’s emerging retail hierarchy.

6.51 Out of centre retailing has expanded considerably in Rotherham MB over the past 15-20 years, and now accounts for over 70% of the borough’s total retail floorspace stock. Significantly (and very unusually), the proportion is higher for “high street” comparison goods shopping than for convenience goods. The provision of food-based stores and
retail parks is concentrated in the northern half of the borough, particularly in areas close to Rotherham principal town centre.
7. RETAIL FLOORSPACE NEED: METHODOLOGY AND ASSESSMENT

OBJECTIVES

7.1 This section describes our approach to estimating the need for additional convenience goods and non-bulky and bulky comparison goods floorspace within Rotherham MB, its sub-areas and key centres.

7.2 The analysis estimates the amount of over/under trading at the base year (2010) by comparing actual (survey-based turnovers) against benchmark turnovers and takes any expenditure “surplus” or “shortfall” into account in determining the available headroom expenditure at the forecast years of 2017, 2022 and 2027. We consider this to be a realistic approach, since it reflects the variability in the present trading performance of the different goods categories across the borough and its centres.

7.3 The assessment provides the following information:-

- Estimates of total available retail expenditure within Rotherham MB (and sub-areas) at the base year of 2010 and the forecast years of 2017, 2022 and 2027;

- Estimates of the retail turnover likely to be ‘retained’ by each sub-area (and key centre) at the forecast years;

- Estimates of “headroom” expenditure and therefore retail floorspace need within Rotherham MB, its sub-areas and key centres at the forecast years; and

- Retail floorspace need disaggregated into convenience goods and non-bulky and bulky comparison goods retail floorspace.

7.4 The results of this retail need assessment inform our retail planning policy advice to Rotherham MBC, which is set out in Section 9.
OUR APPROACH TO QUANTIFYING RETAIL FLOORSPACE NEED

7.5 Our broad approach to estimating the need for additional retail floorspace (set out in detail at Appendix 6A) comprises of seven main steps, which in aggregate cover the three main stages of analysis:

(i) Forecasting consumer demand;
(ii) Forecasting retail supply; and
(iii) The conversion of (any) surplus retail expenditure into a retail floorspace requirement.

7.6 We have sought to provide an analysis that is transparent and which, at the same time, seeks to be robust. The assessment is also presented in a way that enables it to be updated in the future as more up-to-date statistics become available and the emerging pattern of shopping activity becomes more established.

7.7 We carry out separate retail need assessments for convenience goods and non-bulky and bulky comparison goods. Each is supported by a number of tables (spreadsheets) which are reproduced at Appendices 6B, 6C and 6D. For each broad category of goods, we produce separate assessments relating to central, low and high population projections (our Scenarios 1, 2 and 3 respectively). In addition, the assessments refer to a number of key assumptions which have already been discussed in Section 4, and are reproduced as Appendices 3A to 3E inclusive. The description that follows applies equally to the separate non-bulky and bulky comparison goods assessments. The results in relation to all scenarios and goods categories are discussed in Section 9.

7.8 We begin with an assessment of the need for additional comparison goods floorspace.

NON-BULKY AND BULKY COMPARISON GOODS NEED ASSESSMENT

STEP 1: CALCULATE TOTAL AVAILABLE EXPENDITURE IN THE SURVEY AREA

7.9 The household survey area is shown in Figure 4.2 and is defined to encompass the shopping catchment areas of all the centres within Rotherham MB. Within this area the quantum of available comparison goods expenditure is derived by multiplying (resident) population by average annual expenditure per head (see Appendix 3B for the Experian
spend per head data). This calculation is carried out for each of the 12 zones which comprise the survey area.

7.10 Population figures by zone and for the survey area as a whole are set out in Appendices 6B and 6C, Table 1. In addition to estimates for 2010 (the base year), population projections for the design years of 2017, 2022 and 2027 are also included.

7.11 Appendices 6B and 6C, Table 2 give the average annual expenditure per person on comparison goods for residents living in each of the 12 zones comprising the survey area. These figures have been obtained from Experian. We have projected the per person expenditure estimates forward to the forecast years of 2017, 2022 and 2027 by adopting Experian’s latest available 2009 – based expenditure per head forecasts as published in August 2010. (See Appendix 3C).

7.12 At Appendices 6B and 6C Table 3 we make deductions to the per person expenditure estimates to account for retail expenditure which does not take place in shops such as that on mail order shopping, door to door salesmen and market and road-side stalls. This form of expenditure also includes e-tailing and is generally known as “special forms of trading” (SFT).

7.13 In presenting expenditure forecasts through to 2027, we are aware that there are currently a number of electronic shopping formats which, should they become widely established, could reduce significantly the proportion of retail expenditure that is now spent in conventional shops. We have reviewed the recently published research on the future growth in e-tailing expenditure (Section 4) and concluded that SFT is likely to increase as a proportion of total consumer retail expenditure over the next five years before levelling off. This important assumption is built into our retail need assessment. However, we would stress that this assumption should be reviewed from time to time, since, were it to change significantly, it could have a material impact on future levels of retail floorspace by either reducing or increasing the need for additional shopping provision.

7.14 Our estimates of total available comparison goods expenditure at the base year (2010) are set out in Appendices 6B and 6C, Table 4. Forecasts are also given for the forecast years of 2017, 2022 and 2027. The increases in available expenditure are due to the real growth in comparison goods expenditure per head (from 2011 onwards).
STEP 2: APPLICATION OF “MARKET SHARES” TO DETERMINE AMOUNT OF RETAINED EXPENDITURE

7.15 As a consequence of increases in the volume of consumer expenditure per head running in tandem with population growth, we estimate that the “pool” of available expenditure on comparison goods within the survey area will increase significantly between the base year (2010) and the (latest) forecast year of 2027.

7.16 However, only a proportion of this growth in consumer expenditure will be spent within Rotherham MB and is available to support new retail floorspace in the area. This is because competitor centres also lay claim to the same growing “pool” of expenditure. This requires us to quantify the “market share” of Rotherham MB (and its sub-areas/centres) within each of the 12 survey zones.

7.17 Existing “market shares” for comparison goods shopping have been derived from the household telephone survey carried out during February/March, 2009. The survey provides useful information on the geographical extent of catchment areas and trade penetration around existing centres by quantifying the pattern and volume of retail expenditure flows from each of our defined zones (where people live and money is generated) to a range of centres and out of centre stores (where people spend their money). In a small number of instances we have adjusted the market shares of particular centres in order to take into account new store openings (since the survey was carried out) and the typical under-estimation of spend flowing to a number of small centres.

7.18 In addition, and of critical importance, our assessment also takes into account the distribution and volume of locally available consumer expenditure (or spending power) so as to ensure that our retail turnover estimates are balanced against available retail consumer expenditure.

7.19 The base year (2010) patterns of “market shares” generated by the comparison goods provision within Rotherham MB are presented in Appendices 6B and 6C, Table 5. The “market shares” are then applied to the 2010 “pools” of available comparison goods expenditure for each zone (as set out in Table 5). Appendices 6B and 6C, Table 6 give the monetary amounts of comparison goods expenditure flowing to centres/sub-areas within Rotherham MB by zone. The addition of these expenditure totals for each of the 12 zones gives the total amount of comparison goods spend flowing to each sub-area and centre from the survey area as a whole. We also make allowances – where appropriate - for in-flow expenditure from outside the survey area.
STEP 3: DETERMINE WHETHER THE EXISTING RETAIL ECONOMY IS TRADING AT EQUILIBRIUM

7.20 At this stage of the assessment we consider whether the existing comparison goods retail economies of centres within Rotherham MB are broadly trading at equilibrium or not. This is important because if the amount of consumer retail expenditure flowing to a centre in relation to the stock of available retail floorspace is high and this appears to be causing problems to retailers and/or shoppers, then the centre’s retail offer may be described as over-trading. Conversely, if the expenditure flows are low relative to available retail floorspace, then this can result in under-trading of the present retail offer.

7.21 If over-trading is occurring in a centre then it is commonly assumed that the turnover in excess of the equilibrium position is potentially available to support new shopping provision. If this occurs, then this element of expenditure should be added to the headroom expenditure which we later estimate from the future growth in the retail economy. Conversely, if a centre is under-trading at present, then it is also logical to deduct the amount of turnover shortfall relative to the equilibrium position from the defined headroom expenditures associated with the future growth in the retail economy. (PPS 4 defines any over or under trading at the base year as a component of qualitative need).

7.22 The problem with this kind of analysis is determining whether a centre is trading in equilibrium or not. There are two principal difficulties. First, retailers need to achieve a certain trading level to be viable. However, this trading level varies substantially for individual retailers and for the same retailers for different centres across the UK, reflecting differences in type of business, profit margins, site, costs (e.g. rents), size, financial structure and other factors. Without detailed financial data on all individual traders in a centre it is virtually impossible to determine what the average equilibrium trading level is. The second major difficulty is that even if it can be proven that a centre is trading above its retail equilibrium position, this does not automatically mean that problems associated with over-trading occur; these may include retailer operating difficulties, in-store congestion, over-busy streets leading to pedestrian safety and security problems, and congested car parks.

7.23 In estimating whether centres in Rotherham MB are in retail equilibrium at present in relation to comparison goods shopping, we have been handicapped by the unavailability of sales floorspace and trading data on individual shops in each centre. Nevertheless, we have attempted to be as robust as possible, since material conditions of over or under-trading in the base year do suggest there is an under or over-supply of
retail floorspace already. In theory, in order to provide an accurate “benchmark”
average sales density for a centre, one would require knowledge of the appropriate
sales per square metre of each shop comprising the centre. Since this information is
not available, we must derive broad estimates based on a range of criteria including:-

- published company average sales per sq m for individual retailers;
- the breadth and depth of retailers in a centre;
- the number of multiple traders present;
- the size of a centre (retail floorspace) and its position in the retail hierarchy;
- rental levels; and
- comparable sales density estimates adopted for centres elsewhere in the UK.

7.24 Our benchmark comparison goods turnover estimates for centres within Rotherham MB
are set out at Appendices 6B and 6C, Table 6.

7.25 For non-bulky comparison goods shopping, the results of the household telephone
survey suggest that the existing retail floorspace in the borough as a whole is currently
over-trading a little\(^1\), indicating that actual turnover is above “benchmark” sales levels.
This estimated expenditure “surplus” is added to the forecast headroom expenditures
later on in the assessment. In relation to bulky comparison goods shopping, we
estimate that the existing stock of retail floorspace within the borough is also over-
trading at the base year of 2010\(^1\). This surplus of spend is therefore also added to the
forecast headroom expenditures.

7.26 At Appendices 6B and 6C, Table 7, we re-visit the market shares of centres within
Rotherham MB to see whether there is any scope to make adjustments to them in the
future. The potential to adjust any of the market shares is based on a range of factors
including a centre’s position in the shopping hierarchy and its existing retail
performance and pattern of trade draw. In addition, sustainability goals and
market/commercial realities should be considered.

7.27 In relation to non-bulky comparison goods, whilst the existing retail offer in Rotherham
town centre appears to be trading relatively well, it is very limited in quantity, quality and
range and, as a result, its retail turnover and, in turn, its overall share of available
expenditure in the borough is low at just 14%. We therefore believe there is scope to
increase the town centre’s overall market share within the borough to 24% by 2017,
which would go some way towards moving Rotherham back up the UK retail ranking to

\(^1\) This is mainly due to the material level of over-trading estimated at Parkgate Shopping.
a position it held a decade or more ago. This, in turn, requires lifting its current market shares in zones 1 to 7 to higher, but realistically attainable, levels. Adjusting the market shares any higher than we have assumed is likely to be unrealistic in commercial and market terms, at least in the foreseeable future, given the present economic climate, whilst a significantly smaller upwards adjustment is unlikely to be sufficient to underpin a strategy aimed at significantly improving the retail performance, attractiveness and trade penetration of the town centre. The upwards shift in Rotherham town centre’s market share results in the retail offer of the rest of the MB (mainly Parkgate Shopping) losing share from 36% to 31%, whilst leakage of spend to centre/stores outside of the MB falls from 50% to 45%. We consider these potential changes to be realistic.

7.28 We do not consider there is scope to increase the market share of any other centre within Rotherham MB, given our adjustment to Rotherham town centre’s share and the stiff retail competition on offer out of centre and at centres immediately beyond the borough boundary. For all remaining centres, we therefore adopt ‘constant market shares’, which assumes each centre will maintain its existing level of attractiveness through to 2027.

7.29 For bulky comparison goods, however, we do not consider it appropriate to either increase or decrease Rotherham town centre’s existing market share. Bulky comparison goods are already provided at the nearby Parkgate Shopping and a number of other out of centre retail parks and solus stores in the area. Moreover, it is much more appropriate in retail terms to actively plan to locate additional non-bulky comparison goods in the town centre, since this is the category of goods which the town has lost over the past decade and is now the type of shopping that is most urgently required to improve its attraction to the target customer base. Similarly, we do consider that the market shares of any other centre in the borough should be adjusted, and accordingly we adopt constant market shares for all centres through to 2027.

STEP 4: CALCULATE GROWTH IN RETAINED EXPENDITURE THROUGH TO THE FORECAST YEARS

7.30 Having determined the base year (2010) “market shares” and levels of retained comparison goods expenditure within each centre in Rotherham MB, we use the principle of market shares to calculate how much more spending or trade the centres could expect to attract (or support) in the future as a result of the forecast growth in the pool of available catchment area expenditure.

1 Maintaining a constant market share is consistent with the assumption made in the 2010 Rotherham Town Centre Retail and Leisure Study.
7.31 For each of the forecast years, we apply the adjusted (where appropriate) market shares set out in Appendices 6B and 6C, Table 7 to the increased “pools” of available comparison goods expenditure in each zone. The calculations for the forecast years of 2017, 2022 and 2027 are set out in Appendices 6B and 6C, Table 8, 11 and 14 respectively. Due to the increase in demand (as a result of rising consumer expenditure per head), the assessment produces at 2017 higher retail turnover potentials for each centre than in the base year (2010). Similarly, the turnover potentials for each centre are even higher for the forecast years of 2022 and 2027.

**STEP 5: DETERMINE LEVEL OF POTENTIAL HEADROOM EXPENDITURE AT THE FORECAST YEARS**

7.32 It would be wrong to assume that all of the increase in turnover potential within the centres in Rotherham MB will be available by the forecast year(s) to support additional comparison goods shopping. This is because some of the forecast growth in expenditure must be allocated to existing retailers because the evidence confirms that they increase their sales productivities in real terms over time.

