ROTHERHAM METROPOLITAN BOROUGH COUNCIL

TOWN CENTRE RETAIL AND LEISURE STUDY

January 2010

FINAL REPORT

Volume 1
Rotherham Town Centre Retail and Leisure Study Addendum

Document Status
The study was conducted independently on behalf of RMBC and as such the statements, opinions and recommendations are those of the consultant. Once the study has been considered by Members the findings and information will be used as evidence base and will be considered in developing policy and strategy (for example in production of the Local Development Framework and a Retail Investment Strategy).

Planning Policy Statement 4: Planning for Sustainable Economic Growth
In December 2009 the Government published Planning Policy Statement 4: Planning for Sustainable Economic Growth (PPS4) which superseded Planning Policy Statement 6: Planning for Town Centres (PPS6). References throughout the study are therefore to PPS6 rather than PPS4. In practice this change has no fundamental impact on the Study or its conclusions. Calculation of floorspace requirements has utilised a robust and established methodology, with PPS4 retail and leisure definitions remaining consistent with previous definitions in PPS6.

As a whole the study and the health check address the majority of health check indicators established in PPS6 and taken forward in PPS4, with only the new elements in PPS4 being absent.

Recommendations
Chapter 9 sets out the study recommendations for a retail and leisure vision and how this can be achieved. The Council is aware that prior to finalising any retail and leisure strategy further consideration needs to be given to these recommendations and to their deliverability in light of:
- Fit with the policy and strategy of RMBC and its partners
- Any statutory consultation and feedback
- Financial & commercial viability
- Physical/ spatial suitability
- Any barriers regarding land ownership/ assembly

Local Development Framework
The study, along with other relevant evidence base, will be taken into account in producing the Core Strategy and Site Allocations and Supporting Policies development plan documents. The Core Strategy and other LDF documents will set out a strategy for Rotherham Town Centre (including retail and leisure) and policies to help deliver this. Further analysis is likely to be provided in a town centre background paper to accompany the draft Core Strategy which will be subject to consultation in the future.

RMBC Forward Planning
RMBC Town Centre Management
June 2010
## CONTENTS – Volume 1

| PAGE |
|-----------------|---|
| EXECUTIVE SUMMARY | iv |
| 1.0 INTRODUCTION | 1 |
| Terms of Reference | 1 |
| Study Approach | 3 |
| Structure of the Report | 4 |
| 2.0 RETAIL AND LEISURE – TRENDS AND NATIONAL CONTEXT | 6 |
| Introduction | 6 |
| Retailing – Periods of Rapid Change | 6 |
| Early 1990s Recession | 9 |
| Retail Evolution Since the Mid 1990s | 10 |
| Out of Town Retailing and Leisure | 13 |
| E-tailing | 16 |
| The Credit Crunch and its Effects on the Retail Economy | 17 |
| Implications of National Retail Trends for Rotherham | 22 |
| Government Planning Policy | 25 |
| Summary | 26 |
| 3.0 QUANTITATIVE RETAIL NEED ASSESSMENT: DATA SOURCES AND ASSUMPTIONS | 27 |
| Objectives | 27 |
| Quantitative Retail Need Methodology | 27 |
| The Household Telephone Survey | 29 |
| Principal Data Sources | 31 |
| Interpretation and Definitions | 33 |
| 4.0 SHOPPING PATTERNS AND RETAIL PERFORMANCE | 43 |
| Introduction | 43 |
| Catchment Area Definition | 43 |
| Assessment of the Rotherham MB Retail Economy | 44 |
| Rotherham Town Centre Catchment Area | 49 |
| Centre Dominance | 50 |
| Summary | 51 |
| 5.0 QUANTITATIVE RETAIL NEED: METHODOLOGY AND ASSESSMENT | 53 |
| Objectives | 53 |
| Our Approach to Retail Floorspace Need | 54 |
| Non-Bulky and Bulky Comparison Goods | 54 |
| Convenience Goods | 63 |
| Summary | 66 |
6.0 THE NEED FOR FURTHER RETAIL DEVELOPMENT IN ROTHERHAM TOWN CENTRE

Introduction ...............................................................................................................68
Convenience Goods Floorspace Need .................................................................69
Non-Bulky Comparison Goods Floorspace Need ...............................................70
Bulky Comparison Goods Floorspace Need .......................................................73
Summary ...................................................................................................................74

7.0 THE NEED FOR FURTHER LEISURE DEVELOPMENT IN ROTHERHAM TOWN CENTRE

Introduction ...............................................................................................................77
Government Guidance: PPS 6 ...................................................................................77
The Existing Supply of Leisure Facilities in Rotherham Town Centre.................79
Leisure Trip Patterns in Rotherham MB .................................................................79
The Need for Further Leisure Development in Rotherham Town Centre .............84
Summary ....................................................................................................................88

8.0 RETAIL AND LEISURE STUDY: RESEARCH OVERVIEW AND CONCLUSIONS

The Potential Customer...........................................................................................89
The Actual Customer...............................................................................................90
Customer Retail Needs and Requirements.........................................................91
Major Issues with Regards to Rotherham Town Centre’s Retail And Leisure Offer...94
Major Retail Anchors Are Ineffective ....................................................................94
Limited Retail Offer ...............................................................................................95
Addressing Negative Perceptions about the Town Centre amongst Retailers and Shoppers ......................................................................................................................97
‘Sense of Place’ within Core Retail Area is not Building on the Strong Assets ....98
Competing Centres are very Strong ....................................................................99
Rotherham Town Centre Needs to Offer a More Rewarding Shopping Experience..99
Town Centre Health Check ....................................................................................100
Summary ..................................................................................................................107

9.0 RETAIL AND LEISURE STUDY: FUTURE VISION AND RECOMMENDATIONS

The Future Vision for Rotherham Town Centre Retail and Leisure Offer ............108
The Retail Strategy Mission Objectives...............................................................108
Delivering the Retail and Leisure Strategy ..........................................................116
Options for Rotherham Town Centre ...................................................................122
Recommended Alternative Town Centre Development Option for Core Strategy ...130
APPENDICES – Volume 2

Appendix 1: Household Telephone Survey
(A) Survey Methodology and Sampling
(B) Survey Questionnaire
(C) Key Results
(D) Market Share Data by Centre and Zone

Appendix 2: Experian Data (Technical Assumptions)
(A) Definition of Convenience and Comparison Goods (Extract)
(B) Convenience and Comparison Goods Expenditure Per Head
(C) Expenditure Forecasts (April 2009 Forecasts)
(D) Forecasts of Special Forms of Trading (Extract)
(E) Changing Store Productivities (Extract)

Appendix 3: Retail Floorspace – Rotherham Town Centre
(A) Existing Retail Floorspace Stock
(B) Retail Floorspace Commitments: Floorspace and Estimated Benchmark Turnovers

Appendix 4: Retail Floorspace Need Assessment
(A) Methodology for Assessing Retail Floorspace Need
   Scenario 1 – Adjusting the Market Shares
(B) The Need for Additional Non-Bulky Comparison Goods Floorspace
(C) The Need Additional Bulky Comparison Goods Floorspace
(D) The Need for Additional Convenience Goods Floorspace
   Scenario 2 – Constant Market Shares
(E) The Need for Additional Non-Bulky Comparison Goods Floorspace
(F) The Need Additional Bulky Comparison Goods Floorspace
(G) The Need for Additional Convenience Goods Floorspace

Appendix 5: The Retail Group: Detailed Research Findings
(A) Rotherham Resident Lifestyle Profile
(B) Demographic Information
(C) Rotherham Town Centre Retail Review
(D) Rotherham Town Centre Retailer / Operator Discussions
(E) Competing Centres
(F) Strategic Initiatives Framework
(G) Retailer Business Support

This report has been jointly prepared by:

The Research & Forecasting Department
Colliers CRE
9 Marylebone Lane
London W1U 1HL
www.collierscre.com
Contact: Dr Richard Doidge
Tel: 020 7344 6872

The Retail Group
22(b) Leathermarket Street
London SE1 3HP
www.theretailgroup.co.uk
Contact: Mr Paul Frater
Tel: 020 7407 7711
EXECUTIVE SUMMARY

1. In January 2009, Colliers CRE and The Retail Group were instructed jointly by Rotherham Metropolitan Borough Council (MBC) to prepare a Retail and Leisure Study for Rotherham Town Centre.

2. Over the past 20 years Rotherham Town Centre has been subject to changing national retail and leisure trends and the more localised impacts resulting from the Meadowhall Shopping Centre and Retail World. More recently the economic downturn has further eroded the vitality and viability of the town centre. The Council now accept that a study is required which will enable Rotherham to compete effectively with nearby centres and to claw back trips and expenditure currently leaking out of the area.

Study Requirements

3. The key requirements of the study are as follows:

- to provide baseline research such as retail and leisure floorspace audits, and estimates of existing and future consumer retail expenditure;

- to review the retail and leisure markets and identify national, regional and local trends and future prospects for Rotherham;

- to carry out a range of surveys to determine shopper behaviour and to better understand the structure and dynamics of Rotherham Town Centre;

- to undertake consultations with Council officers and other important stakeholders;

- to prepare a health check for the town centre;

- to carry out assessments of the need for additional retail floorspace and leisure facilities in the town centre; and
• to help develop a vision for the successful delivery of projects which will lead to the regeneration of Rotherham Town Centre and enhancement of its retail and leisure economies.

Borough-wide Shopping Patterns

4. The household telephone survey undertaken as part of the study indicates that Rotherham MB is currently retaining some 63% of locally generated consumer retail expenditure which is a credible performance, particularly given the scale and close proximity of competing centres. This overall performance is due to a strong showing in both convenience goods (83% of spend is retained) and bulky comparison goods (68%). In contrast, just 44% of locally generated non-bulky comparison goods expenditure is retained by the MB.

The Trading Performance of the Town Centre

5. Within the Borough, Rotherham Town Centre attracts only £1 out of every £10 generated by its residents, which is very low. Whilst the town centre’s bulky comparison goods share at less than 1% is negligible it is not of most concern, given the close proximity of extensive retail warehouse provision at Retail World. More problematic is the town centre’s low 14% market share of non-bulky comparison goods expenditure generated with the MB. Rotherham Town Centre should be the natural destination for this type of shopping within its own area, yet 86% of available spend in the MB flows to other centres – around one-third to other locations within the Borough (mainly Retail World) and two-thirds to centres outside such as Meadowhall and Sheffield.

6. In relation to convenience goods – a form of shopping which is typically undertaken locally – Rotherham Town Centre’s market share of expenditure generated within the MB at 10% is reasonable, yet at the same time provides scope for further improvement.
7. Accordingly, the analysis of shopper behaviour and consumer retail expenditure flows indicates that there exists both a necessity, and considerable scope, for material improvements to the non-bulky comparison and convenience goods retail offers in Rotherham Town Centre.

8. Whereas in the past the retail sector expanded quickly on back of rapid economic growth and sites may have had to be found within the MB to accommodate the significant growth in spend, the immediate future heralds a time of negative growth and much lower retail demand. Therefore, it is likely that significantly less additional retail floorspace will be required across the MB as a whole in the future than in the past.

9. This makes it all the more important that what new retailing is provided is located in the town centre in order to facilitate its regeneration and to stem the substantial leakage of consumer retail expenditure to other locations in the MB (eg. Retail World) and centres outside, such as Sheffield and Meadowhall.

**Retail Floorspace Need**

10. Encouraging the provision of new non-bulky comparison and convenience goods floorspace in Rotherham Town Centre lies at the heart of any regeneration and should enable Rotherham to halt its many years of retail decline and instead re-capture its former buoyancy and position much higher-up the national retail ranking.

11. In terms of convenience goods floorspace, we estimate there will be a need for an additional 1,340 sq m net (2,060 sq m gross) at 2014, rising steadily to 2,035 sq m net (3,135 sq m gross) by 2026. Similarly, in relation to non-bulky comparison goods, we estimate a need for up to 5,555 sq m net (8,335 sq m gross) at 2014 after commitments, rising to 7,240 sq m net (11,150 sq m gross) at 2026.

12. These estimates of retail floorspace need should be taken as likely maximums, although, in practice, there is some scope in their interpretation. For example, in the present market, a retail commitment which we have included may slip in time or not get built at all or may get built but include significant elements of non-retail floorspace. Thus taking into account all
13. Conversely, with an increasing level of void retail floorspace within the town centre, the Council may consider that some of the forecast retail need could be met through the re-occupation of vacant units, thus requiring a smaller quantum of new, additional retail floorspace to be provided. However, it should be born in mind that a significant proportion of the existing vacant retail floorspace is poorly located and/or comprises of units that are unattractive in size, configuration or condition.

14. With the over-riding emphasis on improving both the quantity and the quality of retail provision within Rotherham Town Centre, the Council should not be surprised (or concerned) if some existing retailers trading at or close to the margin and located in the more peripheral parts of the town centre fall out of retail use. This could lead to a potential physical contraction of the town centre shopping area in the longer term. This loss of “old” retail floorspace would be a small price to pay for the overall significant improvement to the scale and attractiveness of the town centre brought about by new retail development. Given the poor trading levels of any store closures, the subsequent release of expenditure is unlikely have a material bearing on the overall need for retail floorspace in the town centre.

The Need for Leisure Facilities

15. Leisure is in broad terms a growing market in the UK and many Councils have tapped into it to improve the attraction of their towns and cities through the development of new facilities, often as part of new mixed-use schemes or as planned leisure quarters.

16. An analysis of the latest national forecasts of growth of the different leisure activity markets, combined with research on the frequency and destination of consumer leisure visits in the Rotherham area, indicates that a cinema is the most appropriate new leisure use for the town centre. This is followed by more and better pubs/bars, cafes and restaurants, particularly those that cater for a broader, more family oriented customer base.
Additional Research Undertaken

17. In addition to the extensive research that has been undertaken to inform the quantitative needs assessment already described, a considerable amount of fresh, bespoke qualitative research has been originated to inform this Retail and Leisure Study. This includes the most detailed field based analysis of the town centre retail and leisure offer that has ever been undertaken, discussions with operators in the town centre, field based analysis of the surrounding competing centres and consultation with a wide variety of retail stakeholders.

18. Furthermore, the study has drawn on a large number of further secondary research sources including Colliers CRE's Household Survey, Rotherham MBC Staff feedback and Shopper and Renaissance Roadshow Surveys, as well as the major strategic initiatives both underway and planned. A unique and key focus of this study is that it is fundamentally driven by the needs of existing and potential consumers, be they shoppers, workers or visitors.

Rotherham's Shopper Base

19. Rotherham currently attracts three core groups of shoppers. The biggest group are mass market value seekers (70% of shoppers), for whom money is tight, tastes mainstream, outlook limited, with price being a major issue. The second group is the lower mid market consumer (12%). These consumers are more discerning, experienced shoppers, seeking the best quality they can afford. Food, convenience and facilities are major factors influencing their retail behaviour. The final group is the mid market quality shoppers (8%) for whom money is not a major issue, but quality and service being key influences on their retail outlook. As a result of the deficiencies of the retail offer, the town centre is over indexing on the mass market shoppers to a large extent.

Rotherham's Existing Retail Offer

20. The existing retail and leisure offer is evenly dominated by retail and service goods operators. Store sizes in general are small, anchors are ineffective and not performing their role in attracting consumers to the town. Many stores have dated shop fits and fascias and there are some noticeable gaps in the leisure and food and beverage provision. Catering in
particular is one-dimensional, fast food focussed and offers little for the more discerning shoppers, worker or family group. Although the independent offer has some clear strengths, the offer overall has little critical mass due to it being too dispersed throughout the town centre.