7.33 In Appendices 6B and 6C, Table 9 the turnover allocations for existing retailers are deducted from the 2017 comparison goods turnover potentials for each centre. These calculations produce estimates of residual turnover potential for each centre. The base year (2010) turnovers are then subtracted from the 2017 residual turnovers to determine the potential comparison goods headroom expenditures available in each centre at the forecast year. Similar analyses are carried out in relation to comparison goods for the forecast years of 2022 and 2027 in Appendices 6B and 6C, Tables 12 and 15 respectively.

**STEP 6: DETERMINE LEVEL OF RESIDUAL HEADROOM EXPENDITURE AT THE FORECAST YEARS**

7.34 Appendices 6B and 6C, Table 10 sets out our calculations to estimate the residual headroom expenditure for the centres in Rotherham MB at the forecast year of 2017 for comparison goods floorspace respectively. The same assessments are carried out for the forecast years of 2022 and 2027 in Tables 13 and 16 respectively.

7.35 The first task is to adjust the potential headroom expenditures calculated for 2017 by taking into account the extent (if any) of any over or under-trading that is occurring within each centre at the base year (2010). This is necessary because the headroom
expenditures set out so far assume that each centre is currently trading in retail equilibrium. We have already commented upon the fact that this assumption may be viewed as unlikely.

7.36 Despite the difficulties of determining the extent of any over or under-trading within existing centres, we consider that including such estimates makes our retail need assessment more reliable and robust than ignoring them. Therefore, we use the over/under-trading estimates determined at Appendices 6B and 6C, Table 6 to “adjust” our headroom expenditure totals. In practice, if a centre is estimated to be under-trading at the present time, this will reduce the quantum of headroom expenditure at the forecast years since some of the growth in expenditure is set-aside to bring the existing retail stock in that centre up to a retail equilibrium trading position. Alternatively, if a centre is over-trading, this will increase the quantum of headroom expenditure at the forecast years since the ‘surplus’ sales are assumed to be available to support additional retail floorspace. Appendices 6B and 6C, Table 10 set out our calculations for making these adjustments, where required, to the 2017 headroom expenditures for comparison goods. Tables 13 and 16 repeat the calculations for the forecast years of 2022 and 2027.

7.37 At this stage, in order to convert the adjusted headroom expenditures into residual headroom expenditures at the forecast years of 2017, 2022 and 2027, we make further (if applicable) deductions to account for that quantum of retail expenditure which is likely to be soaked up by retail floorspace commitments within Rotherham MB (commitments are retail developments in the pipeline, which are either under construction or have planning consent). From information supplied to us by the Council, we have produced a schedule of comparison goods retail commitments within Rotherham MB (see Appendix 4E). The schedule also gives our estimates of the retail turnover of each commitment and these are given for each of the forecast years. These turnovers are then deducted from the adjusted headroom expenditure totals for centres within Rotherham MB as appropriate. These calculations are set out in Appendices 6B and 6C, Tables 10, 13 and 16 for the forecast years of 2017, 2022 and 2027 respectively.

7.38 The final residual headroom expenditure totals for Rotherham MB and its centres at the forecast years of 2017, 2022 and 2027 are set out in Appendices 6B and 6C, Tables 10, 13 and 16 for comparison goods.
STEP 7: ESTIMATE NEED FOR ADDITIONAL RETAIL FLOORSPACE AT THE FORECAST YEARS

7.39 In our view these residual headroom expenditure totals are important because they provide an estimate of the amount of potential turnover which will be available to Rotherham MB and its centres by 2017, 2022 and 2027. In Section 9, we describe the last step of the assessment, which is to convert these residual headroom expenditures into requirements for additional non-bulky and bulky comparison goods floorspace. However, the output of this last step is dependent on the application of average sales densities and these, in practice, can vary enormously depending on the type of development that is proposed. We would therefore recommend that appropriate weight is attached to the residual headroom expenditure totals, since these are not open to the same levels of interpretation as are the retail floorspace requirements set out in Section 9.

CONVENIENCE GOODS NEED ASSESSMENT

7.40 Our retail need assessment for convenience goods floorspace follows the same approach as that for comparison goods. The detailed calculations underpinning the analysis for Scenarios 1, 2 and 3\(^1\) are reproduced in full in Appendix 6D, Tables 1 to 16 inclusive.

STEP 1: CALCULATE TOTAL AVAILABLE EXPENDITURE IN THE CATCHMENT AREA

7.41 At Appendix 6D, Tables 1 to 4 inclusive, the total available convenience goods expenditure by zone is determined for the base year (2010) and the forecast years of 2017, 2022 and 2027. The analysis incorporates Experian’s latest available 2009 estimates of average annual spending per head on convenience goods within each zone, together with their latest expenditure growth forecasts. We again exclude expenditure by “special forms of trading”, although the allowance is much less than for comparison goods shopping.

\(^1\) Scenario 1 is based on the Council’s ‘central’ population projection. Scenario’s 2 and 3 relate to ‘low’ and ‘high’ population projections respectively. The results of the retail need assessment under these scenarios are set out in Appendix 6D.
STEP 2: APPLICATION OF “MARKET SHARES” TO DETERMINE AMOUNT OF RETAINED EXPENDITURE

7.42 Using the results of the household telephone survey we derive the base year (2010) market shares of centres within Rotherham MB within each of the 12 zones\(^1\). This assessment is set out in Appendix 6D, Table 5. Applying the market shares to the total “pools” of available expenditure within each zone in the base year (2010) (Table 6), gives the monetary flows of consumer spending from each of the 12 zones to each centre within the borough. Unlike for comparison goods, we do not make any allowance for in-flow expenditure into the centres from shoppers living outside the survey area. This is because trips for convenience goods shopping are undertaken frequently and locally, whilst the Government’s sustainability objectives are intended to reduce longer distance car journeys for food shopping. The addition of the flows from each zone, gives the total estimated convenience goods turnover of each centre at the base year of 2010.

STEP 3: DETERMINE WHETHER EXISTING RETAIL ECONOMY IS TRADING AT EQUILIBRIUM

7.43 For convenience goods shopping, we now replicate the analysis carried out earlier in relation to non-bulky and bulky comparison goods, and calculate the extent of any over or under-trading within centres/sub areas in Rotherham MB at the base year (2010). In estimating the equilibrium convenience goods retail turnover in the base year we have taken into account the overall quantity and quality of the existing retail offer. Our benchmark turnover is based on published sales densities for major retailers and professional judgement, and takes into account the quality of the existing stores and the demographics of the area. Appendix 6D, Table 6 confirms that, on our estimates, existing convenience goods floorspace in the borough as a whole is marginally over-trading in the base year (2010)\(^2\).

STEP 4: CALCULATE GROWTH IN RETAINED EXPENDITURE THROUGH TO THE FORECAST YEARS

7.44 As for comparison goods, we believe there is some justification for adjusting upwards the convenience goods market shares for Rotherham town centre. The household survey indicates that the town centre is already an established destination for

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\(^1\) This involves grouping together the expenditure flows to individual named food stores in order to establish the overall market share of a centre and/or sub area.

\(^2\) This is accounted for by estimated material over trading at a number of out of centre superstores.
convenience goods shopping due to the existing Tesco superstore on Forge Island, the Indoor Market and a number of other food shops. This is reflected in the town centre’s convenience goods share of available spend within zone 1 of 35% (much higher than for either non-bulky or bulky comparison goods) and its turnover of c.£44 million. Nevertheless, around two-thirds of existing spend from zone 1 leaks out to stores located in other zones, which clearly involve regular trips, primarily by car.

We therefore consider there is potential for Rotherham town centre’s market share within zone 1 (the local area) to increase to a level of 50%. We also make smaller upwards adjustments to the town centre’s market shares in zones 2 to 5 inclusive which equate to the natural catchment area for a town centre located superstore. Such target uplifts seek to capitalise on one of the town centre’s few existing strengths and are also consistent with the Government’s sustainability objective to reduce the number and distance of car journeys for shopping. Appendix 6D, Table 7 sets out the adjusted market shares which are later applied to the pools of available expenditure at each of the forecast years\(^1\). These calculations are set out in Tables 8, 11 and 14 for the forecast years of 2017, 2022 and 2027 respectively.

**STEP 5: DETERMINE LEVEL OF POTENTIAL HEADROOM EXPENDITURE AT THE FORECAST YEARS**

We determine the levels of potential headroom expenditure within the centres in Rotherham MB at the forecast years of 2017, 2022 and 2027. As for non-bulky and bulky comparison goods, it is necessary to set aside a little of the expenditure growth for existing retailers to account for their real gains in sales productivity over time.

**STEP 6: DETERMINE LEVEL OF RESIDUAL HEADROOM EXPENDITURE AT THE FORECAST YEARS**

To convert the potential headroom expenditure figures into residual headroom expenditure estimates, we first take into account any under/over-trading that currently exists in the centres in the base year (2010). Where under-trading exists, some of the expenditure growth is set aside to bring the existing retail offer up to a retail equilibrium trading position. For any over-trading, the surplus spend is added to the headroom expenditure determined later on in the assessment.

\(^1\) The adjustments to market shares in this report are the same as those made in the 2010 Rotherham Town Centre Retail and Leisure Study.
The adjusted headroom expenditure totals for the centres at the forecast years of 2017, 2022 and 2027 are set out in Appendix 6D, Tables 10, 13 and 16 respectively.

Lastly, there is the opportunity to take into account any existing convenience goods commitments within Rotherham MB and its centres. From information supplied to us by the Council, we have drawn up a schedule of commitments. This is set out in Appendix 4E. The calculations to produce the residual headroom expenditure totals for the forecast years of 2017, 2022 and 2027 are set out in Appendix 6D, Tables 10, 13 and 16 respectively.

**STEP 7: ESTIMATE NEED FOR ADDITIONAL RETAIL FLOORSPACE AT THE FORECAST YEARS**

In Section 9 we convert these adjusted residual headroom expenditures into retail floorspace requirements (Step 7) but, as with non-bulky and bulky comparison goods, these floorspace estimates are entirely dependent on the average sales density applied to the floorspace, which for convenience goods floorspace can vary significantly according to the operator. For this reason, we therefore recommend that appropriate weight is attached to the forecast quantum of residual expenditure available at the forecast years in relation to convenience goods.

**SUMMARY**

The purpose of this section has been to assess in quantitative terms the likely retail expenditure need for additional non-bulky and bulky comparison goods and convenience goods floorspace within Rotherham MB through to 2027. It must be stressed, however, that any quantitative analysis over such a long time-period (17 years from the base year of 2010) may be subject to a significant margin of error (especially by 2022 and beyond), since it is based on a number of assumptions which are difficult to forecast accurately. In addition, there are two further key assumptions which have a material bearing on the forecast levels of residual headroom expenditure. These are as follows:

- **Special forms of trading** – we have arguably assumed conservative forecasts for the growth in non-store retail sales through to 2017. Thereafter, we have assumed no further increase in the proportion of consumer retail spend on either comparison or convenience goods by SFT. However, if actual growth were to exceed these rates, which is entirely possible, then the projected levels...
of retail floorspace need would be less than those forecast in this report. Alternatively, if SFT growth was less than we have forecast, then the retail floorspace need will be more than that set out in this report.

- **Over / Under Trading at the base year** – our household survey results indicate that Rotherham MB is currently over-trading in non-bulky comparison goods, bulky comparison goods and convenience goods, although this is due to the very strong performance of its out of centre superstores and retail warehouses rather than its town centres. We have taken this estimated over-trading into account in our retail floorspace need assessment, although we accept that it is difficult to establish what the true position is. However, we do not feel it is appropriate to ignore the estimated under-supply of existing retail floorspace across the borough as a whole. Clearly if we have over-estimated the amount of over-trading, for example, the retail expenditure need estimates will be lower than those set out in Appendices 6B, 6C and 6D. Conversely, if we have under-estimated the current levels of over-trading, the retail floorspace need totals will be higher. Lastly, PPS 4 (Policy EC1.4, d 9(ii)) refers to over trading as being a component of qualitative need rather than quantitative need. In Section 9, we therefore present our retail floorspace need estimates inclusive and exclusive of the contribution of the over trading estimated at the base year (2010), in order that qualitative factors (in PPS 4 terms) may be correctly interpreted.
8. THE NEED FOR FURTHER LEISURE DEVELOPMENT IN ROTHERHAM MB

INTRODUCTION

8.1 As stated in Section 1, an important objective of the study is to assess the need, if any, for further leisure development in Rotherham MB. This issue is addressed through a consideration of the following:-

- government guidance as set out in PPS 4;
- the existing supply of leisure facilities;
- existing leisure trip patterns; and
- consumer demand for leisure – local and national.

GOVERNMENT GUIDANCE: PPS 4

8.2 As stated in Section 3, the purpose of PPS 4 is to set out planning policies for economic development, which comprises of B Use Classes, public and community uses and main town centre uses. It is in relation to the latter category that town centre policies apply and this group of uses includes leisure along with retail, offices and arts, culture and tourism development.

8.3 PPS 4 defines the following ‘leisure’ uses as being appropriate for town centres:-

"entertainment facilities and more intensive sport and recreation uses, such as cinemas, restaurants, drive-through restaurants, bars and pubs, night clubs, casinos, health and fitness centres, indoor bowling centres and bingo halls" (paragraph 1.7).

8.4 An important objective of Government planning policy is for new economic growth and development of main town centre uses to be focused in existing centres, whilst it also seeks to encourage competition between retailers and enhanced consumer choice through the provision of innovative and efficient shopping, leisure, tourism and local services in town centres.
8.5 PPS 4 states that local authorities should assess the need for all main town centre uses – including leisure – over the plan period, and to ensure that there is sufficient physical capacity (sites) in existing town centres to accommodate any new town centre development that is needed. Government policy confirms that in assessing the need for additional leisure development, local authorities should take account of both quantitative and qualitative need, but give additional weight to qualitative deficiencies in deprived areas which lack access to a range of services and facilities.

8.6 Appendix C to the (PPS 4) Practice Guidance on need, impact and the sequential approach describes potential approaches to assessing the need for non-retail town centre uses, including leisure. The guidance makes it clear that whilst in general terms the same principles apply to leisure need assessments as to retail, there are in reality “a number of important difficulties and constraints which mean that the approach to be taken to assessments for leisure uses cannot be the same as for retail assessments”.

THE EXISTING SUPPLY OF LEISURE FACILITIES IN ROTHERHAM MB

8.7 Rotherham principal town centre is the main location for ‘town centre’ leisure uses within the borough, since the other four town centres are modest in size and the district and local centres are even smaller.

8.8 Rotherham town centre contains the usual range of bars, clubs and take-aways, but relatively few good quality restaurants. In addition, none of the national coffee shop chains are located in the town, although a number of independent, lower quality cafes are represented. In terms of major entertainment facilities there is a Mecca Bingo Hall in Corporation Street, whilst the Rotherham Arts Centre (Walker Place) and Civic Theatre (Catherine Street) are located close by and offer varied programmes of entertainment and activities. The town centre also contains a snooker hall, a gym and a couple of amusement arcades.

8.9 Beyond Rotherham town centre there is a single bowling facility (the Rotherham Superbowl) on the Wortley Road and a further bingo hall (Gala Bingo) at Aldwarke Lane. In addition, there are four swimming pools/sports centres in the borough – the Rotherham Leisure Complex on Effingham Road, centres at Wath-upon-Dearne and Maltby and the Leisure Centre at Aston-cum-Aughton. These are complemented by a network of nine smaller health clubs/gyms. There are no cinemas, casinos or ice rinks
in Rotherham MB, but facilities are close to hand in Sheffield. Figure 8.1 overleaf shows the locations of existing key leisure facilities within Rotherham MB.

LEISURE TRIP PATTERNS IN ROTHERHAM MB

8.10 In carrying out an assessment of leisure need, it is necessary to determine whether the existing supply of leisure facilities in Rotherham MB meets the requirements of the local residents. Therefore, the household telephone survey incorporated a number of questions on participation levels for a range of leisure activities and sought to identify the broad pattern of leisure trips across the borough and its immediate hinterland.

8.11 Our survey sought information on consumer behaviour in relation to 11 different types of leisure facility\(^1\). These are as follows:-

- Cinema
- Ten Pin Bowling
- Casino
- Restaurant
- Theatre/Concert Hall
- Swimming Pool
- Pub/Bar
- Health Centre/Gym
- Ice Rink
- Bingo Hall
- Night Club/Disco

8.12 Overall, the household survey indicates that the frequency of Rotherham residents in carrying out leisure activities is low in comparison to trips made for shopping purposes. Accordingly, the number of positive responses for some of the activities is quite small and the results should therefore be treated with some caution. Figure 8.2 overleaf shows the proportion of households across the survey area as a whole that undertake each type of leisure activity monthly or more often.

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\(^1\) The survey did not seek data on hotels usage, since hotels are primarily used by visitors to the borough and not the local residents. See paragraphs 8.43 to 8.50 for a consideration of the need for additional hotels in the borough.
Fig. 8.1 Location of Key Leisure Facilities within Rotherham Metropolitan Borough

**KEY**
- ▲ Bingo Hall
- ▼ Bowling Centre
- ▲ Health Club/Gym
- ▲ Swimming Pool
- ▲ Theatre/Concert Hall
- ▲ Rotherham MB

Scale: 1 : 136,927
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8.13 Visiting a restaurant is the activity carried out most frequently with 30% of households making a visit at least once a month. Visits to pubs/bars come close at 29% followed some way back by swimming, which is undertaken monthly or more often by 15% of households. Visits to the cinema and health centre/gym are all carried out monthly or more often by around 10% of households, whilst the remaining six leisure activities are undertaken regularly by 3% of households or less.

8.14 Throughout the survey area as a whole the results confirm that centres outside the borough are important destinations for leisure trips. Of the 11 different activities listed, Rotherham MB is ranked as the main destination for only bingo.

8.15 In addition to providing a general overview of leisure activity, the survey also gives an indication of the pattern of leisure trips across the survey area for the different kinds of leisure uses. An analysis of this information enables some conclusions to be reached regarding the need for certain types of leisure provision in Rotherham MB. Figure 8.3 overleaf summarises the dominance of Rotherham MB for different leisure activities across the survey area as a whole. The survey results in relation to each leisure use are now discussed.
BINGO

8.16 Seven out of 10 participating households choose to play Bingo within Rotherham MB, with 39% visiting Rotherham town centre and 30% going elsewhere. Almost one-third of trips are made out of the borough.

PUBS/BARS

8.17 Just under half of participating households choose pubs and bars in the borough – 15% in Rotherham town centre and 34% at other locations. Accordingly, a little over 50% of visits are made to pubs outside Rotherham MB.

RESTAURANTS

8.18 An estimated 43% of participating survey area households cite a location within Rotherham MB as their ‘main centre’ for visiting restaurants, of which 16% choose Rotherham town centre and 27% other centres. Some 57% of visits to restaurants are therefore made outside the borough.
HEALTH CENTRES/GYMS

8.19 Around 42% of participating households visit health centres/gyms located within Rotherham MB. Of this total, 18% visit these facilities in Rotherham town centre and 24% at other locations in the borough. An estimated 58% of trips are to facilities outside of the borough.

SWIMMING POOLS

8.20 Just over 40% of participating households use swimming pools within Rotherham MB, with 17% choosing the Rotherham Leisure Complex and 25% pools at other locations. Almost six out of 10 trips made to pools are to locations outside the borough.

NIGHT CLUBS/DISCOS

8.21 An estimated 35% of participating households visit night clubs located within the borough. Around half of those are to discos in Rotherham town centre with the remainder choosing clubs elsewhere in Rotherham MB. Therefore, almost two-thirds of visits are to establishments outside of the borough.

BOWLING

8.22 Around one-third of participating households visit bowling centres within the borough – all trips are to the Superbowl on the Wortley Road, Rotherham. Accordingly, c.70% of trips are made to bowling venues in other boroughs.

THEATRES/CONCERT HALL

8.23 Less than 10% of participating households choose Rotherham MB as their location for visits to the theatre/concerts – all at Rotherham town centre. Nine in 10 visits are therefore made to venues outside the borough.

THE NEED FOR FURTHER LEISURE DEVELOPMENT IN ROTHERHAM MB

8.24 Before focusing on Rotherham MB, it is important to assess the UK leisure industry as a whole. Experian publish forecasts of UK-wide leisure spending per person. Their latest (August 2010) forecasts are as follows:-
Thus Experian forecast a real fall in leisure spend per person from 2008 to 2010, but then forecast annual increases through to 2027. However, even when leisure expenditure picks-up after 2011, annual growth is expected to be unfavourable compared to the long term growth rate of 2.1% per annum between 1969 and 2009, and will be more in line with the 1.5% per annum achieved between 1989 and 2009.

In order to provide a greater clarity to the future for leisure, we now focus on UK revenue for different types of leisure activities. **Table 8.1** sets out the changes in consumer expenditure on selected activities since 2005, whilst **Table 8.2** overleaf forecasts revenues through to 2013.

**Table 8.1 Consumer Expenditure on Selected Leisure Activities, 2005-09 (Current Prices, £M)**

<table>
<thead>
<tr>
<th>Activity</th>
<th>2005 (£m)</th>
<th>2009 (£m)</th>
<th>% Change 2005-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pubs/Bars</td>
<td>25,000</td>
<td>24,000</td>
<td>-4.0</td>
</tr>
<tr>
<td>Restaurants*</td>
<td>21,493</td>
<td>23,791</td>
<td>+10.7</td>
</tr>
<tr>
<td>Gambling</td>
<td>9,389</td>
<td>8,647</td>
<td>-7.9</td>
</tr>
<tr>
<td>Health/Fitness</td>
<td>2,110</td>
<td>2,525</td>
<td>+19.7</td>
</tr>
<tr>
<td>Nightclubs</td>
<td>1,830</td>
<td>1,705</td>
<td>-6.8</td>
</tr>
<tr>
<td>Leisure Centre/Pools</td>
<td>1,259</td>
<td>1,430</td>
<td>+13.6</td>
</tr>
<tr>
<td>Cinema</td>
<td>1,078</td>
<td>1,301</td>
<td>+20.7</td>
</tr>
<tr>
<td>Theatre</td>
<td>516</td>
<td>670</td>
<td>+29.8</td>
</tr>
<tr>
<td>Bowling</td>
<td>265</td>
<td>276</td>
<td>+4.2</td>
</tr>
</tbody>
</table>

*Excluding pub catering.

**Source:** Leisure Industry Overview, Mintel, December 2009
Table 8.2 Revenue Forecasts for Principal Leisure Activities: UK Market Value, Current Prices

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>£m (2008)</th>
<th>Forecast 2008-13 (% Change in Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bingo</td>
<td>Bingo club revenue</td>
<td>2,800 (2007)</td>
<td>-33 (2007-12)</td>
</tr>
<tr>
<td>Cinema</td>
<td>Revenue from admissions</td>
<td>1,210</td>
<td>+16</td>
</tr>
<tr>
<td>Health &amp; Fitness Club</td>
<td>Club revenue</td>
<td>2,496 (2007)</td>
<td>+25 (2007-12)</td>
</tr>
<tr>
<td>High Street Pubs and Bars</td>
<td>Sales in Pubs/Bar</td>
<td>2,632</td>
<td>No change</td>
</tr>
<tr>
<td>Leisure Centre/Swimming Pools</td>
<td>Revenue of Leisure Centres &amp; Swimming Pools</td>
<td>1,426</td>
<td>+10%</td>
</tr>
<tr>
<td>Nightclubs</td>
<td>Nightclub revenue</td>
<td>1,778</td>
<td>No change</td>
</tr>
<tr>
<td>Ten-Pin Bowling</td>
<td>Bowling revenue</td>
<td>283</td>
<td>+18</td>
</tr>
</tbody>
</table>

Source: Leisure Pursuits, UK: Mintel, March 2009

8.27 The forecasts set out in Table 8.2 indicate that whilst the bingo market is expected to decline in the future, the markets for health/fitness, ten-pin bowling, cinema and swimming will grow fairly rapidly and in the main continue past trends. In contrast, the markets for bars/pubs and nightclubs/discos are expected to see little change over the coming years. Therefore, in establishing the need for new leisure facilities in Rotherham MB, regard should be had to the national trends in the market sizes of the different leisure uses.

8.28 However, in addition to the national context, it is clearly important to take into account local factors. First, the population of Rotherham MB is growing. Projections supplied by the Council indicate that the borough’s population is expected to increase by around 20,000 between 2010 and 2027 (the ‘central’ projection). Second, Experian have produced for us estimates of leisure spend per person on different leisure activities for residents in each of the seven survey zones that comprise Rotherham MB. The spends are set out in Table 8.3 overleaf, along with the UK average expenditure per head on each leisure activity.
Unfortunately some of the Experian expenditure categories are not particularly useful when focusing on commercial leisure development. However, it is clear that spend in most of the zones and on most of the leisure categories is below the UK average. The main exceptions are the higher than average spending on games of chance in six of the seven zones and the fact that residents in zone 7 (the south of the borough) spend above average on leisure as a whole.

The main drivers of local leisure spend in the future will therefore be more people, combined with real increases in leisure expenditure per person (as set out at paragraph 8.23).

However, as stated previously, no growth is expected in leisure spending in the short term with annual increases post 2011 matching those of the past 20 years.

Of course, need can also arise from obvious under-provision of leisure facilities, ‘gaps’ in the local market and market demand from leisure operators. In order to identify the specific kinds of leisure development that are most appropriate for the borough it is necessary to draw on a combination of national and local research. Our assessment for the borough is summarised in Table 8.4 overleaf.

Table 8.3 Leisure Spend Per Person by Survey Zone within Rotherham MB, (£, 2009)

<table>
<thead>
<tr>
<th>Type of Spend</th>
<th>Survey Zones</th>
<th>UK Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Accommodation Services</td>
<td>74</td>
<td>75</td>
</tr>
<tr>
<td>Cultural Services</td>
<td>231</td>
<td>232</td>
</tr>
<tr>
<td>Games of Chance</td>
<td>150</td>
<td>165</td>
</tr>
<tr>
<td>Hairdressing/Grooming</td>
<td>75</td>
<td>78</td>
</tr>
<tr>
<td>Recreational/Sporting</td>
<td>85</td>
<td>85</td>
</tr>
<tr>
<td>Restaurants/Cafes</td>
<td>975</td>
<td>969</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,590</td>
<td>1,604</td>
</tr>
<tr>
<td><strong>Index: UK Average = 100</strong></td>
<td>93</td>
<td>94</td>
</tr>
</tbody>
</table>

*Source: Experian (2009 prices)*
Table 8.4 Assessment of Need for Leisure Development in Rotherham MB

<table>
<thead>
<tr>
<th>Leisure Activity</th>
<th>Borough Residents’ Frequency of Visiting¹</th>
<th>Rotherham MB’s Share of Visits²</th>
<th>Existing Level and Pattern of Facilities³</th>
<th>Forecast Growth of Market in UK⁴</th>
<th>Need for Activity⁵</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sub-Regional</td>
<td>Rotherham Town Centre</td>
<td>Rest of Rotherham MB</td>
<td></td>
<td>Rotherham Town Centre</td>
</tr>
<tr>
<td>Restaurants</td>
<td>High</td>
<td>Average</td>
<td>Good</td>
<td>Average</td>
<td>Poor</td>
</tr>
<tr>
<td>Pubs/Bars</td>
<td>High</td>
<td>Average</td>
<td>Good</td>
<td>Average</td>
<td>Good</td>
</tr>
<tr>
<td>Swimming Pool</td>
<td>Average</td>
<td>Average</td>
<td>Good</td>
<td>Average</td>
<td>Average</td>
</tr>
<tr>
<td>Cinema</td>
<td>Average</td>
<td>Low</td>
<td>Good</td>
<td>Poor</td>
<td>Poor</td>
</tr>
<tr>
<td>Health Centre/Gym</td>
<td>Average</td>
<td>Average</td>
<td>Good</td>
<td>Good</td>
<td>Average</td>
</tr>
<tr>
<td>Bingo</td>
<td>Low</td>
<td>High</td>
<td>Good</td>
<td>Average</td>
<td>Good</td>
</tr>
<tr>
<td>Nightclub/Disco</td>
<td>Low</td>
<td>Average</td>
<td>Good</td>
<td>Average</td>
<td>Good</td>
</tr>
<tr>
<td>Ice Rink/Skating</td>
<td>Low</td>
<td>Low</td>
<td>Good</td>
<td>Poor</td>
<td>Poor</td>
</tr>
<tr>
<td>Theatre/Concert Hall</td>
<td>Low</td>
<td>Low</td>
<td>Good</td>
<td>Poor</td>
<td>Good</td>
</tr>
<tr>
<td>Ten-Pin Bowling</td>
<td>Low</td>
<td>Average</td>
<td>Good</td>
<td>Average</td>
<td>Poor</td>
</tr>
<tr>
<td>Casino</td>
<td>Low</td>
<td>Low</td>
<td>Good</td>
<td>Poor</td>
<td>Poor</td>
</tr>
</tbody>
</table>

Notes:  
1. Frequency with which households in the survey area visit specific leisure activities.  
2. Rotherham MB’s existing share of trips for leisure activity.  
3. Assessment of existing supply of leisure facilities within Rotherham town centre and rest of Rotherham MB.  
5. Colliers assessment of need for additional leisure development in Rotherham town centre and rest of Rotherham MB.