21. Retailers are performing to a satisfactory level at the moment, but are very concerned about the future prospects for the town centre. They cite the high profile vacant units, parking and presence of gangs as being major issues to be addressed as a matter of urgency.

22. Despite the above weaknesses, all consumer groups are visiting the town centre on a very frequent basis and this is a major strength to build on. Potential customers have told us they want to see more and bigger shops, more national multiples, more clothing, better catering, safer environment and more leisure. A better foodstore provision in particular would appeal to the better quality two consumer groups who currently spend a great deal of their expenditure at Parkgate and Meadowhall. The indoor market scored very positively across all consumers as a major strength of the town centre, despite its very poor visibility, impact and external environment.

23. Major issues to be addressed and which have influenced the development of the retail vision are that Rotherham’s offer has stood still, the high profile empty units, the need for visible change and delivery of an improved retail offer (including more shops, bigger shops, more anchors, more clothing, more national multiples, more and better food & beverage, more quality independents, more quality catering, more restaurants and more leisure, including a cinema). Furthermore there are too many small units. There’s a noticeable lack of improvement activity (bar new B&M store) and the competing centres continue to grow and evolve.

**Vision for Future Retail Offer**

24. The vision for Rotherham Town Centre in the future is:
Rotherham Town Centre in the future will be a place that appeals to its mass market and lower mid market local residents and town centre workers by offering a comprehensive range of everyday convenience, service and comparison goods. There will be a wide variety of catering facilities available covering the full day. The thriving retail and leisure offer, will be complemented by the attractive and enhanced public realm available around the Minster and All Saints Square. The quality local independents, refurbished indoor market, new cinema, rejuvenated high street and extensive programme of children’s facilities and family events will help to make it a destination of choice for local consumers.

Future Retail and Leisure Offer

25. This study builds upon the variety of Strategic Initiatives underway, in particular the various projects included within the Rotherham Renaissance programme, Strategic Development Framework, Public Realm and Parking Strategies.

26. The future direction for the town centre is one that will deliver a broader retail and leisure offer, attract a limited number of new and bigger multiple operators, create suitable space to match current requirements of expanding retailers, provide a much better independent, catering and leisure offer, refurbished and significantly enhanced indoor market, improved family experience and enhanced sense of place.

27. The study spatially identifies where each of the above recommendations can and need to be provided within the town centre. Beyond this study it is recommended that Development Planning Consultants are retained to explore specific development and compulsory purchase options, costings and delivery mechanisms.

28. The various Rotherham Renaissance Projects are assessed in terms of the likelihood they will deliver the recommendations of the Retail and Leisure Study, and its fair to summarise that although they will help, there is significantly more that needs to change specifically in relation to the core retail and leisure retail offer.
29. Furthermore, the three proposed options in the Core Strategy are assessed in terms of their ability to deliver the Retail Mission Objectives. The preferred option based on the conclusions arising from this study is a hybrid of B, namely extend town centre to the North East (to facilitate an improved integrated foodstore provision), but not to the South West which will stretch the town centre boundary too far.

*(Please note that all figures contained in this report are dated from a baseline of March 2009. The report was written prior to the publication of PPS 4: Planning for Prosperous Economies on 29 December, 2009).*
1.0 INTRODUCTION

Terms of Reference

1.1 Colliers CRE and The Retail Group were instructed jointly by Rotherham Metropolitan Borough Council (MBC) in January, 2009 to prepare a Retail and Leisure Study for Rotherham Town Centre.

1.2 Over the past 20-30 years Rotherham Town Centre has been subject to changing national retail and leisure market trends and the more localised impacts resulting from the Meadowhall Shopping Centre and Retail World. The recent economic downturn as a result of the credit crunch is also affecting high streets across the country. All of this has tended to undermine the vitality and viability of Rotherham Town Centre.

1.3 The Council accepts that something needs to be done to Rotherham Town Centre in order for it to be able to compete effectively with nearby centres and to claw back spend and trips leaking out of the local area. The study should have regard to the following strengths and opportunities:-

- a range of traditional ‘market town’ characteristics such as indoor and outdoor markets;
- a growing resident and working population in the town centre area;
- a primary focus for existing and planned improvements to public transport; and
- various river and canal frontages.

1.4 A Brief prepared by Rotherham MBC outlined the background, scope and purpose of the Town Centre Retail and Leisure Study. The main purpose of the study is to set out a clear vision for the future of retail and leisure in Rotherham Town Centre and provide recommendations on how this vision can be achieved. It will also provide an evidence base for the Local Development Framework (LDF). As such the study must come up with practical recommendations as to how Rotherham can improve its role and attractiveness in the future in the face of stiff competition and emerging trends within the retail and leisure sector.
1.5 The Brief sets out the detailed Requirements for the Rotherham Town Centre Retail and Leisure Study, which is to cover the period to 2026. The key requirements are as follows:

- **to provide baseline research** – to include population forecasts, retail and leisure floorspace audits and estimates of existing and future consumer retail expenditure;

- to review the *retail and leisure markets* and identify national, regional and local trends and future prospects for Rotherham;

- to carry out a **household telephone survey** – this is the only means of deriving accurate and robust data on shopping patterns, which is a vital input to identifying areas of any over and/or under trading and the quantitative assessment of retail floorspace need;

- to carry out **shopper and retailer surveys** in order to better understand the structure and dynamics of Rotherham town centre, its strengths and weaknesses and to identify areas of potential or gaps in the retail offer;

- to carry out **consultations** with local authority officers and other key stakeholders and interested parties – to ensure a partnership approach and to fully take into account any suggestions raised;

- to prepare a comprehensive **health check** for Rotherham town centre - to be carried out in accordance with PPS 6 and embracing existing data and reports, whilst making extensive use of newly generated survey data and other in-house and published data sources;

- to prepare a **synopsis of current and proposed projects and initiatives** in and around Rotherham town centre;

- to prepare a robust **retail needs assessment** for Rotherham town centre;
• to develop a **vision for the future of Rotherham town centre** – to include innovative solutions for the successful delivery of projects in terms of branding, location, planning policy, size, mix and the identification of target operators.

• **recommendations** – drawing on all the above work components, to present recommendations for developing robust and realistic retail and leisure planning and town centre policies – to include measures to improve the vitality and viability of the town centre, the quality (and quantity) of its retail and leisure offer and recommendations for opportunity sites.

**Study Approach**

1.6 In preparing this report, we have drawn on the wide range of skill sets available at Colliers CRE and The Retail Group. Specifically, we have sought to combine experience in terms of:

- Research
- Retail Agency
- Planning
- Consumer / Market Research

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

1.7 Although some 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 new data falls into two broad categories as follows:-

- we undertook a telephone survey of 1,000 **households** living throughout Rotherham MB and its shopping hinterland;
• we have incorporated the very latest and most accurate statistics available in respect of the following:

- retail floorspace of existing shops within Rotherham Town Centre;

- consumer retail expenditure per head for small areas (zones) within Rotherham MB and its shopping hinterland;

- current and projected populations;

- details of retail floorspace in the development pipeline within Rotherham Town Centre.

1.8 In practice, many of the survey results and the technical data feed into our quantitative assessment of retail floorspace need.

**Structure of the Report**

1.9 This report is in two volumes. Volume 1 (this volume) comprises the consultants report, whilst Volume 2 contains all the Appendices.

1.10 Following this Introduction, Section 2 reviews the main national trends characterising the retail and leisure sectors and how these are likely to impact on the Rotherham Town Centre economy over the next decade or so.

1.11 In Section 3, we introduce our methodology to assessing the quantitative need for additional convenience goods and non-bulky and bulky comparison goods floorspace within Rotherham Town Centre. The sources of data are identified, the methodology of the ‘model’ is described and our key assumptions are explained.

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1 This data was derived from an audit carried out by The Retail Group.
2 This data is derived from Experian.
3 This information has been provided by Rotherham MBC.
4 This information has been provided by Rotherham MBC.
1.12 In Section 4, we consider the present retail offer, and drawing on the results of the household telephone survey, examine the current pattern 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 Rotherham Town Centre.

1.13 In Section 5, we describe our approach to quantifying the need for additional convenience goods and non-bulky and bulky comparison goods floorspace within Rotherham Town Centre. This quantitative need assessment is carried out for the forecast years of 2014, 2019 and 2026.

1.14 Section 6 sets out in full the results of our retail floorspace needs assessment within Rotherham Town Centre for convenience goods and non-bulky and bulky comparison goods shopping.

1.15 In Section 7, we present our assessment of the need for additional leisure uses within Rotherham Town Centre. Our analysis combines results from the household telephone survey with published market research and our own audit of existing leisure provision.

1.16 Section 8 provides an overview of the various strands of in-depth research that have been undertaken to inform an approach to the revitalisation of Rotherham Town Centre and presents the conclusions of this research. This section is supported by much more detailed analysis set out in Appendices.

1.17 Lastly, in Section 9 our overall vision for the future of Rotherham Town Centre is set out. The key initiatives that will translate this vision into reality are described.
2.0 RETAIL AND LEISURE – TRENDS AND NATIONAL CONTEXT

Introduction

2.1 It is useful to set the shopping and leisure markets within Rotherham 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 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 1997 and 2007, for example, retail spend rose by almost £90,000 million (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, 1997–2007 – At Current Prices

Source: Verdict UK Town Centre Retailing 2008.
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 sectors 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 33% and 32% respectively by 2007. 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, 1997-2007**

![Figure 2.2 Retail Floorspace by Location, 1997-2007](image)

*Source: Verdict UK Town Centre Retailing 2008.*

**Figure 2.3 Retail Sales by Location at Current Prices, 1997-2007**

![Figure 2.3 Retail Sales by Location at Current Prices, 1997-2007](image)

*Source: Verdict UK Town Centre Retailing 2008.*
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 were 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 likely to be repeated, possibly on an even more severe scale. Woolworths and MFI the first major 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 have now been rising each year since 1993-94, in real terms (i.e. after taking...
inflation into account) values still remain lower than those achieved more than a decade ago. In absolute terms, the average UK prime rent rose from £52 per sq. ft in 1987 to £75 per sq. ft in 1990 before falling back to £68 per sq. ft in 1993. Since then, the average rent has increased annually to reach £123 per sq ft in May 2008.

**Figure 2.6 Average UK Prime Retail Rent, 1987-2008**

![Average UK Prime Retail Rent, 1987-2008](image)

*Source: Colliers CRE In-Town Retail Rents Database.*

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.

2.19 The government continues to seek ways to further clarify / simplify planning policy and the planning process.
Out of Town Retailing and Leisure

Food

2.20 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) 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 per Head by Goods Type, Annual Average for the UK (Constant Prices) between 1980 and 2016

Source: Experian Forecast, January 2009

2.21 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).

2.22 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.

2.23 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 32,000 food shops over the past decade.

**Table 2.1 Total Grocery Store Numbers by Retailer Type, 1997-2007**

<table>
<thead>
<tr>
<th>Year</th>
<th>Larger Superstores</th>
<th>Supermarkets and Smaller Grocers</th>
<th>Food Specialists</th>
<th>Other Stores</th>
<th>Total Stores</th>
</tr>
</thead>
<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>
</tr>
<tr>
<td>1998</td>
<td>1,117</td>
<td>33,766</td>
<td>39,407</td>
<td>25,691</td>
<td>99,981</td>
</tr>
<tr>
<td>1999</td>
<td>1,150</td>
<td>33,586</td>
<td>37,996</td>
<td>22,480</td>
<td>95,212</td>
</tr>
<tr>
<td>2000</td>
<td>1,180</td>
<td>33,228</td>
<td>36,157</td>
<td>20,756</td>
<td>91,321</td>
</tr>
<tr>
<td>2001</td>
<td>1,235</td>
<td>33,040</td>
<td>34,240</td>
<td>19,208</td>
<td>87,723</td>
</tr>
<tr>
<td>2002</td>
<td>1,292</td>
<td>32,785</td>
<td>33,155</td>
<td>17,644</td>
<td>84,876</td>
</tr>
<tr>
<td>2003</td>
<td>1,319</td>
<td>32,523</td>
<td>30,856</td>
<td>16,349</td>
<td>81,047</td>
</tr>
<tr>
<td>2004</td>
<td>1,351</td>
<td>32,423</td>
<td>28,963</td>
<td>14,194</td>
<td>76,931</td>
</tr>
<tr>
<td>2005</td>
<td>1,385</td>
<td>32,288</td>
<td>28,244</td>
<td>13,373</td>
<td>75,290</td>
</tr>
<tr>
<td>2006</td>
<td>1,434</td>
<td>32,138</td>
<td>27,750</td>
<td>12,540</td>
<td>73,862</td>
</tr>
<tr>
<td>2007</td>
<td>1,480</td>
<td>31,958</td>
<td>27,123</td>
<td>11,760</td>
<td>72,321</td>
</tr>
</tbody>
</table>

% Change 1997-2007: 36.5 -7.2 -34.6 -57.5 -30.9

*Source: Verdict UK Grocery Retailers 2008.*
Non-Food

2.24 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.

2.25 The retail warehouse market continues to segment as it matures. Prime rents are 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 are being paid by a wider range of retailers (typically for smaller retail warehouses) 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.

2.26 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 into the market, and the down-sizing of B & Q. Added to this are the residual units from the 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.
Leisure

2.27 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.

2.28 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.

2.29 A number of city centre based urban entertainment centres have opened over the past few years (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 5 a-side football operations.

E-tailing

2.30 In 2002, the value of online retail spending was just £3.8 billion, representing 1.6% of all UK retail sales. By 2007, however, it had grown to £14.7 billion (5.2%). Online sales have therefore risen rapidly to become an integral part of the UK retail market, and are still growing.

2.31 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.

2.32 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 beyond the point where growth is simply cannibalisation of more traditional home shopping formats. E-tailing is therefore now capturing some of the consumer spend that previously flowed to bricks and mortar retailing.

2.33 This implies internet retailers are drawing trade away from the UK’s high streets. In practice, however, some of these operators run both traditional and online operations; for example, Argos and Tesco. Therefore, this 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.

2.34 The forecasts for e-tailing suggest that online sales will continue to increase over the next five years. Perhaps of more importance to retailers is the expectation that online sales are expected to capture an increasing share of all retail goods sales, rising to around 12% by 2015 according to Experian. Experian expects e-tailing to follow the s-curve profile of a slow start, rapid take-off and an eventual plateau. They expect the market share of e-tailing as a proportion of total retail to stabilise from 2015 onwards.

The Credit Crunch and Its Effects on the Retail Economy

The Downturn: Moving into Economic Recession

2.35 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.

2.36 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.

2.37 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.

2.38 As a result of the economic downturn, the retail sector has also taken a severe battering. A string of high profile retailers have gone 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.

2.39 Consumer confidence is low falling sharply over 2008 (see Figure 2.8 overleaf) 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 before Christmas, 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.
2.40 Confidence in the retail sector as a whole is expected to remain weak throughout 2009, and possibly beyond, with the likelihood of further big name retailers slipping into administration as the UK continues to remain in economic recession. However, all is not bad with many of the food store operators and value retailers continuing to buck the trend and perform well.

National Retail Outlook

2.41 The key characteristics of the retail market are as follows:-

- With falling price inflation, increasing non-food sales in supermarkets, rising costs, rapidly rising unemployment, and consumer spending growth stalling, the retail market is experiencing tougher conditions than for some time.

- Accordingly, there is no room for weak concepts, weak management or poor service.
• Branding and specialisation is becoming increasingly important, resulting in ‘generalist’ retailers struggling to maintain their market share.

• While the number of shopping centre openings during the past couple of years has been relatively low the next cycle is now underway and the development pipeline is now reaching a size not witnessed for over a decade. Approximately 486,000 sq m of shopping centre floorspace is scheduled to be built each year between 2009 and 2012, although in the current economic climate construction of a number of these schemes may slip.

• After many years in the doldrums, department stores are gaining in popularity with consumers as a result of the range and choice of products for sale under one roof and the quality of service on offer. The ageing customer base of the UK is also fuelling the growth of this format. Although major city centres are the principal locations for department stores, some operators such as Debenhams are locating in smaller towns with populations of 75,000 for a mini-department store format of 13,000 sq ft branded Desire.

2.42 The ‘exodus’ of high street retailers to out of town is a widely publicised theme. However, Colliers CRE research shows that only around 10% of out of town floorspace is in fact occupied by high street retailers, while only a small number (eg. Next and TK Maxx) are showing any real commitment to the out of town market outside the relatively small number of fashion parks. In many cases seeking out of town representation to replace a high street store is rare and is more to do with a lack of suitable opportunities in-centre. It is the sector’s reliance on bulky comparison goods operators, which are currently having a difficult time, that is leading to the increase in voids amongst new and second hand floorspace out of town.

2.43 Obtaining planning consent for an out of centre retail development continues to be difficult. Increasingly landlords and operators in this sector are addressing the issue through extensions to existing retail parks and individual superstores or through the re-working of existing consents, for example by refurbishment and/or redevelopment. The supermarket operators in particular are also now devising new high street trading formats which are being rolled out throughout the UK.
2.44 In the leisure sector, it is unlikely that future development will replicate the established leisure parks or urban entertainment centre formats. Instead selected leisure uses will be incorporated into mixed use schemes or shopping centre development and refurbishment projects. These uses are likely to be focused on specific operator demand at the local level – a marked shift away from the ‘build it and they will come’ development philosophy of the late 1990s.

2.45 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 a few years time. However, should these prove wrong and spending on-line continues to gather pace in the medium 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.
**Implications of National Retail Trends for Rotherham**

2.46 The key national retail trends described above will clearly have important implications for Rotherham’s retail economy. Before commenting on what these are likely to be both in the short and medium term, it is useful to set the scene by examining how Rotherham – and the town centre in particular – has performed in recent years.

2.47 UK centre retail rankings published by the Javelin Group enable Rotherham’s position in the evolving UK retail hierarchy to be tracked over time. The data in Table 2.2 indicates that in the mid 1990’s Rotherham was ranked as the 200th leading retail centre in the UK. By 2000 the town centre had slipped a little to 214th position, whilst the 2008 ranking (recently published) shows Rotherham has fallen further down the UK ranking to 282nd. With little material retail development in the immediate pipeline, it is likely that without the implementation of a successful new strategy, Rotherham Town Centre will slip further down the national ranking over the next few years brought about by the opening of a small number of new high order centres and (mainly) existing centres continuing to improve and extend their retail offers.

<table>
<thead>
<tr>
<th>Year</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>200</td>
</tr>
<tr>
<td>2000</td>
<td>214</td>
</tr>
<tr>
<td>2003</td>
<td>231</td>
</tr>
<tr>
<td>2006</td>
<td>264</td>
</tr>
<tr>
<td>2008</td>
<td>282</td>
</tr>
</tbody>
</table>

*Source: VenueScore, Javelin Group*

2.48 Rotherham’s relative retail decline, confirmed by its fall down the UK retail ranking, is reflected in its prime retail rental performance over the past 20 years; particularly over the past decade (see Figure 2.9 overleaf). Prime rents in the town centre as at mid 2009
(£70 psf) were no higher than almost 20 years earlier, whilst the regional and national averages have shown big increases.

**Figure 2.9: Prime Retail Rental Performance: Rotherham Town Centre vs Yorkshire & The Humber and UK Averages**

Source: Colliers CRE In-Town Retail Rents Database, 2008

2.49 As described above, in recent months the UK retail economy has begun to face the harsh realities of a sudden tail off in consumer retail expenditure as a result of the recession. This is triggering retailer failures and is leading to an increase in vacant units across the nation’s high streets, including Rotherham Town Centre. Our own monitoring of voids\(^1\) has shown that the number of vacant units in the town centre has risen from 28 in April 2007 to 46 in April 2009. This has led to an increase in vacant floorspace from 58,800 sq ft to 101,600 sq ft over the same two year time-period. As a consequence, the proportion of vacant units has risen to 15.3% from 8.8% in April 2007, whilst the proportion of vacant floorspace has increased to 17.6% from 9.8% two years ago.

\(^1\) Colliers CRE National Retail Barometer.
2.50 The national trend of in-centre retail floorspace (and retail sales) becoming increasingly concentrated in the largest centres is evident in the Rotherham area. Whilst Meadowhall, Sheffield City Centre and Park Gate/Retail World have maintained or increased their retail offers over time, the volume and range of retail provision within Rotherham Town Centre has fallen back as reflected in its slip down the retail rankings.

2.51 Looking ahead, there is also likely to be a growing focus on local shopping facilities due to reasons of sustainability and the fact that an increasingly elderly population will favour (and require) shopping provision that is easily accessible, particularly by public transport, and is close to where they live. This is as applicable to Rotherham as anywhere else in the UK.

2.52 Like many other large cities in the UK, Rotherham has also experienced significant out of centre retail development, both in convenience and comparison goods. Much of this has taken place at Park Gate/Retail World, which now provides a wide range of multiple traders selling both non-bulky and bulky comparison goods, as well as a Morrisons superstore. This retail park is now ranked the 7th most attractive in the UK by VenueScore.¹

2.53 Over the course of the past 12 months, the bulky comparison goods market has taken a hit due to the decline in the housing market (falling prices and fewer people moving home). A number of national retail warehouse operators such as MFI have fallen into administration and this is creating some voids out of centre in Rotherham and elsewhere. Consumer spending on big ticket items is likely to remain subdued for some time and this will curtail the pressure from retailers for more retail warehouse space in the town.

2.54 The food store operators generally continue to perform better (everybody must eat even during a recession), although it is the discounters, such as Lidl and Aldi, that appear to be picking up sales and market share at the expense of the big operators. The discounters have ambitious plans for further store openings in the UK and Rotherham Metropolitan Borough may therefore expect to experience further pressure from this store format.

¹ VenueScore 2009, Javelin Group.
2.55 Over the medium term, the quantum of need for additional retail floorspace provision within the Rotherham area, in general, is likely to be much less than that which has occurred on the ground over the past decade or so. Given this context, it is vital that any new retail provision is provided within, or on the edge of (and linked well to) the existing town centre. This should attract new shoppers and therefore help reverse the centre’s recent fall down the retail ranking and improve its present low market share of available expenditure. The overall volumes of retail need will be largely governed by a lower forecast growth in consumer retail expenditure and continuing in-roads into the market by internet shopping. We return to these key issues later this report, where we quantify the need for new retail floorspace within Rotherham Town Centre through to 2026.

**Government Planning Policy**

2.56 With the publication of the Consultation Paper on new Planning Policy Statement 4 in May 2009, the Government is seeking to bring together all national policies for economic development into a single PPS.\(^1\) The consultation period ended on 28\(^{th}\) July 2009, whilst it is the government’s intention to launch the new PPS 4 by early 2010.

2.57 The underlying philosophy of the document is to be comprehensive and to marry the approach of greater flexibility for economic development (previous draft PPS 4) with the much more rigid approach of the sequential approach to town centre uses in general and retail in particular. The 24 policies are split into Plan Making (11) and Decision Making (13). The document concentrates on setting out policies rather than “how to” guidance.

2.58 The new PPS 4 defines economic development (which excludes housing) and sets out a range of policies to encourage and facilitate it. However, town centres uses are separately defined and are treated differently. Indeed the new (more mechanistic) draft policies seek to strengthen the control of out of centre development of such uses. The needs test is removed, whilst the impact test is retained and strengthened.

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\(^1\) The new PPS 4 will replace the current draft PPS 4 and PPS 6, whilst PPG 5, PPS 7 and PPG 13 in part are also being replaced.
2.59 A Good Practice Guide accompanies the draft PPS 4. It contains a great deal of practical advice on how to carry out the various tests and assessments, but is not intended to be prescriptive or to stifle innovation. It also doesn’t seek to prescribe a single methodology or data source, and acknowledges that alternative approaches may be equally acceptable.

2.60 The draft PPS 4 is an attempt to place economic policy and town centre (retail) policy in the same document. However, in truth it fails to work – there remain two separate policies and two separate approaches. There is tension between using the economy to drive recovery, whilst seeking to keep a lid on out of centre retail development.

Summary

2.61 The retail and leisure sectors have been subject to significant changes when looked at over the medium term. 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 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 retail and leisure policy. Local authorities should therefore regularly monitor the dynamic retail and leisure sectors in order to ensure that their policies are both up to date and appropriate.
3.0 QUANTITATIVE RETAIL NEED ASSESSMENT: DATA SOURCES AND ASSUMPTIONS

Objectives

3.1 A major component of this study is to utilise the most recent and robust sources of data and estimate the need for additional retail floorspace within Rotherham Town Centre through to 2026. A quantitative assessment has been undertaken for three main categories of retailing – convenience goods and non-bulky and bulky comparison goods. An assessment of the need for further leisure provision is necessarily based much more on qualitative factors, such as ‘gaps’ in the market. The need for leisure floorspace is set out in Section 7.

3.2 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 quantitative retail need and have incorporated the very 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.

3.3 Section 5 of this report describes our approach to quantifying retail floorspace need, whilst we present the results of the assessment in Section 6. 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.

Quantitative Retail Need Methodology

3.4 The quantitative need for additional retail floorspace within an area (or centre) 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 a need for more 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.

3.5 Our methodology for estimating quantitative need is presented diagrammatically in Figure 3.1 (overleaf). The key steps are set out below.

**Step 1 Catchment Area Definition**

3.6 The catchment area should be defined with regard to the study objective. For this study it includes all of Rotherham Metropolitan Borough (MB) and its wider shopping hinterland.

**Step 2 Analyse Consumer Demand**

3.7 This involves multiplying population by consumer retail expenditure per head for the present and projected forecast year(s). This should include resident population, but also, where it is likely to occur, any in-flow retail expenditure from people living outside the survey area. The main type of inflow expenditure comes from visitors (tourists).

**Step 3 Analyse Retail Supply**

3.8 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 benchmark turnover.

**Step 4 Retail Demand Vs Retail Supply in the Base Year**

3.9 At this stage, the adequacy of the existing retail provision within Rotherham Town Centre in quantitative terms is assessed. For example, if actual turnovers assessed in Step 3 exceed
### QUANTITATIVE NEED METHODOLOGY

#### Demand

**BASE YEAR**

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

  - (a) Resident population \( \times \) Average spend per head
  - (b) Take account of inflow expenditure (e.g. tourists, commuters, longer distance trips)
  - (c) 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)

- Estimate Market Share or Level of Retained Expenditure within Catchment

- Check if the Catchment retail economy is trading at Equilibrium (i.e. is there any evidence of over or under trading)

- Ideally assessed through survey work. Should take into account affluence of local population, retailers costs for the area and the potential (if any) for retailers to achieve higher turnovers in their stores without negatively affecting shopper usage and attitudes or operational efficiency

- Convert any surplus expenditure into an existing floorspace need or convert any deficit expenditure into an existing floorspace stock over-supply or surplus

**FORECAST YEAR**

- Estimate Growth in Total Available Retail Expenditure within Catchment (and sub areas) through to Forecast Year (£m)

  - (a) Increase in resident population \( \times \) 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)

- Estimate Growth in Actual Retail Turnover within Catchment (and sub areas) through to Forecast Year (£m)

  - (a) Forecast turnover of existing floorspace (take into account (any) real changes in sales densities and potential re-use of vacant stock)
  - (b) Forecast turnover of (any) retail floorspace commitments

- 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).
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.

**Step 5 Changes in Retail Demand and Retail Supply through to Forecast Year(s)**

3.10 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 quantitative 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**

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

3.12 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;
- bulky comparison goods.

---

\(^1\) The household survey also provides information on consumer trip patterns in relation to a range of leisure activities (see Section 7).
**Definition of the Survey Area**

3.13 We reached agreement with Rotherham MB Council on the outer boundary of the household survey area. The survey area is shown in Figure 3.2 overleaf. It is more extensive than the Borough boundary, since it has been drawn to encompass the shopping catchment area of Rotherham Town Centre, which was expected to attract some shopping trips from over a wider area.

**Definition of the Expenditure Zones**

3.14 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.

3.15 Figure 3.2 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 constitute the shopping hinterland.

**Sampling**

3.16 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 of 83 households was drawn randomly and in proportion to the distribution of population. This ensures the results of the survey reflect for each zone 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.
Fig. 3.2 Definition of Household Telephone Survey 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
Rotherham
Parkgate
Doncaster

Scale: 1 : 222,125
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©2007 NAVTEQ. All rights reserved. ©CACI Limited, 2009
The Survey Questionnaire

3.17 The survey questionnaire was drafted in consultation with the Council and their agreement was obtained prior to the commencement of interviewing. A copy of the questionnaire is reproduced in Appendix 1B. Fieldwork for the household survey was carried out between 9 February and 2 March, 2009.

Survey Analysis and Results

3.18 In so far as we use the survey results to inform our assessment of retail floorspace need within Rotherham Town Centre, the key data which the survey generates is the percentage market share (in terms of expenditure) of towns and other centres 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 Rotherham MB and the survey area as a whole. In particular, the data allows the existing catchment area and retail turnover of Rotherham Town Centre to be determined for each broad category of goods. Appendix 1C sets out the key results of the household survey, whilst Appendix 1D provides full details of the expenditure market shares produced by the survey for each zone and category of goods. The survey forms the foundation for the retail floorspace need assessment.

Principal Data Sources

3.19 The quantitative retail need assessment which we present in Sections 5 and 6 utilises five major sources of data. All of the sources are new to this study. The data sources are as follows:-

Data on shopping trips patterns and consumer retail expenditure flows

Source: We have incorporated the results from a new household telephone survey of Rotherham MB and its shopping hinterland carried out
during February 2009. This has been described at paragraphs 4.11 to 4.18 above.

Data on population and population projections

Source: For each of the 12 zones that make up the survey area, ONS-based population estimates and projections to 2026 have been provided by the Council.

Data on consumer retail expenditure per head

Source: Bespoke data on average convenience goods and non-bulky and bulky comparison goods expenditure per head for 2007 has been obtained from Experian for the resident population living within each of the 12 zones. The expenditure per head data is summarised in Appendix 2B.

Data on existing retail floorspace

Source: Data on the quantum of existing (March 2009) retail floorspace in Rotherham Town Centre, as defined by the Local Plan, has been estimated from detailed site surveys carried out by The Retail Group. The estimated floorspace is disaggregated into convenience goods, and non-bulky and bulky comparison goods. (See Appendix 3A for full details).

Data on retail commitments

Source: The Council has prepared a schedule of retail schemes under construction and/or with planning consent as at March 2009 in Rotherham Town Centre – these are defined as commitments.

A schedule providing full details of each individual retail scheme by centre is reproduced in Appendix 3B.
Interpretation and Definitions

3.20 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 Sections 5 and 6, we hope that grouping them together below will assist the reader in understanding the technical analysis which follows.

Study Centre

3.21 In this study we assess the quantitative need for additional retail floorspace in Rotherham Town Centre.¹

Composition of Main Retail Goods Categories

3.22 In this study, at the request of the Council, we undertake separate quantitative need assessments for convenience goods and non-bulky and bulky comparison goods floorspace. Appendix 2A defines the detailed types of goods which comprise the convenience and comparison goods categories.