8.33 The information set out in Table 8.4 summarises for a range of leisure activities the results of the household telephone survey on consumer leisure trip patterns and the latest forecasts of national market growth published by Mintel. Using these key results, together with our assessment of the existing supply of leisure facilities throughout the wider sub-region and within Rotherham MB, we are able to produce for each activity an overall assessment of the potential need for further leisure development in Rotherham MB disaggregated between Rotherham town centre and the rest of the borough. This is set out in the final column using a star system: three stars for the highest level of need through to one star for the lowest. Unlike for retail floorspace, it is impossible to quantify the need for additional leisure provision within the borough in floorspace terms, but these results and indicators should provide a useful input into the plan process.

8.34 In assessing the need for further leisure provision within Rotherham MB, it is necessary to also take into account the broad hierarchy that exists in the location and network of different types of leisure facility. In our view, there are three broad tiers as follows:
• Regional Centre, Leisure Facilities  
  eg. Major Theatres/Concert Halls, Larger Casinos and Ice Rinks.

• Sub Regional/Principal Town Centre, Leisure Facilities  
  eg. Cinemas, Bowling Centres, Bingo Halls and Nightclubs.

• Smaller Town, Leisure Facilities  

*These uses are also appropriate for Regional and Sub-Regional/Principal Town Centres.

8.35 The ‘high order’ leisure activities associated with regional centres are all provided in Sheffield which adjoins, and is very close to, Rotherham MB. These facilities therefore serve a wide catchment area which embraces Rotherham MB. We therefore believe that for commercial reasons no operator would seek to develop these types of leisure facilities within the borough, particularly given that its towns (including Rotherham town centre) are relatively modest in size. We conclude that Rotherham residents have good access to these leisure attractions in neighbouring Sheffield and that as a result there is no need to actively plan for them in the borough.

8.36 The range of leisure facilities normally most appropriate to sub-regional/principal town centres are already, or should be, provided in Rotherham town centre. In our view, the town centre has a good supply of night clubs and a leading bingo hall, whilst a bowling centre is located relatively close by on the Wortley Road. However, there is no cinema in Rotherham town centre, or indeed the borough as a whole. Drawing on all the available data, a cinema therefore stands out as being appropriate for Rotherham town centre. The cinema market is growing in national terms and benefits from a good level of consumer visits. Moreover Rotherham MB’s share of visits is nil leaving considerable scope for the borough to improve its share of trips. This is reinforced by a relatively high level of consumer demand for a cinema in Rotherham town centre. Such a location would be central within the borough and as the leading destination for leisure visits is also likely to be the best location in commercial terms.

8.37 The remaining leisure uses – cafes/restaurants, pubs/bars, health clubs/gyms and swimming pools – are appropriate for smaller town centres, although, of course, they may also be located within larger centres. Our assessment identifies potential for further

1 As demonstrated by the results of the household telephone survey.
pubs/bars and restaurants in Rotherham town centre. However, for these uses the emphasis should be as much on improving the quality and breadth of the offer – so as to attract a wider customer market – rather than simply adding to numbers.

8.38 As stated in the 2010 Rotherham Town Centre Retail and Leisure Study, as part of a wider strategy to regenerate the town centre, there may be scope to build better, replacement leisure facilities, including a cinema, and to locate these together with additional family orientated cafes and restaurants in a new leisure quarter.

8.39 Elsewhere in the borough our centre audits demonstrate that the main leisure offers available within the town, district and local centres are pubs/bars and cafes/restaurants. However, as the figures in Table 8.5 overleaf demonstrate, the actual numbers of cafes/restaurants (A3) and pubs/bars (A4) in these centres have fallen significantly in recent years. Since 2001, for example, the number of A3 uses has decreased by 62%, whilst the number of A4 uses has dropped by 18% since 2005. In practice, the MB Council’s time-series centre audit data suggests that these leisure uses have been mainly replaced by a combination of service uses, take-aways and voids. Accordingly, there is considerable scope to accommodate more A3 and A4 uses in these centres in the future. Such provision is needed to broaden the diversity and attractiveness of these smaller centres, to help facilitate the evening economy and to help clawback the numerous visits made to A3 and A4 uses outside of the borough.
Table 8.5 Change in Numbers of A3 and A4 Leisure Uses in Town, District and Local Centres, 2001-10

<table>
<thead>
<tr>
<th>Centre</th>
<th>Restaurant &amp; Cafes (A3)</th>
<th>Drinking Establishments (A4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bramley</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Dinnington</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Kiveton</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Maltby</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>Parkgate/Rawmarsh</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>Swallownest</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Swinton</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Thurcroft</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Wath</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Wickersley</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>Total (All 11 Centres)</td>
<td>77</td>
<td>29</td>
</tr>
</tbody>
</table>

Source: Colliers International/Rotherham MBC

8.40 In relation to health clubs/gyms, Figure 8.1 shows that there is already a good network of facilities throughout the borough – seven north of the M18 and two to the south (Maltby and Dinnington), and accordingly there are no obvious geographical ‘gaps’ in the market. However, a number of these leisure uses are not located within centres, but edge of centre or even out of centre. In line with PPS 4 any proposals for new health clubs/gyms should be directed towards town centres.

8.41 Figure 8.1 also shows the locations of the four swimming pools/leisure centres within the borough. These are well dispersed with the Wath upon Dearne Leisure Centre serving the north, the Rotherham Leisure Complex the central part of the borough, the Maltby Leisure Centre the east and the Aston-cum-Aughton Leisure Centre the south-east, west of the M1. This leaves a modest geographical gap in the south of the borough, thus indicating a potential need for such a facility in the Dinnington/Anston area.
Similarly, Figure 8.1 indicates that there is only one bowling centre in Rotherham MB - the Rotherham Superbowl - and this is located to the north of Rotherham town centre, which makes it accessible to households living in the central and northern areas of the borough. This suggests a ‘gap’ exists in the south of the borough – somewhere south of the M1/M18 – for such a facility. However, as noted at paragraph 8.33, ten pin bowling centres in general are significant investments and in main are normally found in larger centres. Therefore, whilst a bowling centre to serve residents in the south of the borough may be attractive in planning terms, the commercial viability of any facility may be more difficult to achieve.

THE HOTEL MARKET

The (PPS 4) Practice Guidance states that a general indication of need for hotels can be derived through ‘gap’ analysis, which involves identifying the geographical pattern of hotel provision and assessing any imbalances and shortfalls in the provision and distribution, whilst also taking into account national trends in the sector.

In the UK as a whole, the economic recession caused hotel revenues to fall by 7% in 2009. This was due to decreases in both occupancy levels and room rates. However, 2010 has seen a return to revenue growth, and it is estimated that some 10,000 rooms have been added nationally over the past 12 months. A number of factors have contributed to a return to buoyancy in the hotel market. The fall in the value of the pound against the euro has boasted the numbers of overseas visitors to the UK, whilst more Briton’s are choosing to holiday at home (the ‘staycation’) because of the economic downturn and poor exchange rates. Moreover, the economic squeeze has forced many businesses to use ‘budget’ hotels for their staff, which has driven occupier demand in this segment of the market.

The latest revenue forecasts for the UK holiday sectors are set out in Table 8.6 overleaf.
### Table 8.6 UK Hotel Revenue, Actual and Forecast, 2005-15 (£m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Current Prices</th>
<th>Constant 2010 Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>10,900</td>
<td>13,239</td>
</tr>
<tr>
<td>2006</td>
<td>11,200</td>
<td>13,306</td>
</tr>
<tr>
<td>2007</td>
<td>11,407</td>
<td>13,118</td>
</tr>
<tr>
<td>2008</td>
<td>11,768</td>
<td>12,986</td>
</tr>
<tr>
<td>2009</td>
<td>10,968</td>
<td>11,491</td>
</tr>
<tr>
<td>2010 (F)</td>
<td>11,516</td>
<td>11,516</td>
</tr>
<tr>
<td>2011 (F)</td>
<td>11,889</td>
<td>11,344</td>
</tr>
<tr>
<td>2012 (F)</td>
<td>12,074</td>
<td>10,984</td>
</tr>
<tr>
<td>2013 (F)</td>
<td>12,311</td>
<td>10,685</td>
</tr>
<tr>
<td>2014 (F)</td>
<td>12,530</td>
<td>10,373</td>
</tr>
<tr>
<td>2015 (F)</td>
<td>12,864</td>
<td>10,158</td>
</tr>
</tbody>
</table>

**Change 2009 + 15 (15%)**

<table>
<thead>
<tr>
<th>Current Prices</th>
<th>Constant 2010 Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>+17.3</td>
<td>-11.6%</td>
</tr>
</tbody>
</table>

**Source:** Mintel, Hotels Leisure Intelligence, November 2010.

8.46 The data shows the impact of the recent economic recession on revenue, but indicates that revenue has picked up more recently and will grow by c.17% through to 2015. However, in constant prices (stripping out RPI) the outlook is not nearly so good, with revenue expected to fall by almost 12% over the next five years. Clearly, although there are undoubtedly opportunities in particular segments of the national market and in certain areas (eg London because of the Olympics etc), the overall position is much less exciting and given the recent surge in new rooms, revenue per available room (REVPAR) is expected to be squeezed in real terms.

8.47 Against this context, **Figure 8.4** overleaf shows location of existing hotels in Rotherham MB. The majority are located in the central area of the borough, with few south of the M1/M18, although this area is more rural. The map highlights the hotels that have been purpose built in recent years to serve the growing market.
Fig. 8.4 Location of Hotels in Rotherham MB

- Purpose Built 'Budget' Hotel
- Other Hotels
- Rotherham MB

Scale: 1:136,927

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A number of new hotels have been developed in the borough in recent years, such as the Park Inn at Manvers Way and the Ibis at Moorhead Way, Bramley. These have been provided to meet demand in the mushrooming budget sector which, according to Mintel, accounts for 31% of hotel users.

In our view Rotherham MB does not offer any major tourist attractions and is unlikely to attract material numbers of visitors, such as people on leisure breaks and tour groups, which account for 28% and 7% of UK hotel stays respectively. Mintel also estimate that almost 50% of all stays are related to the corporate and conference sectors. We do not consider Rotherham to be an important conference destination nor a major corporate market, although a number of new businesses are opening. The major employment zone at Catcliffe, although just within the borough, is close to Sheffield and, in practice, stays connected to the facilities there are likely to be met by the existing hotel on the site and hotels in Sheffield.

In our view, therefore, much of the latent need for modern hotel accommodation in Rotherham MB has now been met, particularly given the outlook for the UK market as a whole. However, there may be scope for a hotel development in Rotherham town centre, particularly as part of any future mixed use development, since there is little modern hotel accommodation at present in the town centre. Such a hotel would bring visitors to the town centre, enlivening the evening economy and give a welcome boost to restaurants, bars and shops. Elsewhere in the borough we don’t feel there is any need to actually plan for material new hotel development, although should any proposals emerge these should ideally be directed towards town centres where the spin-off benefits to nearby businesses are likely to be maximised.

**SUMMARY**

Despite the downturn in the market brought about by the recent economic recession, leisure in broad terms is a growing market in the UK and many Councils have tapped into it in order to improve the attraction of their towns and cities through the development of new facilities, often as part of new mixed-used schemes or as planned leisure quarters.

By combining the latest national forecasts of growth of the different leisure activity markets with local information on frequency and destination of consumer leisure visits,
and the existing supply of leisure facilities, we have identified those individual leisure uses which appear to be the most appropriate for Rotherham MB as a whole and for towns and sub-areas within the borough.

8.53 Although it is not possible to quantify the need for new commercial leisure development in the same way as for retail floorspace, our assessment has identified those uses which are most needed within the Rotherham principal town centre and the rest of the borough, and together with the additional retail provision that is required, these results should have an important bearing on future town centre policies in the MB Council’s LDF.
9. CONCLUSIONS AND POLICY RECOMMENDATIONS

INTRODUCTION

9.1 In this final section, we present our conclusions on the need for further retail floorspace and leisure development within Rotherham MB, and then set out our policy recommendations to the Council. In addition, we address a number of more specific retail planning issues on which the Council require advice. We begin, however, with a short resume of the retail background to the study, since this has an important bearing on the study’s conclusions and recommendations.

RETAIL CONTEXT AND OVERVIEW

9.2 The current UDP was adopted in 1999. The retail policies contained in this Plan sought to sustain and enhance the vitality and viability of centres within the borough, and as such are broadly consistent with the current PPS4. However, by the time of the UDPs publication much of the retail development that has undermined and weakened the borough’s centres had already been built, most notably the out of centre Parkgate Shopping (within the borough) and the out of centre regional shopping centre at Meadowhall (within Sheffield District).

9.3 Not surprisingly, therefore, the UDP concluded back in 1999 that out of centre retail development was having an impact over a wide area and was challenging the traditional role of centres within the borough. In particular, the UDP noted that the rise of Meadowhall and Parkgate Shopping had gone hand in hand with the decline of Rotherham town centre.

9.4 Since then, however, the situation has worsened in that policy, in practice, has failed to dent the growth of out of centre retail provision in the borough, especially that trading in non-bulky comparison goods, which traditionally forms the back bone of most town centres.

9.5 A retail study of the borough in 1999 noted, that since the opening of Parkgate Shopping in 1988, there had been a marked shift in its retail mix from bulky to non-bulky comparison goods. This trend was again picked-up in the 2004 borough retail study, which noted that only nine of the (then) 26 units selling comparison goods were trading
in the bulky category. The nature of retail activity at Parkgate Shopping has therefore evolved from something that was originally complementary to town centres to a scheme that is now a major competitor destination.

9.6 If this was not enough, Rotherham MB is unfortunate in retail impact terms to adjoin neighbouring Sheffield, which permitted Meadowhall to be built during the late 1980’s. Although located within Sheffield, the mall sits close to its boundary and is therefore as close to Rotherham town centre as to Sheffield city centre. This has important implications for shopping patterns across the sub-region, as highlighted by Figure 9.1 overleaf.

9.7 The map shows the extent of Rotherham MB and Sheffield District and also 15 minute isochrones around Meadowhall and Rotherham town centre. The overlaps between the isochrones and administrative areas highlight a couple of key points:

- a significant 57% of the population of Rotherham MB falls within 15 minutes drive time of Meadowhall, whilst only 39% of Sheffield District’s population does the same.

- of the 208,300 population living within 15 minutes drive time of Rotherham town centre, 85% (176,600) also live within the same drive time of Meadowhall.

9.8 This demonstrates that Meadowhall exerts a major influence over the shopping patterns of residents within Rotherham MB as a whole and, in particular, competes with Rotherham town centre.

9.9 Given the sheer scale of out of centre retailing that is located within the sub-region – Meadowhall, Parkgate Shopping and a number of other retail parks – combined with the size and strength of Sheffield City Centre, which will get a further boost if the approved 50,000 sq m gross Sevenstone retail quarter proceeds, it is not altogether surprising that the level of competition for Rotherham town centre is severe and this has manifest itself through rising voids, loss of multiple retailers and a big fall in its national retail ranking. In fact, the independent analyst PMA\(^1\) ranks Rotherham town centre as experiencing the greatest level of competition amongst the 200 UK centres within its Competition Indicator Model.

9.10 The location and quantum of retail competition determines the current pattern of consumer retail expenditure flows identified in this study. These have been quantified and described in detail in Section 5, but it is useful to draw out the key findings once

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\(^1\) Property Market Analysis, Rotherham PROMIS Retail Report, August, 2010.
Fig. 9.1 Map Illustrating Dominance of Meadowhall Over Rotherham MB and Rotherham Town Centre

- Meadowhall
- Rotherham MB
- Sheffield District
- Rotherham Town Centre 15 Minute Drivetime
- Rawmarsh Shopping Centre
- Swinton
- Parkgate
- Wickersley
- Maltby
- Kiveton Park
- Dinnington
- Swallownest
- Brimley
- Wath-upon-Dearne

Scale: 1 : 181,240

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more, since they have a direct bearing on the results of the retail floorspace need assessment and, in turn, our retail policy recommendations.

9.11 For example, of the £1,018 million of retail expenditure generated within Rotherham MB, around one-third leaks out to neighbouring areas, mainly to Sheffield District. Although this overall figure is broadly acceptable, it masks big differences by category of goods as shown in Figure 9.2.

**Fig. 9.2 Leakage of Available Expenditure from Rotherham MB by Category of Goods**

The principal area of concern in relation to inter borough flows is non-bulky comparison goods shopping which forms the ‘main stay’ of town centres, where half of monies is spent outside of the borough. Although the leakage from the borough for bulky comparison goods and convenience goods is much less, the intra-borough flows show that this masks the disproportionate role played by out of centre retailing provision.

9.13 **Figure 9.3** overleaf disaggregates existing retail turnover in Rotherham MB by location and category of goods. Overall, more than three-quarters of retail sales in Rotherham MB are out of centre\(^1\). Although a high percentage is common for bulky comparison goods and to a lesser extent convenience goods, it is very rare for non-bulky comparison goods turnover to be so dominated by out of centre retailing. Given that 50% of non-bulky comparison goods expenditure leaks out of the borough, and 70% of the half that is retained is spent out of centre, it is not surprising that Rotherham town

\(^1\) Includes edge of centre locations.
centre is being squeezed, whilst the trade available to the remaining town, district and local centres is also low.

Fig. 9.3 Proportion of Retail Turnover in Rotherham MB Accounted for by Edge of Centre/Out of Centre Shopping Floorspace

THE NEED FOR ADDITIONAL RETAIL FLOORSPACE

9.14 We now present our conclusions on the need for additional convenience goods and non-bulky and bulky comparison goods floorspace in Rotherham MB, and then set out our recommendations to the Council.

9.15 Retail floorspace need is estimated for Rotherham MB as a whole, and a number of sub-areas. Floorspace totals are produced for the (agreed) forecast years of 2017, 2022 and 2027.

9.16 Due to the potential inaccuracies that come into play when preparing forecasts over very long time-periods, we recommend that some caution is exercised when interpreting the retail floorspace need figures for the later forecast years of 2022 and 2027. Nevertheless, the need totals set out in this report do provide a good indication of the broad quantum of additional shopping floorspace that should be planned for over the next 15 years.
The key driver of the need for additional retail floorspace in any area is the growth in consumer retail expenditure (population times spend per head). However, the approach used to estimate need (if any) in this report also takes into account a number of other factors which makes the assessment more realistic. For Rotherham MB these are as follows:

- estimated over or under trading (if any) at 2010 (the base year) – over-trading may be described as representing a qualitative need for additional retail provision;

- an allowance for rising store productivities over time for existing retailers; and

- retail floorspace commitments.

These factors individually and collectively soak up future consumer retail expenditure growth resulting in less spend being available to support new retail floorspace. This is the case in Rotherham MB.

However, in interpreting the data the Council may wish to ascertain the levels of future floorspace need resulting from the exclusion of one or more of these factors. Accordingly, the need estimates for the borough as a whole are determined against a range of assumptions, whilst the detailed figures in Appendix 6 will enable the Council to calculate the headroom expenditure for any given assumption and sub-category. Due to the current economic downturn, it is possible that one or more of the included retail commitments may not get built, at least by 2017. If this were to occur, then the estimated turnovers of any unimplemented planning consents should be added to the total expenditures that are available at the forecast years to support the need for additional retail floorspace.

For the sake of clarification, the retail floorspace need estimates represent the ‘net additional’ floorspace required within Rotherham MB (over that available in 2010) by goods category and are non-cumulative. Moreover, it is important to stress that although the detailed tables in Appendix 6 show a floorspace need in relation to out of centre, this is merely a reflection of our methodology, which has regard to the existing market shares (sometimes with adjustments) of each centre and goods category. In practice, all new retail floorspace should, in line with Government planning policy, be located, wherever possible, within existing centres.
Lastly, future retail floorspace need has been estimated using three different sets of population projections as described in Section 4. In the following commentary, we focus mainly on the central projections. However, the detailed spreadsheets/results for the high, central and low projections are set out in full in Appendix 6.

THE CONSTANT MARKET SHARES APPROACH

It is common in carrying out a quantitative assessment of future retail floorspace need to adopt what is known as the “constant market shares” approach. This assumes that the existing (2010) market shares (in terms of available expenditure) of Rotherham MB and its centres are held constant through to the design years of 2017, 2022 and 2027. As a result, the quantitative assessment provides an indication of the scale and distribution of additional retail floorspace that is required (if any) to maintain today’s retail order (and relative centre attractiveness) throughout Rotherham MB.

For the present study, we therefore adopt the constant market shares approach across all centres and sub-areas, with just two exceptions – convenience goods and non-bulky comparison goods shopping in Rotherham town centre. The justification for adjusting up-wards the market shares for the town centre in these two goods categories has already been set out in Section 7. However, in short, we consider there is good potential for the town centre to claw back spend that is leaking to out of centre stores both within and outside the borough, this being especially true for non-bulky comparison goods. As stated in Section 7, we have adjusted upwards Rotherham town centre’s market share within the borough for non-bulky comparison goods from 14% in the base year (2010) to 24% at the design year of 2017. For convenience goods, we have made a more modest increase in market share from 10% to 13.5%. We assume no further increases in the town centre’s market shares for these two categories of goods beyond 2017.

RETAIL NEED IN ROTHERHAM MB AS A WHOLE

Adopting the approach to market shares described above, the retail floorspace need results for Rotherham MB as a whole in relation to convenience goods and non-bulky and bulky comparison goods shopping are set out in the tables below. These tables summarise the need results for the central population projections only (Appendix 6 contains the results for the low and high projections).

In relation to convenience goods (Table 9.1 overleaf), making an allowance for rising store productivities eats into the headroom expenditure, whilst taking into account existing retail commitments (as is the convention) further reduces the expenditure
available at each of the design years to support additional retail provision. The quantum’s of quantitative floorspace need for Rotherham MB as a whole are set out in Row C. These totals relate to the adoption of the central population projection. At Row D, we also include the degree to which shops may be overtrading (or under trading) at the base year (2010). According to PPS 4, this is regarded as being a key component of qualitative need. Thus the final sets of floorspace need estimates at Row D reflect both quantitative and qualitative need.

Table 9.1: Convenience Goods Floorspace Need, Rotherham MB as a Whole (Central Population Projection)

<table>
<thead>
<tr>
<th>Row</th>
<th>Assumption</th>
<th>2017</th>
<th>2022</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Available Expenditure £m</td>
<td>Floorspace Need Sq M Net</td>
<td>Available Expenditure £m</td>
</tr>
<tr>
<td>A</td>
<td>Growth in consumer retail expenditure (=a)</td>
<td>33.8</td>
<td>3,330</td>
<td>68.7</td>
</tr>
<tr>
<td>B</td>
<td>(a) after allowing for rising store productivities (only)</td>
<td>27.0</td>
<td>2,660</td>
<td>50.4</td>
</tr>
<tr>
<td>C</td>
<td>(a) after allowing for rising store productivities and commitments (only)</td>
<td>(3.3)</td>
<td>(330)</td>
<td>19.5</td>
</tr>
<tr>
<td>D</td>
<td>(a) after allowing for rising store productivities, commitments and (any) over/under trading at the base year.</td>
<td>15.2</td>
<td>1,500</td>
<td>37.9</td>
</tr>
</tbody>
</table>

Notes:
Figures in brackets are negative. All figures relating to store productivities, over/under-trading and commitments are set out in Appendix 6D.
Figures in red relate to quantitative need (only) in terms of PPS 4.
Figures in blue relate to quantitative and qualitative need in terms of PPS 4.

Source: Colliers International

1 PPS 4, Policy EC1.4 d (ii).
In Appendix 6D, we also present the detailed spreadsheets for the low (Scenario 2) and high (Scenario 3) population projections. In relation to quantitative need (only) and quantitative and qualitative need for Rotherham MB as a whole, the results for the end year of 2027 set out in Table 9.2.

**Table 9.2 Convenience Goods Floorspace Need (2027) by Population Scenario**

<table>
<thead>
<tr>
<th>Population Scenario</th>
<th>Quantitative Need (Only) (Sq M Net)</th>
<th>Quantitative and Qualitative Need (Sq M Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low (2)</td>
<td>3,200</td>
<td>4,920</td>
</tr>
<tr>
<td>Central (1)</td>
<td>3,920</td>
<td>5,630</td>
</tr>
<tr>
<td>High (3)</td>
<td>4,760</td>
<td>6,480</td>
</tr>
</tbody>
</table>

*Source: Colliers International*

It is clear from Table 9.2 that assuming lower population growth produces less need for additional floorspace, whilst adopting the high growth scenario increases the levels of need. However, the important point is that the range is not especially large, certainly less than the size of a single superstore across the borough as a whole by 2027. Adopting a net to gross ratio of 65:100 (see paragraph 4.47 in Section 4), gives the following range of gross floorspace need totals for additional convenience goods floorspace at 2027:-

- Low Population Growth: Quantitative Need (only) 4,920 sq m
  Quantitative & Qualitative Need 7,570 sq m
- Central Population Growth: Quantitative Need (only) 6,030 sq m
  Quantitative & Qualitative Need 8,660 sq m
- High Population Growth: Quantitative Need (only) 7,320 sq m
  Quantitative & Qualitative Need 9,970 sq m

For non-bulky comparison goods (Table 9.3 overleaf), the impact of allowing for rising store productivities is much greater than for convenience goods, and the reduction in available headroom expenditure is more substantial. Similarly, taking into account existing commitments has a big effect. The combination of these two adjustments is to effectively eliminate the quantitative need for any further non-bulky comparison goods provision through to 2027 within Rotherham MB as a whole, assuming the central population projections. Adding in a small amount of estimated over trading in the base years, increases the headroom expenditure a little (Row D), but
even after allowing for this element of qualitative need there is no floorspace requirement until beyond 2022 and even then it is very modest.

Table 9.3: Non Bulky Comparison Goods Floorspace Need, Rotherham MB as a Whole (Central Population Projection)

<table>
<thead>
<tr>
<th>Row</th>
<th>Assumption</th>
<th>2017</th>
<th>2022</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Available Expenditure £m</td>
<td>Floorspace Need Sq M Net</td>
<td>Available Expenditure £m</td>
</tr>
<tr>
<td>A</td>
<td>Growth in consumer retail expenditure (=a)</td>
<td>80.6</td>
<td>11,660</td>
<td>145.5</td>
</tr>
<tr>
<td>B</td>
<td>(a) after allowing for rising store productivities (only)</td>
<td>39.1</td>
<td>5,660</td>
<td>67.3</td>
</tr>
<tr>
<td>C</td>
<td>(a) after allowing for rising productivities and commitments (only)</td>
<td>(38.0)</td>
<td>(5,500)</td>
<td>(20.5)</td>
</tr>
<tr>
<td>D</td>
<td>(a) after allowing for rising productivities, commitments and (any) over/under trading at the base year.</td>
<td>(21.9)</td>
<td>(3,180)</td>
<td>(4.4)</td>
</tr>
</tbody>
</table>

Notes:
Figures in brackets are negative. All figures relating to store productivities, over/under-trading and commitments are set out in Appendix 6B. Figures in red relate to quantitative need (only) in terms of PPS 4. Figures in blue relate to quantitative and quantitative need in terms of PPS 4.

Source: Colliers International

9.29 Appendix 6B contains the detailed non-bulk comparison goods spreadsheets for the low (Scenario 2) and high (Scenario 3) population projections. For Rotherham MB as a whole, the results for the end year of 2027 are summarised in Table 9.4 overleaf.
Table 9.4 Non Bulky Comparison Goods Floorspace Need (2027) by Population Scenario

<table>
<thead>
<tr>
<th>Population Scenario</th>
<th>Quantitative Need (Only) (Sq M Net)</th>
<th>Quantitative and Qualitative Need (Sq M Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low (2)</td>
<td>(810)</td>
<td>990</td>
</tr>
<tr>
<td>Central (1)</td>
<td>220</td>
<td>2,010</td>
</tr>
<tr>
<td>High (3)</td>
<td>720</td>
<td>2,510</td>
</tr>
</tbody>
</table>

Source: Colliers International

9.30 Since the adjustment for overtrading is quite modest, the floorspace requirements vary little between our estimates for quantitative need (only) and qualitative and quantitative need. Adopting a net to gross ratio of 65:100, gives the following range of gross floorspace need estimates for additional non-bulky comparison goods floorspace at 2027:

- Low Population Growth: Quantitative Need (only) 1,250 sq m
- Central Population Growth: Quantitative Need (only) 340 sq m
- High Population Growth: Quantitative Need (only) 1,110 sq m

9.31 The floorspace need results for bulky comparison goods shopping are summarised in Table 9.5 overleaf. Once again, allowing for rising store productivities and existing commitments reduces the available headroom expenditure quite significantly. The amounts of quantitative need for Rotherham MB as a whole in relation to the central population projection are set out in Row C. We forecast an over-supply at 2017, but modest requirements by 2022 and 2027. However, adding in the significant over trading which we believe is currently occurring within the borough as a whole (at the out of centre retail warehouses), substantially boosts the levels of quantitative and qualitative need, such that by 2027 we forecast a need for almost 30,000 sq m net of bulky comparison goods floorspace (Row D).
Table 9.5: Bulky Comparison Goods Floorspace Need, Rotherham MB as a Whole (Central Population Projection)

<table>
<thead>
<tr>
<th>Row</th>
<th>Assumption</th>
<th>Available Expenditure £m</th>
<th>Floorspace Need Sq M Net</th>
<th>Available Expenditure £m</th>
<th>Floorspace Need Sq M Net</th>
<th>Available Expenditure £m</th>
<th>Floorspace Need Sq M Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Growth in consumer retail expenditure (=a)</td>
<td>40.5</td>
<td>11,720</td>
<td>87.1</td>
<td>22,150</td>
<td>141.9</td>
<td>31,740</td>
</tr>
<tr>
<td>B</td>
<td>(a) after allowing for rising store productivities (only)</td>
<td>23.5</td>
<td>6,800</td>
<td>55.1</td>
<td>14,010</td>
<td>93.0</td>
<td>20,800</td>
</tr>
<tr>
<td>C</td>
<td>(a) after allowing for rising productivities and commitments (only)</td>
<td>(18.5)</td>
<td>(5,350)</td>
<td>7.2</td>
<td>1,830</td>
<td>38.7</td>
<td>8,650</td>
</tr>
<tr>
<td>D</td>
<td>(a) after allowing for rising productivities, commitments and (any) over/under trading at the base year.</td>
<td>76.0</td>
<td>21,970</td>
<td>101.7</td>
<td>25,830</td>
<td>133.2</td>
<td>29,780</td>
</tr>
</tbody>
</table>

Notes:
Figures in brackets are negative. All figures relating to store productivities, over/under-trading and commitments are set out in Appendix 6C.
Figures in red relate to quantitative need (only) in terms of PPS 4.
Figures in blue relate to quantitative and qualitative need in terms of PPS 4.