Base Year

3.23 We adopt a base year of 2009, which is when the household telephone survey was carried out that establishes the base line pattern of shopper behaviour and consumer retail expenditure flows.

Forecast Year(s)

3.24 The Council has requested that we forecast quantitative retail floorspace need to 2014, 2019 and 2026.

¹ However, both the household survey and “need model” have been set-up in such way that the quantitative need assessment may be extended to the whole Borough and other smaller centres within the Borough at a later date as part of the LDF planning process, if required.
**Price Base**

3.25 All monetary figures in this report are given in **constant 2007 prices**. This is the price base for the consumer expenditure per head data obtained from Experian.

**Future Growth in Consumer Retail Expenditure Per Head**

3.26 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 quantitative need assessment and it is vital that up to date, realistic and robust sources are used.

3.27 In this study, we adopt the latest available (April 2009) UK expenditure forecasts published by Experian. These are set out in full at **Appendix 2C** 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 rapid and substantial changes to the UK economy that have occurred over the past six months.

3.28 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 MapInfo) 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 now entered a period of economic recession. 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 fall-off in spending levels. Experian recommend, therefore, that:-

- “**economic forecasts are to be preferred over the projections for planning for future demand growth**”.
3.29 Following the advice of Experian, we therefore adopt their latest year on year expenditure forecasts through to 2026, which are summarised in Table 3.1.

Table 3.1: Expenditure Per Head Growth Forecasts (% Per Annum)

<table>
<thead>
<tr>
<th>Goods Category</th>
<th>Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
</tr>
<tr>
<td>Convenience Goods</td>
<td>0.9</td>
</tr>
<tr>
<td>Non-Bulky Comparison Goods</td>
<td>3.7</td>
</tr>
<tr>
<td>Bulky Comparison Goods</td>
<td>4.8</td>
</tr>
</tbody>
</table>


In-Flow Expenditure

3.30 By extending the household telephone survey area to well beyond the Rotherham MB boundary (see Figure 3.2), the objective was to capture virtually all day trips made into the town centre for shopping purposes. This approach is borne out by the pattern of market shares generated by Rotherham Town Centre across the 12 survey zones, which confirm that the town centre’s trade penetration falls off rapidly. This is a reflection of the town centre’s modest retail offer and the relatively close proximity of many much larger, and more attractive retail centres, such as Meadowhall, Sheffield City Centre and the Parkgate/Retail World retail complex.

3.31 We therefore assume all of Rotherham Town Centre’s retail expenditure is drawn from the household survey area and that in-flow expenditure is nil.
Special Forms of Trading and E-tailing

3.32 It is normal practice in the preparation of quantitative 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.

3.33 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 has been achieved through the cannibalisation of existing retail expenditure on traditional catalogue-based mail order. However, this cannot continue, so any further gains in e-tailing will directly feed through into an increase in retail sales through SFT. Accordingly, we feel it is prudent to take this into account in our quantitative need assessment.

3.34 In preparing this study, we have examined a range of published material on the subject of e-tailing. However, in our view, the most comprehensive and forward-looking research papers available on the topic have been prepared by Experian\(^1\) and these are reproduced in full in Appendix 2D.

3.35 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 will eventually plateau. The company publish separate projections of the future market share for SFT (including e-tailing) through to 2016 for convenience and comparison goods shopping.

3.36 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. Indeed Experian themselves note that:-

---

\(^1\) Source: Experian Retail Planner Briefing Note 2.3D ‘Estimates & Projections of Share of E-tailing in UK Retail spending, December 2005 and Experian Retail Planner Briefing Note 6.1, October 2008 (Revised January 2009).
“an internet sale does not necessarily imply that items have not passed through a retail outlet”.

3.37 This means of supplying the consumer is found principally in the food store sector and thus relates to convenience goods expenditure only. Therefore, the non-store retail sales market shares in Appendix 2D for convenience goods may be over-estimates. Experian also flag up the prospect that much of the recent acceleration in e-tail retail expenditure may be due to a "one-off" surge in the take-up of broadband. Taking into account all these factors, Experian present market shares for non-store retail sales as set out in Table 3.2 as representing plausible “central case” and “low case” scenarios by 2016.

Table 3.2 Experian’s Central and Low Case Scenarios for Non-Store Retail Sales at 2016 (% of Spend)

<table>
<thead>
<tr>
<th>Goods Categories</th>
<th>Central Case (%)</th>
<th>Low Case (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience Goods</td>
<td>8.1</td>
<td>6.0</td>
</tr>
<tr>
<td>Comparison Goods</td>
<td>13.9</td>
<td>13.0</td>
</tr>
</tbody>
</table>

3.38 On balance, we feel that adopting Experian’s low case scenario is most appropriate for convenience goods, especially given that in practice, some e-tailing spend that contributes to non-store retail sales is sourced from supermarkets and therefore does not fall within the true SFT definition. For this reason, we reduce the Experian (central case) market share of 6.5% to 4.9% for our base year of 2009 and assume the percentages set out in Table 3.3 for the design years.

3.39 For comparison goods (and we assume the same percentages for non-bulky and bulky comparison goods), we accept Experian’s market share for non-store retail sales for the base year (2009), but scale back the growth in SFT to reach 13.5% by 2014, which is midway between Experian’s central case and low case scenarios. Beyond 2014, we accept Experian’s forecast of a levelling off in market shares for SFT for both convenience and comparison goods, and therefore assume the same percentages in 2019 and 2026. Our market share assumptions for SFT are set out in Table 3.3 overleaf.
### Table 3.3  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>2007</td>
<td>4.0</td>
<td>10.2</td>
</tr>
<tr>
<td>2009</td>
<td>4.9</td>
<td>12.2</td>
</tr>
<tr>
<td>2014</td>
<td>5.9</td>
<td>13.5</td>
</tr>
<tr>
<td>2019</td>
<td>6.0</td>
<td>13.5</td>
</tr>
<tr>
<td>2026</td>
<td>6.0</td>
<td>13.5</td>
</tr>
</tbody>
</table>

*Source: Colliers CRE estimates based on Experian forecasts.*

**Turnover Allocation for Existing Retail Floorspace**

3.40 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 fact, 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.

3.41 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).

3.42 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 2E. For the first time, the forecasts take into account likely changes to the stock of retail floorspace, which is
Experian’s “recommended” method. The forecasts are set out in Table 3.4, and show a small decline over the next 12 months, prior to a return to positive average growth from 2011 through to 2026.

### Table 3.4 Retail Sales Densities: Forecasts (% Per Annum)

<table>
<thead>
<tr>
<th>Goods Category</th>
<th>2010</th>
<th>2011</th>
<th>2012-2016</th>
<th>2017-2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience</td>
<td>-0.6</td>
<td>0.1</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Comparison</td>
<td>-0.8</td>
<td>1.1</td>
<td>2.4</td>
<td>2.6</td>
</tr>
</tbody>
</table>

Source: Experian, Retail Planning Briefing Note Update, April 2009.

3.43 Experian further advise that for centres (or areas) 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 3.42. Similarly, in centres (areas) 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 quantitative need assessment – as is the case in this study – then it brings the Rotherham Town Centre retail economy 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 3.4 to the benchmark turnovers of existing convenience and non-bulky and bulky comparison goods floorspace within Rotherham Town Centre.

**Benchmark Turnovers**

3.44 In order to assess the scale of any over or under trading of the existing retail floorspace stock in Rotherham Town Centre at the base year (2009), 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\(^1\) and on the basis of our professional judgement. The benchmark turnovers feed through into our quantitative assessment of retail floorspace need (Appendix 4).

**Forecast Sales Densities**

3.45 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 quantitative 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 (or requirement) for additional retail floorspace.

3.46 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 (2009);

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

- 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 3.42).

3.47 In selecting what we consider to be the most realistic sales densities to adopt, we have had regard to the characteristics of the Rotherham Town Centre retail economy and its principal centres as well as published sources which give the average sales densities for leading retail operators.

\(^1\) For example, as published in UK Retail Rankings 2008, Mintel.
3.48 Our assumed sales densities for estimating the turnover of retail floorspace in the development pipeline and for converting available headroom expenditure into a requirement for additional floorspace are set out in Table 3.5.

Table 3.5 Assumed Forecast Sales Densities (£ psm net)

<table>
<thead>
<tr>
<th>Goods Category</th>
<th>Base Year</th>
<th>2009</th>
<th>2014</th>
<th>2019</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Bulky Comparison goods</td>
<td>6,000</td>
<td>6,461</td>
<td>7,317</td>
<td>8,758</td>
<td></td>
</tr>
<tr>
<td>Bulky Comparison Goods</td>
<td>3,000</td>
<td>3,231</td>
<td>3,659</td>
<td>4,379</td>
<td></td>
</tr>
<tr>
<td>Convenience Goods</td>
<td>10,000</td>
<td>10,130</td>
<td>10,407</td>
<td>10,776</td>
<td></td>
</tr>
</tbody>
</table>

*Note: The sales densities are higher in 2014, 2019 and 2026, because they include appropriate real increases in store productivities.*

Net to Gross Ratios

3.49 Where actual gross and net floorspace figures have been supplied by the Council 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:-

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

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

\[
1 \text{ sq m} = 10.764 \text{ sq ft}
\]
\[
1 \text{ sq ft} = 0.093 \text{ sq m}
\]

**VAT**

3.51 Expenditure and sales/turnover data used throughout the quantitative need assessment includes VAT.
4.0 SHOPPING PATTERNS AND RETAIL PERFORMANCE

Introduction

4.1 The main purpose of this section is to quantify shopper behaviour and to determine the present retail trading performance of Rotherham Town Centre in relation to non-bulky and bulky comparison goods, and convenience goods shopping.

4.2 The assessment draws on the results of a household telephone survey which was carried out during February 2009 within Rotherham MB and its shopping hinterland. In addition, we refer to retail floorspace, population and consumer expenditure data. The sources of this information have already been described in Section 3.

Catchment Area Definition

4.3 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 Rotherham Town Centre - we are able to not only estimate its retail turnover for each broad category of goods, but also identify where these sales originate from across the sub-region;

- Rotherham MB as a whole - we are able to not only estimate the amount of available expenditure for each broad category of goods, but also identify the volume and source of in-flow expenditure and the volume and destination of out flow expenditure.

4.4 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 the town centre attracts the majority of generated expenditure (i.e. more than 50%);

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

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

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

4.5 Beyond the tertiary catchment, the detailed survey results show that the 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 are taken into account in the quantitative retail need assessment (Sections 5 and 6).

**Assessment of the Rotherham MB Retail Economy**

4.6 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 2009. This is important because it provides a context to the retail contribution of Rotherham Town Centre within the Borough as a whole.

4.7 We are able to determine the volume of expenditure in-flows and out-flows to and from the Borough for each category of goods. By relating the scale of these expenditure in-flows and out-flows to the known ‘pool’ of available expenditure generated within Borough, we are
able to estimate the present (2009) retail turnover of the Borough by category of goods. In addition, by expressing turnover as a proportion of available expenditure, the level of expenditure ‘retention’ can be estimated.

Non-Bulky Comparison Goods

4.8 The household survey indicates that of the £482 million of non-bulky comparison goods expenditure generated by the residents of Rotherham MB some £270 million leaks out to centres in adjoining areas (Figure 4.1). Thus the Borough retains £212 million of its non-bulky comparison goods spend, which equates to a retention rate of 44%. To this total, the Borough attracts an estimated in-flow of £92 million\(^1\), which results in an annual non-bulky comparison goods turnover of £304 million.

4.9 Rotherham Town Centre’s non-bulky comparison goods turnover is estimated at £76.5 million which represents 25% of the total turnover for the Borough. The survey indicates that £67 million (or 88%) of the town centre’s sales are drawn from residents living within the MB with the balance of £9.5 million originating from zones 8 to 12 just outside. The town centre’s share of non-bulky comparison goods expenditure generated within the MB is 14%.

\(^1\) This total comprises of (a) £81 million of inflow spend from the survey area; and (b) £10.9 million of estimated in-flow spend to Parkgate/Retail World from day trippers living outside the survey area.
**Bulky Comparison Goods**

4.10 For bulky comparison goods, the household survey indicates that £71 million of the available spend of £222 million currently leaks out of Rotherham MB to competing centres. *(Figure 4.2).* Thus £151 million of locally generated bulky comparison goods expenditure is retained within the Borough, equating to a retention rate of 68%. Adding to this an estimated in-flow spend of £116 million\(^1\) produces an estimated annual bulky comparison goods turnover for Rotherham MB of £267 million.

![Diagram](image)

4.11 Rotherham Town Centre’s estimated bulky comparison goods turnover is just £1.6 million, which accounts for less than 1% of the total for the Borough. All of the town centre’s bulky comparison goods sales are drawn from within the MB. Rotherham Town Centre’s share of bulky comparison goods expenditure generated within the MB is less 1%.

4.12 Combining the non-bulky and bulky comparison goods turnovers indicates that Rotherham MB has a total comparison goods turnover of £571 million, of which 14%, or, £78 million, is generated by the town centre. Overall, 52% of all comparison goods expenditure generated by households within the Borough is spent within the area, whilst 48% leaks out to competitor centres.

---

\(^1\) This total comprises of (a) £103 million of in-flow spend from the survey area and (b) £13 million of estimated in-flow spend to Parkgate/Retail World from day trippers living outside the survey area.
4.13 **Figure 4.3** summarises the consumer retail expenditure patterns for Rotherham MB in relation to **all** comparison goods.

![Diagram of retail trading characteristics](image)

**Convenience Goods**

4.14 In relation to convenience goods (for which most people tend to shop locally) (**Figure 4.4**), we estimate that Rotherham MB currently attracts an estimated in-flow spend of £113 million, but that some £72 million leaks out to competitor centres/stores in other areas. Therefore, the Borough is a net importer of £41 million of convenience goods spend. Moreover, the figures indicate that the retail floorspace stock in Rotherham MB currently retains around 83% of the convenience goods expenditure generated within the area and has an estimated convenience goods turnover of some £456 million.

4.15 Rotherham Town Centre’s estimated convenience goods turnover is £42 million, which equates to 9% of the Borough’s total turnover in convenience goods. The survey indicates that 95% (£40.1 million) of the town centre’s convenience goods sales are drawn from residents living within the MB, with just 5% originating from outside. The town centre’s market share of convenience goods expenditure generated within the MB is 10%.

---

1 This total consists off in-flow spend from the survey area only.
4.16 **Combining** the convenience and comparison goods categories indicates that Rotherham MB has an estimated total retail turnover of £1,027 million, of which 56% is in comparison goods and 44% in convenience goods (see **Figure 4.5**). Overall, 63%, or £706 million, of the total retail expenditure generated by households within the Borough is spent within the area, whilst 37% or £413 million leaks out to competitor centres. (see **Figure 4.6**). Significantly, for all retail goods expenditure, leakage from Rotherham MB exceeds the inflow spend by £92 million. Nevertheless, this is a credible performance given the close proximity of a number of major competitor centres. However, an important reason for Rotherham MB’s relative success is the trade draw of Parkgate/Retail World, not that of Rotherham Town Centre. For non-bulky comparison goods, in particular, Rotherham MB is a major net exporter of spend. This is caused by the considerable attractiveness of nearby centres such as Meadowhall and Sheffield, but also reflects the under-achieving Rotherham Town Centre in this important goods category.
Figure 4.5  Rotherham MB :  Retail Turnover Disaggregated by Category of Goods, 2009

4.17 The overall retail turnover of Rotherham Town Centre is £120 million, which represents 12% of the Borough’s total retail sales. Overall, 90% of the town centre’s sales are drawn from residents of the Borough, with 10% drawn from further afield.