Source: Colliers International

9.32 All the detailed bulky comparison goods spreadsheets relating to the low (Scenario 2) and high (Scenario 3) population projections for Rotherham MB as a whole are set out at Appendix 6C, whilst the results for the end year of 2027 are summarised in Table 9.6.

Table 9.6 Bulky Comparison Goods Floorspace Need (2027) by Population Scenario

<table>
<thead>
<tr>
<th>Population Scenario</th>
<th>Quantitative Need (Only) (Sq M Net)</th>
<th>Quantitative and Qualitative Need (Sq M Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low (2)</td>
<td>7,650</td>
<td>28,780</td>
</tr>
<tr>
<td>Central (1)</td>
<td>8,650</td>
<td>29,780</td>
</tr>
<tr>
<td>High (3)</td>
<td>9,320</td>
<td>30,450</td>
</tr>
</tbody>
</table>

Source: Colliers International
9.33 Once again the different population projections make relatively little difference to the levels of additional bulky comparison goods floorspace required in the borough. But the major determinant is the estimated current levels of over-trading, which PPS 4 defines as being an element of qualitative need. Adopting a typical net to gross ratio for bulky comparison goods (retail warehouses) of 90:100 produces the following range of gross floorspace need estimates for additional bulky comparison goods at 2027:

- **Low Population Growth:**
  - Quantitative Need (only) 8,500 sq m
  - Quantitative & Qualitative Need 31,970 sq m

- **Central Population Growth:**
  - Quantitative Need (only) 9,610 sq m
  - Quantitative & Qualitative Need 33,090 sq m

- **High Population Growth:**
  - Quantitative Need (only) 10,350 sq m
  - Quantitative & Qualitative Need 33,830 sq m

9.34 **Table 9.7** summarises the retail floorspace need results for Rotherham MB as a whole for each broad category of goods and population scenario.

**Table 9.7 Summary of Retail Floorspace Need for Rotherham MB as a Whole (Quantitative and Qualitative)**

<table>
<thead>
<tr>
<th>Category of Goods</th>
<th>Population Scenario</th>
<th>2017</th>
<th>2022</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Net Sq M</td>
<td>Gross Sq M</td>
<td>Net Sq M</td>
</tr>
<tr>
<td>Convenience</td>
<td>Low</td>
<td>1,110</td>
<td>1,710</td>
<td>3,050</td>
</tr>
<tr>
<td></td>
<td>Central</td>
<td>1,500</td>
<td>2,310</td>
<td>3,650</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>1,620</td>
<td>2,490</td>
<td>4,080</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3,680)</td>
<td>(5,660)</td>
<td>(1,380)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3,180)</td>
<td>(4,890)</td>
<td>(570)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3,190)</td>
<td>(4,910)</td>
<td>(380)</td>
</tr>
<tr>
<td>Non-Bulky</td>
<td>Low</td>
<td>21,480</td>
<td>23,860</td>
<td>25,030</td>
</tr>
<tr>
<td>Comparison</td>
<td>Central</td>
<td>21,970</td>
<td>24,410</td>
<td>25,830</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>22,010</td>
<td>24,450</td>
<td>26,120</td>
</tr>
</tbody>
</table>

**Note:** Figures are non-cumulative. Figures in brackets are negative.  
**Source:** Colliers International
NEED DISAGGREGATED BY SUB AREA (CENTRE)

9.35 We now disaggregate the (quantitative and qualitative) retail floorspace need totals for the borough by survey zone and individual centres within zones. Although the following analysis provides a finer level of detail, the floorspace need estimates require careful interpretation.

9.36 First, it should be pointed out that the sum of the seven zone floorspace need totals equates to that for the borough as a whole. Similarly, the sum of the 19 sub-area/centre need totals also equates to that of the whole borough, whilst within each zone, the sub-totals equal the zone total.

9.37 For any given sub area/centre, however, the floorspace need identified may be positive or negative. The positive totals are generated by the growth in available expenditure, combined with any localised over-trading which releases further spend to support additional floorspace (where estimated actual sales exceed benchmark levels). In the case of Rotherham town centre (only), the upwards adjustment to its market share is also an important factor. Negative totals primarily come about because of existing retail commitments (which will soak up spend) and/or material amounts of estimated current under-trading, which means stores are not attracting sufficient expenditure to trade at benchmark levels. Centres/stores that are currently under-trading are therefore assumed to have first call on any future growth in local area expenditure. However, in some instances the present estimated sales shortfall is so big that the increases in local area expenditure are not sufficient (after any commitments) to eliminate the deficits. For these sub areas/centres, the forecast quantums of need at the design years of 2017, 2022 and 2027 remain negative; implying there will be a ‘surplus’ of shopping floorspace relative to available expenditure.

9.38 In practice, many of the floorspace need totals are small and don’t quite require any specific planning actions. In addition, negative totals indicate a forecast over provision and therefore no additional floorspace is required. In interpreting the need estimates, we would advise that the Council focuses more on the borough-wide and zone floorspace totals and use the figures for sub areas/centres as a broad guide to the distribution of need within zones, having regard to the policies in PPS 4.

9.39 The need for additional convenience goods floorspace within Rotherham MB is broken down by sub area/centre in Table 9.8 overleaf (note: the borough-wide total is identical to that given in Table 9.1. The main areas of need are zones 1, 2 and 4. Need
within zone 1 is for Rotherham town centre, reflecting the upwards adjustments in its market share, whilst estimated current over-trading and a lack of commitments are major factors in contributing to the need in zones 2 and 4. Elsewhere – assuming constant market shares - commitments are broadly sufficient to meet the floorspace requirements right through to 2027.

Table 9.8 Convenience Goods Floorspace Need by Sub-Area/Centre, Rotherham MB (Central Population Projection; Quantitative and Qualitative Need)

<table>
<thead>
<tr>
<th>Sub Area/Centre</th>
<th>Floorspace Need (Sq M Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td><strong>Zone 1</strong></td>
<td></td>
</tr>
<tr>
<td>Rotherham Principal Town Centre</td>
<td>1,698</td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>(579)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,119</td>
</tr>
<tr>
<td><strong>Zone 2</strong></td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>920</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>920</td>
</tr>
<tr>
<td><strong>Zone 3</strong></td>
<td></td>
</tr>
<tr>
<td>Parkgate Town Centre</td>
<td>(5)</td>
</tr>
<tr>
<td>Wath upon Dearne Town Centre</td>
<td>23</td>
</tr>
<tr>
<td>Rawmarsh District Centre</td>
<td>(451)</td>
</tr>
<tr>
<td>Swinton District Centre</td>
<td>(40)</td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>(463)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>(937)</td>
</tr>
<tr>
<td><strong>Zone 4</strong></td>
<td></td>
</tr>
<tr>
<td>Wickersley District Centre</td>
<td>156</td>
</tr>
<tr>
<td>Bramley Local Centre</td>
<td>3</td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>1,647</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,806</td>
</tr>
<tr>
<td><strong>Zone 5</strong></td>
<td></td>
</tr>
<tr>
<td>Swallownest District Centre</td>
<td>60</td>
</tr>
<tr>
<td>Thurcroft District Centre</td>
<td>15</td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>(913)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>(839)</td>
</tr>
<tr>
<td><strong>Zone 6</strong></td>
<td></td>
</tr>
<tr>
<td>Dinnington Town Centre</td>
<td>(276)</td>
</tr>
<tr>
<td>Maltby Town Centre</td>
<td>57</td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>(219)</td>
</tr>
<tr>
<td><strong>Zone 7</strong></td>
<td></td>
</tr>
<tr>
<td>Wales-Kiveton Park Local Centre</td>
<td>89</td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>(443)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>(355)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,500</td>
</tr>
</tbody>
</table>

Figures in brackets are negative.

Source: Colliers International (full details at Appendix 6D).
9.40 We understand that the 2004 retail study carried out for the Council concluded that there was a material need for a new food superstore in the south of the borough to clawback trade leaking to other districts. Our updated constant market shares assessment does not support this finding.

9.41 Three of our survey zones cover the southern half of Rotherham MB – zones 5, 6 and 7 (see Figure 5.1). Estimated leakage of convenience goods expenditure to Sheffield from zone 5 at just 12% is entirely realistic in our view and gives no material scope for clawback. Furthermore, the leakage out of the borough from zone 6 is negligible. This leaves zone 7, which forms the southernmost tip of the borough. Currently, leakage at c.£20 million represents 53% of available expenditure in the zone, and indeed offers real scope for clawing back trade. However, identified convenience goods commitments at Dinnington (Aldi supermarket) and on land north of Rother Valley Country Park are estimated to generate a combined turnover of almost £10 million. Although Dinnington is in zone 6, it sits close to the boundary of zone 7 and will clearly draw substantial sales from residents of zone 7. Taking into account these two commitments will therefore significantly reduce the leakage from zone 7 to stores outside of the borough. The resulting residual leakage is insufficient to support a new superstore. A better option, in our view, would be for the Council to support any future expansion of an existing in-centre supermarket in zone 7, such as at Kiveton Park, or in the southern part of zone 6 (eg. Dinnington).

9.42 Turning to non-bulky comparison goods, the need for additional floorspace by sub-area/centre is summarised in Table 9.9 overleaf. The principal location where there is a strong need is Rotherham town centre in Zone 1. This again reflects the upwards adjustment made to its market share, which, as noted previously, is consistent with the regeneration aspirations of the Council. A material level of need has also been identified in zone 3, but this is primarily driven by estimated over-trading at Parkgate Shopping. Given that this location is out of centre and there is already a very strong mix of stores, the Council may consider that this qualitative need should not be met unless the provision can be provided nearby and in-centre. In the remaining zones – assuming constant market shares – the inclusion of commitments either meets the identified need or generates an expenditure deficient, even by 2027.
Table 9.9 Non Bulky Goods Floorspace Need by Sub-Area/Centre, Rotherham MB (Central Population Projection; Quantitative and Qualitative Need)

<table>
<thead>
<tr>
<th>Sub Area/Centre</th>
<th>Floorspace Need (Sq M Net)</th>
<th>2017</th>
<th>2022</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Zone 1</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rotherham Principal Town Centre</td>
<td>5,954</td>
<td>6,850</td>
<td>7,736</td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>214</td>
<td>271</td>
<td>326</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>6,168</td>
<td>7,121</td>
<td>8,062</td>
</tr>
<tr>
<td><strong>Zone 2</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Zone 3</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parkgate Town Centre</td>
<td>(8)</td>
<td>16</td>
<td>41</td>
<td></td>
</tr>
<tr>
<td>Wath upon Dearne Town Centre</td>
<td>21</td>
<td>49</td>
<td>76</td>
<td></td>
</tr>
<tr>
<td>Rawmarsh District Centre</td>
<td>(93)</td>
<td>-89</td>
<td>-83</td>
<td></td>
</tr>
<tr>
<td>Swinton District Centre</td>
<td>(9)</td>
<td>1</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>1,114</td>
<td>2,260</td>
<td>3,386</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>1,026</td>
<td>2,235</td>
<td>3,426</td>
</tr>
<tr>
<td><strong>Zone 4</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wickersley District Centre</td>
<td>53</td>
<td>73</td>
<td>92</td>
<td></td>
</tr>
<tr>
<td>Bramley Local Centre</td>
<td>7</td>
<td>20</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>(135)</td>
<td>(63)</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>(75)</td>
<td>29</td>
<td>131</td>
</tr>
<tr>
<td><strong>Zone 5</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Swallownest District Centre</td>
<td>(1)</td>
<td>4</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Thurcroft District Centre</td>
<td>(2)</td>
<td>2</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>(6,134)</td>
<td>(6,128)</td>
<td>(6,128)</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>(6,137)</td>
<td>(6,121)</td>
<td>(6,112)</td>
</tr>
<tr>
<td><strong>Zone 6</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dinnington Town Centre</td>
<td>24</td>
<td>57</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>Malby Town Centre</td>
<td>11</td>
<td>33</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>36</td>
<td>91</td>
<td>145</td>
</tr>
<tr>
<td><strong>Zone 7</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wales-Kiveton Park Local Centre</td>
<td>(20)</td>
<td>(14)</td>
<td>(9)</td>
<td></td>
</tr>
<tr>
<td>Out of Centre/Other</td>
<td>(1,765)</td>
<td>(1,767)</td>
<td>(1,767)</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>(1,785)</td>
<td>(1,781)</td>
<td>(1,775)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>(3,180)</td>
<td>(570)</td>
<td>2,010</td>
</tr>
</tbody>
</table>

Figures in brackets are negative.

*Source: Colliers International (full details at Appendix 6B).*

### 9.43
Lastly, Table 9.10 overleaf summarises the need for additional **bulky comparison goods** floorspace by sub-area/centre. Our assessment points to there being a substantial need in zone 3, with little or no need for any additional retail provision elsewhere, once commitments are taken into account (but also see paragraph 9.97).
Indeed, excluding zone 3, we forecast an over-supply of bulky comparison goods floorspace in the borough even by 2027.

Table 9.10 Bulky Goods Floorspace Need by Sub-Area/Centre, Rotherham MB (Central Population Projection; Quantitative and Qualitative Need)

<table>
<thead>
<tr>
<th>Zone</th>
<th>Sub Area/Centre</th>
<th>Floorspace Need (Sq M Net)</th>
<th>2017</th>
<th>2022</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Rotherham Principal Town Centre</td>
<td>(91)</td>
<td></td>
<td>(61)</td>
<td>(31)</td>
</tr>
<tr>
<td></td>
<td>Out of Centre/Other</td>
<td>429</td>
<td>567</td>
<td>705</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>337</strong></td>
<td>506</td>
<td>674</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Out of Centre/Other</td>
<td>(1,345)</td>
<td>(838)</td>
<td>(340)</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>(1,345)</strong></td>
<td>(838)</td>
<td>(340)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Parkgate Town Centre</td>
<td>430</td>
<td>477</td>
<td>523</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wath upon Dearne Town Centre</td>
<td>(156)</td>
<td>(154)</td>
<td>(151)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rawmarsh District Centre</td>
<td>37</td>
<td>42</td>
<td>47</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Swinton District Centre</td>
<td>(21)</td>
<td>(17)</td>
<td>(13)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Out of Centre/Other</td>
<td>27,944</td>
<td>30,989</td>
<td>34,098</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>28,235</strong></td>
<td>31,337</td>
<td>34,504</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Wickersley District Centre</td>
<td>(6)</td>
<td>13</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bramley Local Centre</td>
<td>(12)</td>
<td>(2)</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Out of Centre/Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>(18)</strong></td>
<td>11</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Swallownest District Centre</td>
<td>(2)</td>
<td>11</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thurcroft District Centre</td>
<td>(1)</td>
<td>0</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Out of Centre/Other</td>
<td>(5,324)</td>
<td>(5,339)</td>
<td>(5,322)</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>(5,327)</strong></td>
<td>(5,328)</td>
<td>(5,296)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Dinnington Town Centre</td>
<td>153</td>
<td>178</td>
<td>203</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maltby Town Centre</td>
<td>(63)</td>
<td>(34)</td>
<td>(4)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Out of Centre/Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>90</strong></td>
<td>145</td>
<td>199</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Wales-Kiveton Park Local Centre</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Out of Centre/Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>0</strong></td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>21,970</strong></td>
<td>25,830</td>
<td>29,780</td>
<td></td>
</tr>
</tbody>
</table>

Figures in brackets are negative.

Source: Colliers International (full details at Appendix 6C).
9.44 However, a closer examination of the detailed calculations at Appendix 6C (and summarised at Table 9.5), reveals that the vast majority of the need is generated on the back of estimated overtrading at the existing out of centre retail parks in Rotherham MB, primarily Parkgate Shopping.

9.45 Over-trading is occurring because the household telephone survey indicates that 64% of the £182 million of annual expenditure generated by borough residents on bulky comparison goods is spent within the borough (c.£118 million), whilst 36% (£65 million) leaks out to competitor centres and stores. In addition, an estimated £85 million of bulky comparison goods spend is estimated to flow into the borough; (see Figure 5.5 on page 53). However, within the borough the current supply of bulky comparison goods floorspace is relatively limited. We estimate there is only c.4,000 sq m net in-centre, whilst edge of/out of centre provision totals c.38,000, sq m net (see Appendices 4A and 4D). The edge of/out of centre total is quite modest, because 51% of retail floorspace in retail warehouses within the borough now trades in non-bulky comparison goods.

9.46 Parkgate Shopping in particular is clearly very attractive to bulky comparison goods shoppers. This is due to its extensive free car parking, central and accessible location within the borough and the presence of many major non-bulky comparison goods stores, which attract shoppers to Parkgate thus facilitating linked trips with the bulky goods stores. Consequently, the high trading volumes relative to available sales floorspace produces estimated average sales densities which far outstrip benchmark levels. This is what generates the over-trading. The Council must take a view on the extent to which this qualitative need should be planned for in terms of providing new retail floorspace, when there is already a good choice of bulky comparison goods stores within and (close by) outside of the borough.

**INTERPRETING THE RETAIL FLOORSPACE NEED ESTIMATES**

9.47 The retail floorspace need estimates summarised in Tables 9.1 to 9.10 inclusive do not take into account existing vacant retail floorspace throughout Rotherham MB. Unfortunately, there is no reliable data available on the vacant retail floorspace stock in the borough as a whole, although our fieldwork confirms voids are relatively common in Rotherham town centre, many of the other town, district and local centres and, in certain locations, out of centre. In reality of course a good proportion of the currently available vacant floorspace is likely to be of secondary quality and/or located in secondary locations, and therefore unlikely to be attractive to modern retailers. For this
reason, simply deducting vacant stock (even if known) from the retail floorspace need totals estimated at 2017, 2022 and 2027 would represent a worst case scenario. Nevertheless, some of the vacant floorspace is in modern, good quality units (eg. a number of the vacant out of centre retail warehouses) and this stock is eminently suitable for retailers and should be fully utilised prior to granting consent to new schemes.

9.48 In interpreting the floorspace need estimates, it should also be noted that the totals are in sq m net and represent the net additional retail floorspace that could be supported. Thus the sales floorspace of any occupied units that may be demolished should be added to the need totals, whilst to convert to gross retail floorspace, the net to gross ratios set out at paragraph 4.47 in Section 4, should be adopted. Moreover, the need totals relate to retail floorspace only. In practice, many new retail developments contain other uses, especially catering and other service activities. To reflect the mix of uses in new retail schemes, particularly those located within town centre locations, it is considered that, on average, c.15% to 20% of new floorspace should be set aside for non-retail activities. Clearly in applying this assumption, in practice, the Council should have full regard to the location and type of development being proposed; clearly a large town centre scheme is likely to include more service floorspace than an application for an out of centre stand alone superstore, which may not have any.

9.49 Where there is no quantitative need for additional retail development as indicated by the proceeding need analysis, it is likely that granting consent for material amounts of new retail floorspace will divert sales from existing retailers within the borough and therefore could potentially impact negatively on existing centres. Trade diversion is particularly likely to occur where the borough is already retaining a large share of generated expenditure and there is only limited (or no) scope to increase turnover by clawing back spend leaking to competitor centres/stores outside the borough. The granting of consent for a new store(s) under these circumstances is therefore unlikely to generate significant new net additional retail employment, but rather re-distribute existing jobs around the borough, with job losses occurring elsewhere dependent on the scale and pattern of the new store’s trade diversion.
CONCLUSIONS ON THE NEED FOR ADDITIONAL LEISURE DEVELOPMENT

9.50 PPS 4 categorises many leisure facilities and hotels as town centre uses\(^1\) and accordingly should therefore be subject to town centre policies, including those relating to need, scale, the sequential approach and impact. In view of the poor vitality and viability of a number of the town, district and local centres in the borough, we concur with this approach and recommend that it is adopted by the Council. Moreover, we note the 2,500 sq m gross threshold for impact studies in PPS 4, and recommend that consideration is given by the Council to introducing a lower threshold for leisure development (as well as for retail).

9.51 Our leisure assessment in Section 8 concluded that there is a need for a cinema in the borough, preferably located in Rotherham town centre. We also identified scope for a swimming pool and a bowling centre to serve residents living in the south of the borough. Cafes/restaurants and pubs/bars were also considered appropriate uses throughout the hierarchy of centres, since numbers have declined in recent years and new provision would help clawback trips made to such facilities outside the borough and improve the diversity of centres.

9.52 Set against this identified need, we are aware of two major commitments within the borough for additional leisure development. The first is at Manvers Way, to the north of Wath upon Dearne. Here a large scale mixed use scheme has been approved and is currently under construction. As well as 200 residential dwellings and out-door leisure facilities (to include a golf course), the development will also include: a public house/restaurants, an extreme sports centre, bowling alley, bingo hall, hotel (see below) and a health and fitness centre. Given the location of this scheme on the northern boundary of the borough, it will clearly cater for residents in adjoining districts as well as residents of Rotherham.

9.53 The second commitment is for leisure and tourism development in the south of the borough on land north of the Rother Valley Country Park. This regional attraction, should development proceed, will include several resort hotels, spa and health facilities, conference and convention centre, exhibition centre, x-treme sports centre and a golf driving range. This scheme will only meet the identified needs of residents in the south of the borough if the facilities and attractions are open to all at reasonable rates.

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\(^1\) See definition at paragraph 8.3.
9.54 In relation to hotels, we concluded in Section 8 that there had been a number of new developments in recent years and that there was little need for the Council to actively plan for additional facilities. However any proposals that come forward should be directed towards town centres in accordance with PPS 4.

9.55 In practice, there are a number of commitments (and proposals) for additional new hotels within the borough and there are summarised in Table 9.11 overleaf. If implemented these would increase still further the number of hotel rooms in the borough. However, we note that a number of the consents date from 2006-09 and have not been implemented. This is likely to be due to the economic recession, but there may be a realisation that the supply of bedrooms is beginning to outstrip demand. This only serves to strengthen our conclusion that there is unlikely to be a material need to plan for further hotel provision in the borough for the foreseeable future.
Table 9.11 Schedule of Hotel Commitments and Proposals in Rotherham MB

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
<th>Date of Planning Consent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commitments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Former Laycast site, Sheffield Road, Fence</td>
<td>Mixed-use development to include 60 bed hotel.</td>
<td>22 December, 2009</td>
</tr>
<tr>
<td>Hellaby Hall Hotel, Hellaby</td>
<td>Extension to include 24 additional bedrooms.</td>
<td>15 December, 2009</td>
</tr>
<tr>
<td>Land at Fitzwilliam Road, Shaw Road, Chesterton Road, Eastwood</td>
<td>Development to include a hotel.</td>
<td>21 February, 2008</td>
</tr>
<tr>
<td>Meadowbank Road</td>
<td>Development to include a 60 bed hotel.</td>
<td>20 December, 2007</td>
</tr>
<tr>
<td>Land Adjacent to Junction 33 of M1 at Brinsworth</td>
<td>Development to include two hotels (1 x 102 bed and 1 x 186 bed).</td>
<td>11 May, 2006</td>
</tr>
<tr>
<td>Land North of Rother Valley Country Park</td>
<td>Major leisure/tourist development to include 25,000 sq m 4 star hotel and 9,000 sq m budget hotel</td>
<td>Consent still to be granted, but included as a commitment on request of the Council</td>
</tr>
<tr>
<td><strong>Proposals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land off High Field Spring, Catcliffe</td>
<td>Proposed mixed use scheme to include 120 bed hotel</td>
<td>Application submitted</td>
</tr>
<tr>
<td>Land at Former Orgreave Open Cast Site, Catcliffe</td>
<td>Proposed new community to contain broad range of uses, including 5,600 sq m gross hotel</td>
<td>Application submitted, resolved to grant permission (awaiting legal agreement)</td>
</tr>
</tbody>
</table>

**RETAIL POLICY RECOMMENDATIONS**

9.56 Rotherham town centre in planning terms is the principal shopping destination in the borough, yet it does not perform this role and has declined in relative terms over the last decade. Whilst new developments have been proposed these have not come to fruition. Unless a positive policy stance is taken towards the promotion of the town centre, its relative decline is likely to continue as competing centres, notably Sheffield and Meadowhall, continue to strengthen their retail offers. There is also competition with the other town and district centres in the borough and out of centre locations (eg. Parkgate Shopping) for non-bulky comparison goods trade, which is likely to intensify as
landlords manage their assets to secure increased returns. Accordingly, we recommend a strong town centre first approach in order to maximise the prospects for new development coming forward which will enable Rotherham town centre to compete with larger centres elsewhere, and to control the level and type of competition with other retail facilities within the wider borough area.

9.57 We consider that the primary role of the town centre is the sale of non-bulky comparison goods and that it should be the leading destination for the sale of these goods in the borough. It is the improved offer of this type of product which will enable the town centre to compete more effectively with other large centres and other provision across the borough, and to trade in a more sustainable manner.

9.58 Whilst Rotherham town centre already performs a main bulk food shopping function (eg. the Tesco on Forge Island) we do not consider this function as essential to its future vitality and viability as improved non-bulky comparison goods provision. Nevertheless, should proposals come forward which would secure the provision of a more modern and/or larger superstore than that which already exists, this would enhance the town centre’s retail offer, broaden its function, and offer the opportunity for it to secure additional expenditure through linked shopping trips, which would also facilitate sustainability benefits. A new town centre superstore would also serve to improve the accessibility to large food stores of non-car users. Consequently, we recommend an opportunity led approach to securing a bulk food store in or on the edge of the town centre, but not at the expense of the ability to accommodate additional non bulky comparison goods floorspace.

9.59 The wider borough has a large number of other town, district and local centres with many offering only limited shopping facilities, including small scale, local level, convenience goods. Later in this section, we review the definitions of these centres to ensure that their designations match the PPS 4 definitions (see Appendix 5L). The benefit of this approach for local centres would be to reduce the policy support for large new stores outside of town and district centres. The re-designation of some district centres as local centres would still enable appropriate local level provision to be made. (We consider the hierarchy of centres further at paragraphs 9.66 to 9.72).

1 In this report, we recommend that the Council continues with the traditional town centre oriented approach to retail planning. However, because Rotherham town centre has suffered so much from competition and is now in such a weak position, it may be unrealistic in commercial terms for it to return to being a thriving town centre with its previous extent and character. If material improvements to its retail offer do not occur during the expected up-turn in the economy over the next few years then a more radical approach may be required in the medium to longer term.
In conjunction with this approach, control will need to be maintained over the range of comparison goods which can be sold in the district and local centres in particular, to ensure that they do not evolve into centres which will compete with Rotherham (Principal) town centre and other town centres to the detriment of their vitality and viability. The appropriate use of conditions to govern the range of goods which can be sold; the minimum unit size and total floor space of each unit is recommended.

We note there is potential for Parkgate Shopping (and other out of centre retail parks) to change the nature of the goods they sell and thereby to compete even more directly with Rotherham town centre and other centres for the sale of non-bulky comparison goods. Accordingly, we recommend that the sale of comparison goods on these retail parks be restricted primarily to the sale of bulky goods so as to ensure that they do not evolve further into a high street comparison goods centres, which undermine the continued vitality and viability of Rotherham town and other centres in the borough.

In planning for the new (large unit) provision of bulky comparison goods floorspace to meet the need that has been identified, the Council should have regard to the policies set out in PPS 4, in particular the sequential approach to site location. However, given the primary role of Rotherham town centre as a non-bulky comparison goods destination, combined with the recommendation that policy support for large stores in the smaller centres be reduced, then in practice, out of centre retail parks may be considered to be appropriate locations for this form of large unit bulky goods shopping. We would recommend that sites on existing retail parks are fully utilised prior to allocating land for any additional parks.