Rotherham Town Centre Catchment Area

4.18 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 4.4). 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**

4.19 Rotherham Town Centre’s catchment area for non-bulky comparison goods shopping is defined in Figure 4.7 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 a 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 and zones 8 to 12 inclusive that are outside.

**Bulky Comparison Goods**

4.20 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 4.4.

**Convenience Goods**

4.21 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 4.8 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 within the Borough.

**Centre Dominance**

4.22 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 4.9, 4.10, and 4.11 show centre dominance across our 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 across the entire survey area for each category of goods.
Fig. 4.7 Rotherham Town Centre: Catchment Area for Non-Bulky Comparison Goods
Non-Bulky Comparison Goods

4.23 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 4.9 overleaf). The remaining two zones in the Borough (zones 3 and 4) are dominated by Parkgate/Retail World. Each of the remaining five zones outside of the Borough is dominated by a different centre.

Bulky Comparison Goods

4.24 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/Retail World, 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 4.10 overleaf).

Convenience Goods

4.25 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 4.11 overleaf). It takes no less than 10 different centres/major stores to dominate the 12 zones within our survey area; Rotherham Centre (due mainly to the Tesco on Forge Island) dominates zone 1 only.

Summary

4.26 Rotherham MB is currently retaining some 63% of locally generated retail expenditure which is a credible performance in overall terms. However, this performance is also due to a strong showing both in convenience goods (83% of spend being retained) and bulky comparison goods (68%). In contrast, just 44% of locally generated non-bulky comparison goods expenditure is retained by the MB.
Fig. 4.9 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
Worksop

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Scale: 1 : 222,125
4.27 Within the Borough, however, Rotherham Town Centre’s performance is weak with only around £1 in every £10 being spent there. Whilst its bulky comparison goods market share at less than 1% is very low it is not of most concern, given the close proximity of extensive out of centre retail warehouse provision at Park Gate/Retail World. More problematic is the town centre’s low 14% market share of non-bulky comparison goods expenditure generated within the MB. Rotherham Town Centre should be the natural destination for this type of shopping within its own area, yet 86% of available spend in the MB (c.£416 million) flows to other centres – some £146 million to other retail locations within the MB (mainly to Parkgate/Retail World) and £270 million to centres outside such as Meadowhall and Sheffield.

4.28 In relation to convenience goods - a form of shopping which is typically undertaken locally – the town centre’s market share of locally generated expenditure within the MB at 10% is reasonable, yet at the same time provides scope for further improvement.

4.29 The broad conclusion of our analysis of shopper behaviour and consumer retail expenditure flows is that there exists both a necessity, and considerable scope, for material improvements to the non-bulky comparison and convenience goods sectors of Rotherham Town Centre.
5.0 QUANTITATIVE RETAIL NEED: METHODOLOGY AND ASSESSMENT

Objectives

5.1 This section describes our approach to estimating the quantitative need for additional convenience goods and non-bulky and bulky comparison goods floorspace within Rotherham Town Centre.

5.2 The analysis estimates the amount of over/under trading at the base year (2009) 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 2014, 2019 and 2026. We consider this to be a realistic approach, since it reflects the variability in the present trading performance of the different goods categories in Rotherham Town Centre.

5.3 The assessment provides the following information:-

- Estimates of total available retail expenditure within Rotherham MB (and zones) at the base year of 2009 and the forecast years of 2014, 2019 and 2026 (these years having been agreed with the Council);

- Estimates of the retail turnover likely to be ‘retained’ by Rotherham Town Centre at each of the forecast years;

- Estimates of “headroom” expenditure and therefore retail floorspace need within Rotherham Town Centre at the forecast years; and

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

5.4 The results of this needs assessment inform the retail study recommendations for Rotherham Town Centre set out later in this report.
Our Approach to Retail Floorspace Need

5.5 Our broad approach to estimating the need for (any) additional retail floorspace 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.

5.6 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.

5.7 We carry out separate quantitative 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 Appendix 4. In addition, the assessment refers to a number of key assumptions which have already been discussed in Section 3, and are reproduced as Appendices 2A to 2E inclusive. Appendices 4B to 4D inclusive contain our needs assessment tables for our Scenario 1, which involve (where appropriate) making realistic adjustments to the existing market shares for Rotherham Town Centre. This is our preferred scenario (see Section 6). Appendices 4E to 4G inclusive contain tables relating to the (alternative) constant market shares approach. The Appendices referred to in the remainder of this section relate to Scenario 1.

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

Non-Bulky and Bulky Comparison Goods

Step 1: Calculate Total Available Expenditure in the Survey Area

5.9 The household survey area is shown in Figure 3.2 and is defined to encompass the shopping catchment area of Rotherham Town Centre. Within this area the quantum of
available non-bulky and bulky comparison goods expenditure is derived by multiplying (resident) population by average annual expenditure per head on each category of goods (see Appendix 2B for the Experian spend per head data). This calculation is carried out for each of the 12 zones which comprise the survey area.

5.10 Population figures by zone and for the survey area as a whole are set out in Appendices 4B and 4C, Table 1. In addition to estimates for 2009 (the base year), population forecasts for 2014, 2019 and 2026 are also included.

5.11 Appendices 4B and 4C, Table 2 give the average annual expenditure per person on non-bulky and bulky comparison goods respectively for residents living in each of the 12 zones comprising our survey area. These figures have been obtained from Experian. We have projected the per person expenditure estimates forward to the forecast years of 2014, 2019 and 2026 by adopting Experian’s 2007 – based expenditure per head forecasts as published in April 2009. (see Appendix 2C).

5.12 At Appendices 4B and 4C 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).

5.13 In presenting expenditure forecasts through to 2026, 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 (details at paragraphs 3.32 to 3.39 inclusive in Section 4 and at Appendix 2D) 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 quantitative 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.
5.14 Our estimates of total available consumer retail expenditure on non-bulky and bulky comparison goods at the base year (2009) are set out in Appendices 4B and 4C, Table 4 respectively. Forecasts are also given for the forecast years of 2014, 2019 and 2026. The increases in available expenditure are due to:-

- The forecast growth in catchment population;
- Real annual increases in consumer comparison goods expenditure per head (from 2011 onwards).

**Step 2: Application of “Market Shares” to Determine Amount of Retained Expenditure**

5.15 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 non-bulky comparison goods within the survey area will increase by some £713 million between the base year (2009) and the latest forecast year of 2026 (Appendix 4B, Table 4). The comparable increase for bulky comparison goods is £287 million (Appendix 4C, Table 4).

5.16 However, not all of this growth in consumer expenditure will be spent within Rotherham Town Centre (or indeed Rotherham MB as a whole) and is available to support new retail floorspace in the centre. 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 Town Centre.

5.17 Existing “market shares” for non-bulky and bulky comparison goods shopping have been derived from the household telephone survey carried out in February, 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).

5.18 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.

5.19 The base year (2009) patterns of “market shares” generated by the retailing provision within Rotherham Town Centre (and the rest of Rotherham MB) are set out in Appendices 4B and 4C, Table 5 for non-bulky and bulky comparison goods shopping respectively. These market shares have been produced by amalgamating the individual market shares generated by the separate retail floorspace components making up each geographical area (see Appendix 1D). The “market shares” are then applied to the 2009 “pools” of available non-bulky and bulky comparison goods expenditure for each zone (as set out in Table 5). Appendices 4B and 4C, Table 6 give the monetary amounts of non-bulky and bulky comparison goods expenditure flowing to Rotherham Town Centre by zone. The addition of these expenditure totals for each of the 12 zones gives the total amount of non-bulky and bulky comparison goods spend flowing to the town 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**

5.20 At this stage of the assessment we consider whether the existing non-bulky and bulky comparison goods retail economies of Rotherham Town Centre area broadly trading at equilibrium or not. This is important because if the amount of consumer retail expenditure flowing to the town centre in relation to the stock of available retail floorspace and this appears to be causing problems to retailers and / or shoppers, then the town 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 retail offer.

5.21 If over-trading is occurring in an area (or 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 an area (or 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.
5.22 The problem with this kind of analysis is determining whether an area (or 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 an area 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 an area 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.

5.23 In estimating whether the Rotherham Town Centre retail economy is in retail equilibrium at present in relation to non-bulky and bulky 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 or sub area, 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; and
- rental levels.

5.24 Our benchmark non-bulky and bulky comparison goods turnover estimates for Rotherham Town Centre are set out at Appendices 4B and 4C, Table 6.
5.25 For non-bulky comparison goods shopping, the results of the household telephone survey suggest that the existing retail floorspace in Rotherham Town Centre is currently trading at a retail equilibrium level, indicating that actual turnover is consistent with “benchmark” sales levels. Accordingly, there is no spend to either add to or deduct from the forecast headroom expenditures. In relation to bulky comparison goods shopping, we estimate that the existing stock of retail floorspace within Rotherham Town Centre as a whole currently is under-trading by some just £0.1 million at the base year of 2009. This modest total of spend is therefore deducted from the forecast headroom expenditures.

5.26 At Appendices 4B and 4C, Table 7, we re-visit the market shares of Rotherham Town Centre in order 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 dependent on the existing retail performance of the town centre and its pattern and scale of trade penetration by broad category of goods.

5.27 In relation to non-bulky comparison goods, whilst the existing retail offer appears to be trading relatively well, it is very limited in quantity, quality and range and, as a result, Rotherham Town Centre’s 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 2014, which would go some way towards moving Rotherham back up the UK retail ranking to 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 up wards 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/Retail World) losing share from 30% to 26%, whilst leakage of spend to centre/stores outside of the MB falls from 56% to 50%. We consider these potential changes to be realistic.

5.28 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 very well provided at the nearby Parkgate/Retail World 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.

**Step 4: Calculate Growth in Retained Expenditure through to the Forecast Years**

5.29 Having determined the base year (2009) “market shares” and levels of retained comparison goods expenditure within Rotherham Town Centre, we use the principle of market shares to calculate how much more spending or trade the centre could expect to attract (or support) in the future as a result of the forecast growth in available catchment area expenditure.

5.30 For each of the forecast years we apply the adjusted market shares set out in Appendix 4B, Table 7 to the increased “pools” of available non-bulky comparison goods expenditure in each zone. The calculations for the forecast years of 2014, 2019, and 2026 are set out in Appendix 4B Tables 8 and 11 and 14 respectively. Due to the combination of higher market shares and the increase in demand (as a result of population growth and rising consumer expenditure per head), the assessment produces at 2014 higher retail turnover potentials for Rotherham Town Centre than in the base year (2009). Similarly, the turnover potentials are even higher for the forecast years of 2019 and 2026. For bulky comparison goods, we adopt a constant market shares approach and apply the same (base year) Rotherham Town Centre market shares to the higher pools of available expenditure in each zone at the forecast year of 2014 (see Appendix 4C, Table 8). The calculations to produce the turnover potentials for the forecast years of 2019 and 2026 are set out in Appendix 4C, Tables 11 and 14 respectively.

**Step 5: Determine Level of Potential Headroom Expenditure in the Forecast Years**

5.31 It would be wrong to assume that all of the increase in turnover potential within Rotherham Town Centre will be available by the forecast year(s) to support additional non-bulky and bulky 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.

5.32 In Appendices 4B and 4C, Table 9 the turnover allocations for existing retailers are deducted from the 2014 non-bulky and bulky comparison goods turnover potentials for Rotherham Town Centre. These calculations produce estimates of residual turnover potential for the town centre. The base year (2009) turnovers are then subtracted from the 2014 residual turnovers to determine the quantum of potential headroom non-bulky and bulky comparison goods expenditure available in Rotherham Town Centre. Similar analyses are carried out in relation to non-bulky and bulky comparison goods for the forecast years of 2019 and 2026 in Appendices 4B and 4C, Tables 12 and 15 respectively.

**Step 6: Determine Level of Residual Headroom Expenditure in the Forecast Years**

5.33 Appendices 4C and 4C, Table 9 sets out our calculations to estimate the residual headroom expenditure for Rotherham Town Centre at the forecast year of 2014 for non-bulky and bulky comparison goods floorspace respectively. The same assessments are carried out for the forecast years of 2019 and 2026 in Tables 12 and 15 respectively.

5.34 The first task is to adjust the potential headroom expenditures calculated for 2014 by taking into account the extent (if any) of any over or under-trading that is occurring within Rotherham Town Centre at the base year (2009). This is necessary because the headroom expenditures set out so far assume that the town centre is currently trading in retail equilibrium. We have already commented upon the fact that this assumption may be viewed as unlikely.

5.35 Despite the difficulties of determining the extent of any over or under-trading within Rotherham Town Centre, we consider that including such estimates makes our quantitative need assessment more reliable and robust than ignoring them. Therefore, we use the over/under-trading estimates determined at Appendices 4B and 4C, 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 year(s) since some of the growth in expenditure is set-aside to bring the existing retail stock
in that area 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 year(s) since the ‘surplus’ sales are assumed to be available to support additional retail floorspace. **Appendices 4B and 4C, Table 10** set out our calculations for making these adjustments where required, to the 2014 headroom expenditures for non-bulky and bulky comparison goods respectively. **Tables 13 and 16** repeat the calculations for the forecast years of 2019 and 2026.

5.36 At this stage, in order to convert the adjusted headroom expenditures into residual headroom expenditures at the forecast years of 2019 and 2026, 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 Town Centre (commitments are retail developments in the pipeline, which are either under construction or have planning consent).

5.37 From information supplied to us by the Council, we have produced a schedule of comparison goods retail commitments within Rotherham Town Centre. The schedule is reproduced in **Appendix 3B** and, in practice, only includes non-bulky comparison goods and schemes. 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 Rotherham Town Centre as appropriate. These calculations are set out in **Appendices 4B and 4C Tables 10, 13 and 16** for the forecast years of 2014, 2019 and 2026 respectively.

5.38 The final residual headroom expenditure totals for Rotherham Town Centre at the forecast years of 2014, 2019 and 2026 are also set out in **Appendices 4B and 4C, Tables 10, 13 and 15** for non-bulky and bulky comparison goods respectively.

**Step 7: Estimate Need for Additional Retail Floorspace at the Forecast Years**

5.39 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 Town Centre by 2014, 2019 and 2026. In Section 6, 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 6.

**Convenience Goods**

5.40 Our retail need assessment for convenience goods floorspace follows the same approach as that for non-bulky and bulky comparison goods. The detailed calculations underpinning the analysis are reproduced in full in **Appendix 4D, Tables 1 to 16** inclusive.

**Step 1: Calculate Total Available Expenditure in the Catchment Area**

5.41 At **Appendix 4D, Tables 1 to 4** inclusive, the total available convenience goods expenditure by zone is determined for the base year (2009) and the forecast years of 2014, 2019 and 2026. The analysis incorporates Experian’s 2007 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 Experian allowance is much less than for comparison goods shopping.

**Step 2: Application of “Market Shares” to Determine Amount of Retained Expenditure**

5.42 Using the results of the household telephone survey we derive the base year (2009) market shares for Rotherham Town Centre within each of the 12 zones. This assessment is set out in **Appendix 4D, Table 5**. Applying the market shares to the total “pools” of available expenditure within each zone in the base year (2009) (**Table 6**), gives the monetary flows of consumer spending from each of the 12 zones to the town centre. As for comparison goods, we do not make any allowance for in-flow expenditure into Rotherham Town Centre.

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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.
from resident people living outside our survey area. This is especially the case for food shopping as at it is undertaken more locally than that for comparison goods and our survey area is sufficiently extensive to capture all such trips to the town centre. The addition of the flows from each zone, gives the total estimated convenience goods turnover of Rotherham Town Centre at the base year of 2009.

**Step 3: Determine Whether Existing Retail Economy is Trading at Equilibrium**

5.43 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 Rotherham Town Centre at the base year (2009). 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. 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 4D, Table 6 confirms that, on our estimates, existing convenience goods floorspace in the town centre is as a whole is under-trading by £3.2 million in the base year (2009).

**Step 4: Calculate Growth in Retained Expenditure through to the Forecast Years**

5.44 As for non-bulky comparison goods, we believe there is some justification for adjusting upwards the convenience goods market shares of Rotherham Town Centre. The household survey indicates that the town centre is already an established destination for 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.£42 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 4D, Table 7 sets out the adjusted market shares which are later applied to the pools of available expenditure at each of the forecast years. These calculations are set out in Tables 8, 11 and 14 for the forecast years of 2014, 2019 and 2026 respectively.

**Step 5: Determine Level of Potential Headroom Expenditure in the Forecast Years**

5.45 At Appendix 4D, Tables 9, 12 and 15 we determine the levels of potential headroom expenditure within Rotherham Town Centre at the forecast years of 2014, 2019 and 2026 respectively. 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 in the Forecast Years**

5.46 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 Rotherham Town Centre in the base year (2009). 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.

5.47 The adjusted headroom expenditure totals for Rotherham Town Centre for the forecast years of 2014, 2019 and 2026 are set out in Appendix 4D, Tables 10, 13 and 16 respectively.

5.48 Lastly, there is the opportunity to take into account any existing convenience goods commitments within Rotherham Town Centre. However, there are none and so no expenditure deductions need to be made. The calculations to produce the residual headroom expenditure totals for the forecast years of 2014, 2019 and 2026 are set out in Appendix 4D, Tables 10, 13 and 16 respectively.
Step 7: Estimate Need for Additional Retail Floorspace at the Forecast Years

5.49 In Section 6 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

5.50 The purpose of this section has been to assess in quantitative terms the likely retail expenditure capacity for additional non-bulky and bulky comparison goods and convenience goods floorspace within Rotherham Town Centre through to 2026. It must be stressed, however, that any quantitative analysis over such a long time-period (17 years from the base year of 2009) may be subject to a significant margin of error, particularly in the later years, 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 assumed conservative forecasts for the growth in non-store retail sales through to 2014. 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 quantum of floorspace need will be more than these set out in this report.

- **Over / Under Trading at the base year** – our household survey results indicate that Rotherham Town Centre is currently trading at retail equilibrium for non-bulky comparison goods and very close to equilibrium in relation to bulky comparison goods. For convenience goods, we estimate some under-trading is currently
occurring. We have taken this into account in our quantitative need assessment. Clearly if we have over-estimated the amount of over-trading, for example, the retail expenditure capacity estimates will be lower than those set out above; conversely, if we have over-estimated the amount of under-trading the capacity estimates will be higher.
6.0 THE NEED FOR FURTHER RETAIL DEVELOPMENT IN ROTHERHAM TOWN CENTRE

**Introduction**

6.1 In this section, we present the results of our assessment of the need for additional convenience goods and non-bulky and bulky comparison goods retail floorspace within Rotherham Town Centre. Our overall approach to quantifying retail need has already been described in Section 5. Earlier we concluded that the potential exists for Rotherham Town Centre to retain a higher proportion of available expenditure in both convenience goods and non-bulky comparison goods than currently. The reasoning is that the town centre’s retail ranking and market share has fallen in recent years and are now low due to the high volumes of expenditure leakage to centres outside of the Borough and to nearby centres (mainly Parkgate/Retail World) inside. Therefore, by adjusting upwards the market shares to more appropriate and realistic levels, we are assuming that Rotherham Town Centre has the capacity to re-invent itself and, on the back of the new Retail and Leisure Strategy, move towards reclaiming its previous role, function and attractiveness.

6.2 The need estimates for additional retail floorspace in Rotherham Town Centre have therefore been determined on the basis of making upwards adjustments to its market shares. The floorspace need results generated by this approach reflect what we consider to be the likely maximum levels of need for each category of goods at the agreed forecast years of 2014, 2019 and 2026. Appendices 4B to 4D inclusive set out the detailed needs assessment tables using adjusted market shares.

6.3 However, we also estimate retail need in Rotherham Town Centre by assuming no change to the existing market shares. Under this alternative scenario – the so called “constant market shares” approach – we assume that Rotherham Town Centre will maintain its current share of available expenditure across the survey area and for each broad category of goods, and that it will not lose further market share. We assume that adopting this scenario produces a minimum level of need for additional retail floorspace provision in the

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1 Not in relation to bulky comparison goods, however. See paragraph 5.28 in Section 5.
town centre. The detailed tables showing the needs assessment using the constant market shares approach are out in Appendices 4E to 4G inclusive.

6.4 The two scenarios therefore produce a range of additional retail floorspace need for Rotherham Town centre at each of the forecast years. At the lower end, the forecast provision represents that quantum of floorspace which is required in Rotherham Town Centre to prevent further retail decline, whilst the upper end indicates that which could potentially be supported by the available expenditure if the revitalisation of the town centre is successful. In practice, a level of need somewhere within the range may be the most likely outcome, particularly over the next few years, given the general dire economic conditions and weak market demand.

**Convenience Goods Floorspace Need**

6.5 The results of our needs assessment for convenience goods floorspace are set out in Table 6.1. Because there are no convenience goods commitments in Rotherham Town Centre, the need results without and with commitments are the same.

<table>
<thead>
<tr>
<th>Forecast Year</th>
<th>Headroom Expenditure Without Commitments (£m)</th>
<th>Floorspace Need Without Commitments (Sq M Net)</th>
<th>Headroom Expenditure With Commitments (£m)</th>
<th>Floorspace Need With Commitments (Sq M Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant Market Share</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>(1.9)</td>
<td>(185)</td>
<td>(1.9)</td>
<td>(185)</td>
</tr>
<tr>
<td>2019</td>
<td>(0.2)</td>
<td>(15)</td>
<td>(0.2)</td>
<td>(15)</td>
</tr>
<tr>
<td>2026</td>
<td>3.5</td>
<td>325</td>
<td>3.5</td>
<td>325</td>
</tr>
<tr>
<td>Adjusted Market Shares</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>13.6</td>
<td>1,340</td>
<td>13.6</td>
<td>1,340</td>
</tr>
<tr>
<td>2019</td>
<td>16.3</td>
<td>1,565</td>
<td>16.3</td>
<td>1,565</td>
</tr>
<tr>
<td>2026</td>
<td>21.9</td>
<td>2,225</td>
<td>21.9</td>
<td>2,035</td>
</tr>
</tbody>
</table>

*Note: Figures in brackets are minus numbers.*
6.6 Adopting a “constant market shares” approach produces a very small over-supply of convenience goods floorspace at both 2014 and 2019, and a very low level of positive need at 2026. However, our preferred (and more realistic) scenario of adjusting the market shares to reflect the future potential of the town centre to attract and retain food shopping trips produces a need for an additional c.1,340 sq m net of convenience goods floorspace by 2014, increasing to 1,565 sq m net by 2019 and 2,035 sq m net at 2026. Adopting our net to gross ratio of 65:100, indicates that the floorspace need in gross terms is as follows:-

<table>
<thead>
<tr>
<th>Year</th>
<th>Floorspace Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2,060 sq m</td>
</tr>
<tr>
<td>2019</td>
<td>2,410 sq m</td>
</tr>
<tr>
<td>2026</td>
<td>3,135 sq m</td>
</tr>
</tbody>
</table>

**Non-Bulky Comparison Goods Floorspace Need**

6.7 Table 6.2 overleaf summarises the results of our floorspace needs assessment for non-bulky comparison goods in Rotherham Town Centre. Figures are provided without and with commitments.

6.8 Appendix 3B provides full details of the retail commitments that have been taken into account. In practice, the ‘committed’ scheme may not proceed, whilst another (more likely) option is that it may proceed but that a sizeable proportion of its floorspace may be occupied by non-retail uses such as food and beverage and other non A1 uses. Indeed, the planning permission covers a range of appropriate uses (not just retail). Accordingly, by assuming that all of the committed floorspace will be non-bulky comparison goods retail, the needs assessment set out below (with commitments) represents a “worse case” scenario.

6.9 For the avoidance of doubt, the needs assessment which follows does not include the Satnam site at Westgate as a retail commitment even though c.2,230 sq m gross of potential retail development has been permitted following appeal. This is because the site does not fall within the current Rotherham Town Centre boundary. If this site were developed for retail it would not directly affect the retail floorspace need estimates produced
below which are based on the town centre achieving a potential target market share. However, in practice, depending on the type of retail that is developed on the Satnam site and the kind of goods sold, it could make it more difficult for the town centre to achieve its target retail potential.

Table 6.2  Headroom Expenditure and Floorspace Need Without and With Commitments by Year: Non-Bulky Comparison Goods

<table>
<thead>
<tr>
<th>Forecast Year</th>
<th>Headroom Expenditure Without Commitments (£m)</th>
<th>Floorspace Need Without Commitments (Sq M Net)</th>
<th>Headroom Expenditure With Commitments (£m)</th>
<th>Floorspace Need With Commitments (Sq M Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant Market Shares</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.1</td>
<td>170</td>
<td>(16.7)</td>
<td>(2,585)</td>
</tr>
<tr>
<td>2019</td>
<td>4.1</td>
<td>560</td>
<td>(16.0)</td>
<td>(2,190)</td>
</tr>
<tr>
<td>2026</td>
<td>10.5</td>
<td>1,200</td>
<td>(13.6)</td>
<td>(1,550)</td>
</tr>
<tr>
<td>Adjusted Market Shares</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>53.7</td>
<td>8,310</td>
<td>35.9</td>
<td>5,555</td>
</tr>
<tr>
<td>2019</td>
<td>64.4</td>
<td>8,800</td>
<td>44.3</td>
<td>6,055</td>
</tr>
<tr>
<td>2026</td>
<td>87.5</td>
<td>9,990</td>
<td>63.4</td>
<td>7,240</td>
</tr>
</tbody>
</table>

Note: Figures in brackets are minus numbers.

6.10 If a “constant market shares” approach is adopted, we forecast a very modest level of additional floorspace need without commitments of 170 sq m net at 2014, rising to 560 sq m net at 2019 and 1,200 sq m net by 2026. However, taking commitments into account (see Appendix 3B), results in a forecast over-supply of floorspace of 2,585 sq m net at 2014. Even with a steady growth in spend post 2014, we forecast surplus stock at both 2019 and 2026 (this is because much of the growth is off-set by rising store productivities for existing retail floorspace).

6.11 Our preferred approach, however, is to adjust upwards the market shares of Rotherham Town Centre to reflect its potential to attract a much higher share of consumer shopping trips and spend for non-bulky comparison goods. Under this scenario, we forecast a need without commitments of some 8,310 sq m net at 2014 rising steadily to 8,800 sq m net at 2019 and almost 10,000 sq m net by 2016. This equates to 12,770 sq m, 13,540 sq m and
15,370 sq m gross at 2014, 2019 and 2026 respectively. Taking into account commitments (which we have assumed will all be non-bulky comparison goods), reduces the additional need to the following net and gross totals:

<table>
<thead>
<tr>
<th>Forecast Years</th>
<th>Sq M Net</th>
<th>Sq M Gross</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>5,555</td>
<td>8,555</td>
</tr>
<tr>
<td>2019</td>
<td>6,055</td>
<td>9,315</td>
</tr>
<tr>
<td>2026</td>
<td>7,240</td>
<td>11,150</td>
</tr>
</tbody>
</table>

6.12 Therefore, we forecast a need for significant floorspace in excess of existing commitments in the town centre. This level of need could be met by a combination of new large retail units which will attract multiple retailers to the town centre and/or the re-occupation of existing major voids (either in their present condition or in re-configured/refurbished form, eg. the ex-Marks and Spencer store).

6.13 In practice, new retail development in the town centre is likely to be occupied, at least in part, by service uses, which would soak up floorspace additional to that set out in Table 6.2. The town centre audit indicates that around one-third of existing town centre floorspace is taken-up by these services. However, in making forecasts for the future we would recommend that a more appropriate proportion to assume would be c.15% to 20%. By 2026, therefore, the 11,150 sq m gross of retail floorspace (post commitments) could justifiably be increased further to c.12,800 sq m to 13,400 sq m gross to include service uses.

6.14 At this likely maximum level of additional need, we would not be surprised if some existing retail units trading at or close to the margin and located in the more peripheral parts of the town centre fell out of retail use. This could lead to a potential geographical contraction of the town centre shopping area in the longer term. This loss of “old” retail floorspace would, in our view, be a small price to pay for the overall significant improvement to the scale and attractiveness of the town centre brought about by the new development. Given the poor trading levels of any store closures, the subsequent release of expenditure is unlikely to have a material bearing on our overall floorspace need results.
Bulky Comparison Goods Floorspace Need

6.15 Our need results for bulky comparison goods floorspace provision in Rotherham Town Centre are set out in Table 6.3. We have assumed there are no bulky comparison goods retail commitments, and so the results are identical without and with commitments.

Table 6.3  Headroom Expenditure and Floorspace Need Without and With Commitments by Year: Bulky Comparison Goods

<table>
<thead>
<tr>
<th>Forecast Year</th>
<th>Headroom Expenditure Without Commitments (£m)</th>
<th>Headroom Expenditure With Commitments (£m)</th>
<th>Floorspace Need Without Commitments (Sq M Net)</th>
<th>Floorspace Need With Commitments (Sq M Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Headroom Expenditure Without Commitments</td>
<td>Headroom Expenditure With Commitments</td>
<td>Floorspace Need Without Commitments</td>
<td>Floorspace Need With Commitments</td>
</tr>
<tr>
<td></td>
<td>(£m)</td>
<td>(£m)</td>
<td>(Sq M Net)</td>
<td>(Sq M Net)</td>
</tr>
<tr>
<td></td>
<td>Constant Market Shares</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>(0.3)</td>
<td>(0.3)</td>
<td>(80)</td>
<td>(80)</td>
</tr>
<tr>
<td>2019</td>
<td>(0.2)</td>
<td>(0.2)</td>
<td>(60)</td>
<td>(60)</td>
</tr>
<tr>
<td>2026</td>
<td>(0.1)</td>
<td>(0.1)</td>
<td>(15)</td>
<td>(15)</td>
</tr>
<tr>
<td></td>
<td>Adjusted Market Shares</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2019</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2026</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Note: Figures in brackets are minus numbers.

6.16 We forecast a very small surplus of bulky comparison goods floorspace in the town centre at 2014, 2019 and 2026. This reflects our preferred “constant market shares” approach for this category of goods, combined with assumptions of low expenditure growth and rising store productivities for existing retail floorspace.

6.17 However, the lack of need for bulky comparison goods floorspace in the town centre is not a handicap to its future regeneration, since the emphasis must be placed on improving both the quantity and quality of non-bulky comparison goods and convenience goods floorspace. These two goods categories already effectively anchor (or should anchor) the town centre and with a shortage of sites to accommodate new retail provision, the priority must be on facilitating development of these two retail goods categories.
Summary

6.18 Following many years of economic expansion in the country as a whole and in the retail sector, the credit crunch has triggered an economic recession and consumer retail expenditure is set to fall over the next year or two rather than grow. It may take many more years for the economy to recover to levels which we have perhaps taken for granted over the past decade or so.