We anticipate that there may be further pressure to convert existing out of centre bulky comparison goods stores to non-bulky goods outlets and whilst such proposals will need to be considered in accordance with national policy, we are concerned such proposals could further undermine the vitality and viability of Rotherham town centre if they come forward before significant non bulky comparison goods improvements are secured in the town centre.

Our assessment does not identify any significant quantitative need for new convenience goods floor space across the study period, other than in Rotherham town centre. In particular, we do not identify any quantitative need for additional large out of centre superstores especially since the existing out of centre convenience goods provision is relatively modern and well dispersed around the borough. Taking into account qualitative considerations (over-trading), pushes-up the floorspace requirements a little, but we believe that this is best met through providing a limited number of smaller
supermarkets that can mop up more localised pockets of need. Moreover, such stores can normally be located in or on the edge of centres. We recommend that similar scale provision is located at Catcliffe (Waverley) to serve this expansion area and is brought forward in line with the construction of new dwellings and the increase in population.

SPECIFIC RETAIL POLICY ADVICE

9.65 In addition to the broad retail policy recommendations that are presented above, the Council also required more specific advice on a range of topics (these being listed in the Brief). We deal with each of these in turn below.

ROtherham MB Retail Hierarchy

9.66 Appendix 5L describes what should constitute town, district and local centres according to PPS 4. We concur with the PPS 4 definitions and believe that the emerging hierarchy of centres in Rotherham MB should be consistent with this guidance. We have reviewed the proposed centre hierarchy and compared the location, scale, offer and current role and function of centres against the PPS 4 definitions.

9.67 Drawing on the information presented earlier in this report (in particular in Section 6), we feel that the emerging hierarchy is broadly consistent with government guidance, but that the Council may wish to give consideration to changing the status of a small number of centres.

9.68 First, we suggest that consideration is given to downgrading Parkgate from town to district centre. Unlike Dinnington, Maltby and Wath-upon-Deame, it does not serve a distinct urban community or area of the borough. In fact, it is part of the urban area of Rotherham (Principal) town centre. It is also the smallest of the four town centres in retail floorspace terms (see Figure 6.9) and does not contain a major food store (supermarket). Parkgate is also located close to, and is over-shadowed by, the major out of centre retail complex at Parkgate Shopping.

9.69 Second, we recommend that the Council give consideration to downgrading the status of Thurcroft and Rawmarsh from district to local centre. The latter designation is more consistent with their size in retail terms (see Figure 6.9), whilst neither contain a true supermarket or superstore. Our conclusion in relation to Rawmarsh is based on what

1 In this report the Council has asked us to consider the emerging centre hierarchy and associated centre boundaries. These do not have any status in current planning policy and do not necessarily accord with those defined in the existing development plan.
the centre offers at present. We are aware of plans to demolish the centre and to re-build. However, the scale and mix of the new retail provision that is proposed appears (from our knowledge) to be more akin to local centre status.

9.70 Lastly, we believe there may be some justification for up-grading Kiveton Park from local to district centre status. Although not that large a centre, especially in relation to comparison goods shopping, it does contain a modern Co-op supermarket and a broad range of services. It is also centrally located within a relatively large built up area in the southern part of the borough, which does not contain any other material retail provision.

9.71 Our suggested centre hierarchy for Rotherham is summarised in Table 9.12. In addition, there are many other small UDP defined local centres that will be reviewed by the Council as part of its work on the Core Strategy.

**Table 9.12 Suggested Rotherham MB Centre Hierarchy**

<table>
<thead>
<tr>
<th>Hierarchy</th>
<th>Centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Town Centre</td>
<td>Rotherham Town Centre</td>
</tr>
<tr>
<td>Town Centre</td>
<td>Dinnington</td>
</tr>
<tr>
<td></td>
<td>Maltby</td>
</tr>
<tr>
<td></td>
<td>Wath-upon-Dearne</td>
</tr>
<tr>
<td>District Centre</td>
<td>Kiveton Park</td>
</tr>
<tr>
<td></td>
<td>Parkgate</td>
</tr>
<tr>
<td></td>
<td>Swallownest</td>
</tr>
<tr>
<td></td>
<td>Swinton</td>
</tr>
<tr>
<td></td>
<td>Wickersley</td>
</tr>
<tr>
<td>Local Centre</td>
<td>Bramley</td>
</tr>
<tr>
<td></td>
<td>Rawmarsh</td>
</tr>
<tr>
<td></td>
<td>Thurcroft</td>
</tr>
<tr>
<td></td>
<td>Waverley (planned)</td>
</tr>
</tbody>
</table>

*Source: Colliers International*

9.72 Overall, we recommend that Rotherham (Principal) town centre should be the main focus for any additional non-bulky comparison goods shopping floorspace in the borough, whilst also being well placed to benefit from any new (food) superstore proposal, being centrally located within the borough and at the hub of the main urban area. Elsewhere, any additional non-bulky comparison goods shopping should be directed to the other town centres. Town and district centres are appropriate locations for any additional supermarkets, whilst local centres are only suitable for new provision.
that is of modest scale and is aimed at serving relatively small areas. In relation to bulky comparison goods, the Council should have regard to national policy, but in view of the over-riding importance of focusing non-bulky comparison goods provision into town centres, existing retail parks may be considered appropriate locations for large format bulky goods stores, since these will help retain or clawback expenditure to the borough, whilst mainly complementing the existing retail offers of centres.

TOWN AND DISTRICT CENTRE BOUNDARIES

9.73 We consider it entirely appropriate that existing town and district centres have boundaries, since these will identify the areas which are ‘first choice’ locations for new retail and leisure development under the sequential approach of PPS 4.

9.74 We have reviewed the boundaries of centres as proposed in the emerging Core Strategy in the light of the PPS 4 centre definitions (see Appendix 5L), and recommend that the Council give consideration to re-defining the boundary line at four of them.

9.75 First, if Parkgate is to retain its town centre status, then it may be appropriate to extend the boundary a little to include the small retail scheme at the southern end of Broad Street, which includes a Netto supermarket and a Farmfoods store.

9.76 Second, if Kiveton Park is re-designated as a district centre, there may be a case for extending its boundary to include a number of public facilities to the South of Wales Road, such as the village hall, parish rooms and primary care centre.

9.77 Third, in a similar vein, the Council may consider the merit of extending the boundary at Swinton district centre to include the wide range of public facilities to the north of Station Road. These include a library, civic hall, aged persons centre, health centre, swimming baths and council offices.

9.78 Lastly, we believe that the existing boundary in Bramley local centre is too widely drawn and much of the triangle site (defined by Main Street, Cross Street and Bawtry Road) may be excluded.

9.79 We believe it is appropriate to define primary shopping areas (as defined in PPS 4, see Appendix 5L) in the borough’s town and district centres. However, we feel that the local centres are too small to justify such an area.
9.80 We have examined the primary shopping areas defined in the current UDP and believe they are unclear. They do not show either primary retail areas or primary retail frontages. We recommend that these are re-drawn to show either:-

- primary retail frontages; or
- primary shopping areas (ie. showing the units that fall within the defined area).

9.81 It is therefore difficult to interpret the boundaries shown in the UDP. However, we would recommend that the shopping precinct at Swinton is included within its primary shopping area. As far as we can tell, the remaining primary shopping areas appear to be realistic. We recommend that the LDF contains an appropriately worded policy that discourages non retail uses from locating within the defined primary shopping areas.

**BRAMLEY**

9.82 The current UDP defines the area that includes the Morrisons at Bramley as a ‘local centre’, whilst the ‘high street’ area of Bramley is defined as a ‘town centre’. The two areas are physically separated by around 500 metres or more (the Bawtry Road).

9.83 We consider that ‘high street’ Bramley should be downgraded from town centre to local centre status. This recommendation brings Bramley into line with the hierarchy prepared by the Council in its emerging Core Strategy, and also makes it consistent with the PPS definition of a ‘local centre’ (see Appendix 5L).

9.84 We also recommend that the area which includes the Morrisons should lose its ‘local centre’ designation, since it does not exhibit the characteristics of a ‘local centre’ as defined by PPS 4. In particular, the Morrisons is not a ‘small shop’ (or small supermarket) serving a ‘small catchment’. Removing this designation will enable the Council to better control any future expansion of the store or other retail facilities in the immediate area.

**DALTON**

9.85 The current UDP defines Dalton as a ‘local centre’. The area within this definition comprises the frontages to the north and south of Doncaster Road, together with an adjoining area to the west that includes an Asda superstore, McDonalds and petrol filling station.

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1 The household telephone survey confirms that the large Morrisons superstore in fact draws trade from over a wide area.
2 The two areas touch but are separated on the Doncaster Road by a training centre.
9.86 We do not consider that a ‘local centre’ designation is appropriate as currently defined, since the Asda superstore clearly performs much more than a local function. For the same reason, the Asda (and McDonalds and petrol filling station) in isolation would not merit such a designation. Arguably the shopping parade that currently forms the eastern section of the ‘local centre’, when considered in isolation, would also not qualify as a ‘local centre’, since it would appear to function more as a ‘small parade of shops of purely neighbourhood significance’. This is not regarded as a centre in PPS 4 terms (See Appendix 5L).

9.87 Accordingly, there is some merit in considering whether Dalton as currently defined could be upgraded to a ‘district centre’. The existing Asda would be consistent with the PPS 4 definition of a ‘district centre’, but in our view the centre would still lack the required range of non-retail services and local public facilities.

9.88 To the south west of the Asda is an existing Gala Bingo, which the household survey confirms is well used and a Netto. Including these retail and leisure facilities within Dalton centre would add to its overall offer and attraction but, in our view, it would still fall short of the PPS 4 definition of a ‘district centre’.

9.89 However, to the south west of the Asda and adjoining the existing Netto and Gala Bingo, we understand there is currently a cleared site which is the subject of an application for retail. We believe that this site has the potential to accommodate a range of uses (retail and non-retail). Depending on the nature of any redevelopment, its inclusion in any Dalton centre could strengthen the arguments in support of an expanded Dalton achieving ‘district centre’ status in the future.

9.90 In summary, the alternative strategies for Dalton appear to us to be as follows:

- remove the current ‘local centre’ designation; or

- restrict the ‘local centre’ designation to the eastern shopping parade, although it is arguable whether this then meets the PPS 4 criteria; or

- encourage a broader range of retail and non-retail uses into the immediate area and expand the boundary so that it qualifies as a ‘district centre’.

9.91 As stated above, we believe that town and district centres are the most appropriate locations for any new large food stores in the borough, whilst local centres should cater for smaller supermarkets and convenience stores which have a local function.
FLOORSPACE THRESHOLDS FOR RETAIL IMPACT ASSESSMENTS

9.92 National policy requires applicants to prepare impact assessments for edge of centre and out of centre retail and leisure developments over 2,500 sq m gross. However, PPS 4 (Policy EC3.1d) permits local authorities to set specific floorspace thresholds in their LDF’s.

9.93 This report has clearly demonstrated that many town, district and local centres within Rotherham MB have experienced retail decline over the past decade and a major cause of this has been the cumulative effects of competing retail facilities out of centre. As a result, a number of existing centres are currently experiencing average or poor levels of vitality and viability. As shown in Figure 9.3, a significant 76% of consumer spending in the borough now flows to stores in edge of centre and out of centre locations. Clearly, permitting further significant edge of centre and out of centre retail development in the borough (particularly in non-bulky comparison goods and convenience goods) could impact adversely on strategies for improving centres and potential planned investment.

9.94 As a result, we recommend that the Council gives consideration to adopting in its LDF a lower threshold for impact assessments that the 2,500 sq m gross given in PPS 4. Given the small size and vulnerability of many centres within the borough, we feel that a threshold of 1,000 sq m gross is more appropriate where an application site is on the edge of a town centre or out of centre where the nearest centre (in terms of drive time) is a town centre. In edge of centre or out of centre locations where the nearest centre is a district or local centre, we recommend that the threshold is reduced even further to 500 sq m gross.

CATCLIFFE

9.95 We recommend that the unclassified retail area that contains the Morrisons and the former Big W is designated as a retail park. We understand that planning consent has been granted to remodel and sub divide the former Big W into a number of smaller class A1 comparison goods stores and permit the construction of eight new A1, A3 and A5 units.

9.96 We feel that giving the area district or local centre status would make it difficult to limit or prevent the potential development of additional non-bulky comparison goods shopping, which we consider would undermine existing centres. There is also no justification in giving this ‘centre’ status when similar and bigger retail areas elsewhere

1 This new retail development has been included as a retail commitment (see Appendix 4E).
in the borough (eg. Parkgate Shopping) do not benefit from the designation. Furthermore, the area possesses none of the characteristics or range of facilities that constitute either a district or local centre in PPS 4 terms (see Appendix 5L).

9.97 Given that 40% of the bulky comparison goods spend generated by residents within zone 5, which includes Catcliffe, is estimated to flow to Parkgate Shopping and 58% is spent at locations in Sheffield District, we feel that the area may be an appropriate location in the borough for additional bulky goods floorspace provision. This would help reduce the need to provide for any additional bulky goods shopping in the Parkgate area.

9.98 In relation to the proposed new Waverley community at Catcliffe, which we understand may comprise up to 4,000 residential units, we recommend that it is serviced by a new local centre that should contain an appropriate range of smaller retail stores and services (see Appendix 5L). It will be important that the overall size of the new centre in retail terms is broadly commensurate with the new population of the area and that retail provision is added in line with the completion of the new housing.

COMMENTS ON DRAFT LDF POLICIES

9.99 In light of the above study conclusions and recommendations, the Council has requested that we comment on its draft core strategy policies on retail centres in the borough.

9.100 In broad terms, we support the Council’s draft policies and the thrust of the supporting commentary, since it is line with the findings of the report and also the Rotherham Town Centre Retail and Leisure Study, which was published in 2010.

9.101 Our specific points are as follows:-

- the retail floorspace need estimates should be updated to reflect the figures contained in this report;¹

- more emphasis should be placed on Rotherham town centre as being the principal destination for non-bulky comparison goods shopping in the borough;

¹ The retail floorspace need estimates for Rotherham town centre also up-date those contained in the 2010 study.
• it may be helpful to include in the core strategy a little more on how the retail offer has developed over time within the borough and Sheffield District (perhaps, drawing on material in this study), since this largely explains current shopping patterns and the decline and vulnerability of a number of existing town, district and local centres due to the expansion of out of centre shopping;

• more clarity that existing retail parks may be considered appropriate locations for bulky comparison goods, but that non-bulky comparison stores should be directed in-centre, preferably to Rotherham town centre; and

• lastly, although the precise wording of the Council’s draft policy on floorspace thresholds for retail impact assessments is different to that in this report, we broadly concur with its intention to introduce much lower thresholds than the 2,500 sq m gross cited in PPS 4.
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