6.19 Coupled with this economic downturn, the high street is being further eroded by the growth in internet shopping which is capturing an increasing share of the retail market. Moreover, recent research has concluded that retailers have experienced a real growth in store productivities over time and that rising sales densities are considered essential for stores to remain viable in the face of rising property, staff and other costs. All these factors combine to limit and/or soak up the future growth in comparison goods expenditure, whilst for convenience goods forecasts show no real growth in spend per head at all over the next decade.

6.20 Thus the Council is potentially facing a ‘gear change’ in terms of its retail economy and planning for retail development. Whereas in the past the retail sector has expanded quickly and sites may have had to be found within the MB to accommodate the significant growth in spend, the immediate future heralds a time of negative and/or falling growth and lower retail demand. Thus, in theory, the need for additional retail floorspace in planning terms going forward could be much less than that required in the recent past. However, in practice, this should not be the case, since the recommendations set out in this report outline the approach that must be adopted for encouraging and facilitating significant new retail development in Rotherham Town Centre in order that the centre stems its recent history of retail decline and instead retains its former buoyancy and attractiveness to its customer base and, as a result, moves back up the retail ranking.

6.21 Our quantitative assessment fully supports the need for significant new retail floorspace provision within Rotherham Town Centre. Such development will push Rotherham back up the UK retail ranking to the position it held around a decade ago.
6.22 In interpreting the retail floorspace results, we would recommend that attention is placed on the forecast headroom expenditures, since the conversion to floorspace need is subject to the application of average sales densities which, in practice, can vary substantially by goods category, type and name of retail operator. Moreover, it may be important to consider the levels of floorspace need without commitments, since in the present market, the development of the scheme which we have included may slip in time or not get built at all or may get built but include significant elements of non-retail floorspace. Thus the ‘with commitments’ figures may under-estimate the actual levels of need at the design years.

6.23 It is also pertinent to note that the need forecasts relate to retail goods floorspace only, whereas many schemes include service uses and catering facilities. The Council may therefore wish to allow for floorspace for these uses over and above the retail floorspace forecasts – a percentage of 15% to 20% may be appropriate.

6.24 Conversely, with existing and increasing levels of void retail floorspace within the town centre, the Council may consider that some of the forecast retail need could be met through the re-occupation of vacant units. Such an approach would result in lower levels of need for additional, new retail floorspace.

6.25 In summary, our quantitative assessment of retail floorspace need produces the forecasts set out in Table 6.4 overleaf at the earliest design year of 2014.
<table>
<thead>
<tr>
<th>Goods Category</th>
<th>Constant Market Shares</th>
<th>Adjusted Market Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Without Commitments</td>
<td>With Commitments</td>
</tr>
<tr>
<td>Convenience</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Non-Bulky Comparison</td>
<td>Yes</td>
<td>None</td>
</tr>
<tr>
<td>Bulky Comparison</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>
7.0 THE NEED FOR FURTHER LEISURE DEVELOPMENT IN ROTHERHAM TOWN CENTRE

Introduction

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

- government guidance as set out in PPS 6;
- the existing supply of leisure facilities;
- existing leisure trip patterns; and
- consumer demand.

Government Guidance: PPS 6

7.2 PPS 6 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” as well as “arts, culture and tourism, theatres, museums, galleries and concert halls, hotels and conference facilities” (paragraph 1.8).

and these uses, together with others, including retail, are the subject of the planning policy.

7.3 The Government’s key objective for town centres is to promote their vitality and viability by:

“planning for the growth and development of existing centres; and promoting and enhancing existing centres, by focusing on development in such centres and encouraging a wide range of services in a good environment, accessible to all.” (paragraph 1.3)
whilst further objectives include:-

“enhancing consumer choice by making provision for a range of shopping, leisure and local services, which allow genuine choice to meet the needs of the entire community and particularly socially – excluded groups”; and

“supporting efficient, competitive and innovate retail, leisure, tourism and other sectors, with improving productivity” (paragraph 1.4).

7.4 PPS 6 makes it clear that it is the purpose of Regional Spatial Strategies (RSS) to set out a clear vision and strategy for growth in higher level centres to include their role as the focus for leisure development. The RSS should set out in broad terms the need for additional leisure floorspace over the plan period and for five years periods within it (paragraphs 2.12 and 2.13).

7.5 Plans at the local level should have regard to and draw on the RSS with local authorities setting out a vision and strategy for the pattern and hierarchy of centres within their area. In particular, local authorities in relation to leisure should identify any deficiencies or gaps in provision and assess the need for new development in town centres (paragraph 2.16), paying special attention to managing the evening economy and the identification of distinct leisure quarters.

7.6 PPS 6 confirms that in assessing the need and capacity for additional leisure development, local authorities should:-

“take account of both quantitative and qualitative considerations”;
(Paragraph 2.16); but

“place greater weight on quantitative need” (Paragraph 2.33).

7.7 In assessing quantitative need, PPS 6 states that local authorities:-
“should have regard to a realistic assessment of existing and forecast population levels … and forecast expenditure …… for the main leisure sectors” (paragraph 2.34).

whilst in assessing qualitative need, the key consideration is to provide for “consumer choice” (paragraph 2.35) and to have particular regard to any lack of access to leisure facilities for those living in deprived areas.

The Existing Supply of Leisure Facilities in Rotherham Town Centre

7.8 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 cafés are represented. In terms of major entertainment facilities there is a bingo hall in Corporation Street, whilst the Rotherham Arts and Civic Centre is located close by and provides a varied programme of entertainment and activities. The town centre also contains a snooker hall and a couple of amusement arcades.

Leisure Trip Patterns in Rotherham MB

7.9 In carrying out an assessment of leisure need, it is necessary to determine whether the existing supply of leisure facilities in Rotherham Town Centre meets the requirements of the local residents and visitors. Therefore, our 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.

7.10 Our survey sought information on consumer behaviour in relation to 12 different types of leisure facility. These are as follows:-

<table>
<thead>
<tr>
<th>Cinema</th>
<th>Theatre/Concert Hall</th>
<th>Museum/Library</th>
<th>Bingo Hall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ten Pin Bowling</td>
<td>Restaurant</td>
<td>Pub/Bar</td>
<td>Night Club/Disco</td>
</tr>
<tr>
<td>Casino</td>
<td>Swimming Pool</td>
<td>Health Centre/Gym</td>
<td>Ice Rink</td>
</tr>
</tbody>
</table>
7.11 Appendix 1C contains an overview of the results of the household telephone survey in so far as they relate to leisure trip patterns and activities.

7.12 Overall, 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 7.1 shows the proportion of households across the survey area as a whole that undertake each type of leisure activity monthly or more often.

![Figure 7.1](image)

7.13 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, museum/library 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.

7.14 Throughout the survey area as a whole the results confirm that Sheffield is the most popular destination for leisure trips. Of the 12 different activities listed Sheffield is the most visited for nine of them – cinema, theatre/concert, casino, ten pin bowling, restaurants, pubs/bars, nightclubs/discos, swimming and ice skating. However, Rotherham is ranked as the most visited destination for the remaining three uses: museums/libraries, bingo and
health centre/gym, although not all the visits are necessarily made to facilities in the town centre.

7.15 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. Figure 7.2 summarises the dominance of Rotherham for different leisure activities across the survey area as a whole. The survey results in relation to each leisure use are now discussed.

![Proportion of survey respondents choosing Rotherham as main centre for different kinds of leisure activities, 2009](image)

**Bingo**

7.16 Rotherham is the most popular destination for bingo for residents living in six of the 12 survey zones, whilst almost 40% of respondents overall choose the town as their ‘main centre’ for this leisure activity. Clearly the existing bingo hall in Rotherham, which is located in the town centre, is relatively successful at attracting players from over a wide area.

**Ten-Pin Bowling**

7.17 Rotherham is the ‘main centre’ for ten pin bowling for around 25% of survey area respondents and the town is the most popular centre for this activity across four of the 12
zones. Sheffield is the major centre for ten-pin bowling across the area as a whole, although Barnsley, Chesterfield and Doncaster also attract many players. The ten-pin bowling centre at Rotherham is not within the town centre, but is located a few kilometres to the north west and forms part of the Welcome Inn hotel complex.

Health Centre/Gym

7.18 Around 15% of survey area residents choose Rotherham as their ‘main centre’ for visiting a health centre/gym, whilst the town is the most popular destination for this activity across three of the 12 zones. There appears to be some potential for Rotherham to capture more trips for this activity from within the MB.

Swimming

7.19 Rotherham is the most frequently visited destination for swimming in four of the 12 survey zones, with some 15% of respondents overall naming the town as their ‘main centre’ for this activity. Sheffield, Worksop and Doncaster are also important locations for swimming.

Museums/Libraries

7.20 Some 15% of survey area households choose Rotherham as their ‘main centre’ for visits to museums and libraries which makes the town the most popular destination for this activity across three of the 12 survey zones – zones 1, 2 and 3, which cover the town and its hinterland to the north. Sheffield and Worksop also rank as popular destinations for this activity and limit Rotherham’s attraction in zones in the south of the Borough.

Restaurants

7.21 Around 15% of survey area households rate Rotherham as ‘main centre’ for visiting restaurants and as a result it is the most popular centre for dining out in four of the 12 zones (zones 1 to 4). However, eating out is normally a local activity and the fact that 40% of restaurant visits by households in zone 1 are carried out in locations such as Sheffield suggest there may be a need for a better range and quality of restaurants in Rotherham, particularly in the town centre area.
**Pubs/Bars**

7.22 Rotherham is the most popular destination for visiting the pub across four of the 12 survey zones (once again zones 1 to 4); whilst 14% of households overall choose the town as their ‘main centre’ for this kind of activity. Sheffield is also a popular destination across the whole of Rotherham MB, and Doncaster and Worksop attract a good proportion of trips from nearby zones. As with restaurants, visits to pubs tend to be ‘local’ and in view of this there may be scope for Rotherham to improve the quality and range of its pub/bar offer in order to capture a bigger slice of the market in its own area.

**Night Club/Disco**

7.23 Rotherham ranks as the most popular destination for visits to this kind of leisure activity across three of the 12 zones (zones 1, 2 and 4), with 12% of households overall choosing it as their ‘main centre’. Sheffield dominates this activity, capturing around three times as many trips as Rotherham.

**Theatre/Concert Hall**

7.24 Around one in 10 households choose Rotherham as their ‘main centre’ for visits to concerts/theatre, although this level of response is insufficient for the town to be ranked as the most popular centre in any of the 12 zones. Not surprising, Sheffield is very dominant for this activity and attracts the most trips in all 12 zones, accounting for two-thirds of visits overall.

**Ice Rink**

7.25 Rotherham does not really feature as a location for ice skating, which means other destinations dominate all 12 zones. In practice, Sheffield attracts the vast majority of trips, followed some-way behind by Doncaster. Since ice-skating venues are relatively scarce and tend to be located in only the biggest UK towns and cities (and therefore attract longer distance trips) the poor performance of Rotherham in this category is simply a reflection of the market.
**Cinema**

7.26 Rotherham attracts only a handful of cinema visits from the survey respondents and, accordingly, the town fails to register as a destination in any of the 12 zones. Sheffield and Meadowhall dominate along with the Centertainment leisure complex. However, unlike ice-skating, visiting the cinema is a much more routine and frequently carried out activity, and therefore many towns offer this facility. Clearly, there is the potential to develop a modern cinema in Rotherham, ideally within the town centre, in order that it pulls in new visitors from which all businesses could benefit.

**Casino**

7.27 Only one respondent to our survey regularly visited casinos and the chosen destination was Sheffield.

**The Need for Further Leisure Development in Rotherham Town Centre**

7.28 In advance of focusing on Rotherham, it is important to assess the UK leisure industry as a whole, since the markets for different kinds of leisure activities are growing at different rates as summarised in Table 7.1 overleaf.
Table 7.1 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</td>
<td>-33 (2007-12)</td>
</tr>
<tr>
<td>Casino</td>
<td>Expenditure in Casinos</td>
<td>650</td>
<td>+4</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</td>
<td>+25 (2007-12)</td>
</tr>
<tr>
<td>High Street Pubs and Bars</td>
<td>Sales in Pubs/Bars</td>
<td>2,632</td>
<td>No change</td>
</tr>
<tr>
<td>Leisure Centre/ Swimming</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>


7.29 The forecasts set out in Table 7.1 indicate that whilst the bingo market is expected to decline in the future, the markets for health/fitness, ten-pin blowing, cinema and swimming will grow fairly rapidly, whilst the casino sector is likely to experience only modest growth. 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 Town Centre, regard should be had to the national trends in the market sizes of the different leisure uses.

7.30 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 more than 26,000 by 2026, whilst the population within zone 1 (covering central Rotherham) is set to increase by just under 3,000 over the same period. The new residential schemes in the town centre
are contributing to this population growth and will help underpin further leisure development by adding to the locally available ‘pool’ of spend to support new businesses.

7.31 As a consequence of a broadly positive national market and local population growth, the context for further leisure development in Rotherham Town Centre is encouraging. However, in order to identify the specific kinds of leisure activity that are most appropriate for the local market it is necessary to draw on a combination of national and local research. Our assessment is summarised in Table 7.2.

Table 7.2  Assessment of the Need for Leisure Development in Rotherham Town Centre

<table>
<thead>
<tr>
<th>Leisure Activity</th>
<th>Frequency of Visiting(1)</th>
<th>Rotherham's Share of Visits(2)</th>
<th>Consumer Demand For Attraction in Rotherham Town Centre (3)</th>
<th>Forecast Growth of Market in UK(4)</th>
<th>Need for Activity In Rotherham Town Centre(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurants</td>
<td>High</td>
<td>Average</td>
<td>Average</td>
<td>Average</td>
<td>**</td>
</tr>
<tr>
<td>Pubs/Bars</td>
<td>High</td>
<td>Average</td>
<td>Average</td>
<td>Average</td>
<td>**</td>
</tr>
<tr>
<td>Swimming Pool</td>
<td>Average</td>
<td>Average</td>
<td>Average</td>
<td>High</td>
<td>*</td>
</tr>
<tr>
<td>Cinema</td>
<td>Average</td>
<td>Low</td>
<td>High</td>
<td>High</td>
<td>***</td>
</tr>
<tr>
<td>Museums/Libraries</td>
<td>Average</td>
<td>Average</td>
<td>Low</td>
<td>Average</td>
<td>*</td>
</tr>
<tr>
<td>Health Centre/Gym</td>
<td>Average</td>
<td>Average</td>
<td>Average</td>
<td>High</td>
<td>*</td>
</tr>
<tr>
<td>Bingo</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
<td>*</td>
</tr>
<tr>
<td>Nightclub/Disco</td>
<td>Low</td>
<td>Average</td>
<td>Low</td>
<td>Average</td>
<td>*</td>
</tr>
<tr>
<td>Ice Rink</td>
<td>Low</td>
<td>Low</td>
<td>High</td>
<td>Average</td>
<td>*</td>
</tr>
<tr>
<td>Theatre/Concert Hall</td>
<td>Low</td>
<td>Average</td>
<td>Low</td>
<td>Average</td>
<td>*</td>
</tr>
<tr>
<td>Ten-Pin Bowling</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
<td>Average</td>
<td>*</td>
</tr>
<tr>
<td>Casino</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
<td>Average</td>
<td>*</td>
</tr>
</tbody>
</table>

Notes:  
(1) Frequency with which households in the survey area visit specific leisure activities.  
(2) Rotherham’s existing share of trips for leisure activity.  
(3) Consumer demand for leisure facilities in Rotherham Town Centre (derived from household telephone survey).  
(4) Forecast growth of leisure activity in UK (source: Mintel).  
(5) Colliers CRE assessment of need for new/further provision of leisure activity in Rotherham Town Centre (3 stars = strong, to 1 star = limited).

7.32 The information set out in Table 7.2 summarises for a range of leisure activities the results of the household telephone survey on consumer trip patterns and the latest forecasts of
national market growth published by Mintel. Based on these key results, we are able to produce for each activity an overall assessment of the potential need for further development in Rotherham Town Centre. 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 in floorspace terms, but these results and indicators do provide a very useful input into the planning of new development in the town centre.

7.33 Drawing on all the data available, a cinema stands out as being the most appropriate for Rotherham Town Centre. The cinema market is growing in national terms and benefits from a good level of consumer visits. Moreover, Rotherham’s existing share of visits is low leaving considerable scope for the town to improve its share of trips. This is reinforced by a relatively high level of consumer demand for a new cinema in Rotherham Town Centre.

7.34 Our assessment also identifies potential for further pubs/bars and restaurants in the 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.

7.35 We cannot see any material scope or potential for further development in the town centre of any other leisure activities, although in some cases this is as much due to commercial factors, such as the likely inability to attract a developer to Rotherham, as to the statistics. However, as part of the wider strategy to regenerate the town centre, there may also be scope to build better, replacement leisure and cultural facilities and to locate these together with a cinema and additional bars, cafés and restaurant in a new cultural/leisure quarter.

7.36 Although not covered by the household telephone survey, there may be scope for a hotel development in Rotherham Town Centre. Many hotel operators are currently expanding and if a good site could be found – perhaps as part of a future mixed-used development – then there may be the potential to attract an operator, since there is little modern hotel accommodation at present in or close to the town centre.
Summary

7.37 Leisure is in broad terms 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 scheme or as planned leisure quarters.

7.38 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, we have identified those individual leisure uses which appear to be the most appropriate for Rotherham Town Centre. A new cinema tops the list, followed by more and better pubs/bars and restaurants, particularly those that cater for a broader customer base than those currently available.

7.39 Although it is not possible to quantify the need for new leisure development in the same way as retail floorspace, our assessment has prioritised those uses which are most needed, and together with the additional retail provision that is required, these have an important bearing on shaping the future revitalisation of Rotherham Town Centre.
8.0 RETAIL AND LEISURE STUDY: RESEARCH OVERVIEW AND CONCLUSIONS

8.1 The research undertaken to inform the retail and leisure study has included a number of different inputs. The findings of these areas are analysed collectively here to identify the big issues to be addressed, in order to identify what the future retail and leisure offer needs to be.

The Potential Customer

8.2 Rotherham Town Centre benefits from a significant resident base of circa 256,000 people living in the surrounding Local Authority boundary area. This population is forecast to increase over the next ten years to circa 272,000. Within this population base, there are three clear resident groups.

8.3 The mass market value seeker (accounts for 47% of the population base):

- Mix of families and some older people
- Lots of school age children
- Lower mass to mass market profile
- On low incomes, money is tight
- Typically shop around to find the best price
- Favour discount / value led stores and lower mass market multiples
- Their money is spent on the basics to get by, what’s left is spent on the children, clothing, footwear and DVD’s.

8.4 The lower mid market resident (accounts for 36% of the population base):

- Mix of families and empty nesters
- Children of school age to young adults
- Upper mass to low mid market profile
- At least average earnings, available disposable income
- Price aware, seek value for money and the best quality they can afford
• Money is spent on themselves, the children, home & garden, leisure and holidays
• Experienced consumers – big users of shopping centres and out of town retail parks.

8.5 The mid market affluent resident (accounts for 16% of the population base):

• Mix of families, empty nesters & older couples
• Children of all ages
• Mid market profile
• High incomes – enjoy a good lifestyle
• Experienced and discerning consumers
• Quality and service more important than price
• Favour better quality department stores, independents / specialists & mid market multiples
• Spend on themselves, the home, leisure, entertainment & foreign holidays.

8.6 There is a clear bias towards the mass market value resident, who accounts for almost half the population base. The next most dominant group is the better quality lower mid market customer, accounting for 36%. These two groups therefore represent over 80% of the population base.

The Actual Customer

8.7 Analysis of the shopper survey undertaken by Rotherham Metropolitan Borough Council identifies that the actual shopper profile in the town centre is heavily skewed towards the mass market value consumer (70% of shoppers, compared to 48% of residents). The mismatch is explored in Figure 8.1 overleaf:-
8.8 This shows that the actual shopper profile is clearly biased towards the more mass market value shopper. The current town centre offer is failing to draw significant numbers of the lower mid market and mid market residents as shoppers. This is likely to be a reflection of the content of the current retail offer and its failure to meet many of the latter two groups’ retail requirements and aspirations. Overall, the town centre offer is out of sync with its potential customer base. Whilst it is appealing to the mass market shoppers, it is missing out on opportunities to satisfy the other key shopper groups.

**Customer Retail Needs and Requirements**

8.9 By analysing the lifestyle information of the three key customer groups and the results of the shopper survey, it is possible to identify the retail needs and requirements of the shopper base. The retail needs and requirements for each of the key customer groups are shown in Figure 8.2 overleaf:-
Fig. 8.2 Needs of Key Customer Groups

Mass Market Value Customers
- Want bigger stores
- More choice and variety
- More value stores
- National retailers
- More clothes stores
- Better stronger market
- Family friendly
- Public transport access
- Safe environment
- Easy and convenient
Looking for more choice, more retailers and better family facilities

Lower Mid Market Customers
- Want bigger stores
- More choice and variety
- Strong supermarket
- National retailers
- More clothes stores
- More of a leisure offer
- Easy parking
- More and better catering
- Family friendly
- Easy and convenient
Looking for more choice, more clothing, a better supermarket, an improved children’s offer, better car parking and an easier and more rewarding shopper experience

Mid Market, Affluent Shoppers
- Want bigger stores
- More choice and variety
- Strong supermarket
- National retailers
- More clothes stores
- Better quality retailers and brands
- More and better quality catering
- More of a leisure offer
- Family friendly
- Safe environment
- Easy parking
- Easy and convenient
Looking for more choice, more and better quality clothing, better supermarket, improved children’s offer, easier and more rewarding shopper experience

8.10 The shopper survey also identifies that the mass market value shopper currently visits Rotherham Town Centre on a very frequent basis, i.e. most (circa 80%) visit at least once
per week, with circa half of these visiting daily or every couple of days. They are also frequent users of Parkgate Shopping.

8.11 The lower mid market shopper also visits the town centre frequently, but visits are more likely to be work related, for social reasons or shopping at Tesco. Meadowhall is their preferred shopping destination.

8.12 The mid market affluent shopper displays similar patterns, i.e. visits frequently, work, social and supermarket influenced and prefers Meadowhall as their first choice.

8.13 Another key shopper group are the town centre workers, of which there are over 3,500. Whilst they are primarily in the town centre for reasons other than shopping, they are likely to use the town centre for shopping purposes during their lunch break and working day. Their shopping needs typically will include lunch time catering – food and drink to go, as well as eat in, top up convenience shopping, everyday comparison goods items such as cards / stationery, health and beauty / toiletries and services. Whilst their expenditure is likely to be lower on this type of shopping trip, they are an important group because there are lots of them and they are already there and using the town centre.

8.14 Whilst many of the workers are likely to be residents, they need to be considered as a separate shopper group because of the specific nature of their shopping habits (more of this later).

8.15 The needs of workers were also borne out by feedback from Rotherham Metropolitan Borough Council staff, which further confirmed the need for a better multiples offer, more clothing, footwear, DVDs and sports goods and a much improved catering / food and beverage offer.

8.16 Whilst each customer group has its own set of needs and requirements, they all want bigger stores, recognised national retailers, more choice and variety, a family friendly environment, better children’s facilities, improved catering and an easy and convenient shopping experience. The opportunity is for Rotherham Town Centre to increase its appeal to all three customer groups, particularly the mass market value shoppers and the lower mid
market shoppers, by meeting more of their ‘every day basic’, top up shopping and ‘work related’ retail needs and requirements.

8.17 Recent retail performance in the town centre has been satisfactory, with most retailers trading in line with last year. Perceptions of future prospects however are poor, with most retailers citing the lack of recognised multiples, high profile visible empty units and some anti-social behaviour as reducing the shopper experience and therefore retail potential in the future. Retailers are not convinced the regeneration activity of the Renaissance Programme will materially affect shoppers’ perceptions or usage of the town centre.

**Major Issues with Regards to Rotherham Town Centre’s Retail and Leisure Offer**

8.18 For the remainder of this section we have highlighted some of the key conclusions arising from the study.

**A Need for More Effective Retail Anchors**

**Figure 8.3 A Need for More Effective Anchors**

- Tesco on edge of town centre, poor access, pulls people away from rest of town centre, dated shop fit, poor environment, limited ranges
- Wilkinson, Boots, WH Smith – limited ranges, lack the gravitas of anchor stores
- Primark off pitch, immediate environment very weak, no adjoining peer group retailers to create cluster & improve ‘draw’ of the area
- Sense of arrival is weak – immediate surrounding retail is poor
- Market is hidden, tiny entrance, weak impact, negative external image – underplays what’s inside
8.19 Rotherham Town Centre lacks effective anchors / destination status stores. The potential ‘anchors’ are unable to fulfil this role for a variety of reasons: Tesco – has a limited offer and is not in a central location - if anything, it pulls shoppers away from the heart of the town centre, Primark – is in a current poor location and has weak retail in its immediate hinterland, Wilkinson, Boots and WH Smith are trading from small to medium sized units with limited offers / ranges that lack the weight and pull shoppers would expect from anchor type stores. The Market suffers from a very small and weak front entrance, weaker still side and back entrances and a poor environment which prevent it from making a big statement to shoppers. More effective anchors would provide more reasons to visit Rotherham Town Centre.

**Limited Retail Offer**

8.20 Effingham Street is the busiest street in the town centre in terms of footfall and as such is performing the role of a traditional high street but it lacks the key components of a thriving and bustling high street, such as big stores, recognised national multiples (particularly fashion, footwear, etc.), strong shopper appeal and a range of food / catering offers. Instead it is dominated by banks / building societies, mobile phone shops and service retailers with just a handful of multiples. It also has three charity shops, which convey a poor message to shoppers.

8.21 The width and depth of choice for shoppers is limited. Many of the main high street multiples and names that shoppers would expect to see in a town centre are missing and, those that are there are typically trading from small to medium sized units with limited ranges. Many of the shop fits and fascias are dated which further reduces the appeal of the town centre as a retail destination. These issues are heightened by the proximity of the more up to date Meadowhall and Parkgate Shopping, both of which are used by Rotherham Town Centre shoppers and will drive / influence their expectations as consumers.

8.22 The town centre retail and leisure offer has a lower mass market to value focus which is likely to appeal to a significant number of residents in the study area, i.e. mass market, value shoppers. However, it has much less appeal for the lower mid market shoppers and even less appeal for the mid market shoppers. Although these latter shopper
groups are smaller than the mass market value group, they still represent 36% and 18% respectively of the potential customer base. The shopper survey identified that these two groups are still visiting the town centre on a frequent basis but primarily for supermarket shopping or for work. Given this, the opportunity exists to satisfy more of their shopping requirements when they are in Rotherham Town Centre.

8.23 The independent retailers cover a range of product categories. With the exception of clothing, they are typically mass market operators offering average quality products. Although there are a number of independents trading along Wellgate, others are widely dispersed throughout the town centre. Therefore there is no ‘clustering effect’ to create a mini destination within the overall offer. Key independent retailers in the town could easily be missed within the regular shopping trip. The independent offer, especially on Wellgate and the High Street, could be improved to punch above its weight.

8.24 The Market is well occupied and has a good mix of both food and non food stalls. It is a positive asset for the town centre and is popular with shoppers. However, it suffers from a poor and dated environment with weak entrances and limited impact on approach / arrival. The fact that in spite of these issues, many traders are performing well and it is already a strong draw for customers indicates that it potentially has a much bigger role to play within the town centre. It is a strength to build upon.

8.25 There are a number of vacant units in the town centre. A small number of these are large, in prime locations and have been vacant for some time. These convey a negative message to shoppers as well as existing and potential retailers. Furthermore, potential retailers are likely to be put off as high profile empty units are seen as a sign of poor trading conditions.

8.26 The shopper catering offer is largely one dimensional. It is dominated by mass market national and regional bakeries all selling a similar type of products – sandwiches, cakes, pies, pasties, etc. There are a handful of cafes for those shoppers seeking more of a leisurely catering experience but the environments are very basic and again, they all offer a similar basic menu. There are opportunities to add more quality coffee shops, sandwich
bars and cafes offering a pleasant and comfortable environment with a more interesting and varied menu to tempt shoppers, families and workers and extend their dwell time.

8.27 The existing leisure offer has limited appeal as key leisure components are missing. It comprises bingo, amusements, a gym and a range of pubs, clubs, restaurants, takeaways and cafes. It has a mass market bias and is likely to appeal to young singles and couples (pubs and clubs) or the older leisure consumer (bingo). There is no cinema, bowling or the associated catering operators they trade alongside, which would provide something to attract families on a day out. Currently, it is not a family focused / friendly destination. This is in contrast to nearby retail destinations which provide an easy and convenient shopping experience for families, as well as providing a variety of choices for an enjoyable family day out, e.g. cinema, children friendly catering, easy parking, play areas, etc. Such experiences elsewhere inform shoppers and influence their expectations. Overall, the leisure offer needs to improve to tempt a significant part of the customer base, including the workforce. There are substantial numbers of workers in and around the town centre whose needs are currently not being met. Workers need an easy and convenient shopping offer, with high requirements for a quality and varied catering and service offer, all of which are not present at the moment.

**Addressing Negative Perceptions about the Town Centre amongst Retailers and Shoppers**

8.28 The perception amongst both the shoppers and the retailers is that the town centre needs improving. It is therefore important these negative perceptions are addressed, as the reality of the town centre is much more positive. There are a number of factors that contribute to this perception, particularly the fact that there are increasingly fewer stores. As retailers leave the town they are not replaced with new ones, leaving some high profile units vacant for a period of time. Footfall is in decline (2008 is 20% below 2007 – Source Rotherham Metropolitan Borough Council). The High Street is a ‘High Street’ in name only – it suffers from a weak offer, a cluster of vacant units and low footfall – Primark is the main draw. The presence of groups of youths is reducing the appeal for many shoppers. Their presence was visible during field visits and was highlighted as an issue during the retailer discussions and cited in the consumer research. Whilst efforts are being made to address this issue with the presence of Community Support Officers, it is something that is likely to put people off visiting the town centre.
The retailers also revealed that they receive negative feedback from customers about the town centre; 'no point in coming to Rotherham anymore – there’s nothing here’, ‘nothing left in the town, no reason to visit’ are comments made. Unsurprisingly, a significant proportion of the retailers are therefore concerned about the future prospects for the town centre.

‘Sense of Place’ within Core Retail Area is not Building on the Strong Assets

8.29 Rotherham Town Centre benefits from the presence of some attractive and historic buildings such as the Minster, The Old Town Hall and the buildings at the end of Bridgegate where it joins All Saints Square. It also has pleasant public spaces such as the Minster Yard and All Saints Square. These provide interest and character and offer the potential to create a positive environment and atmosphere. However, not enough is being made of them to make them feel an integral part of the town centre offer.

8.30 The area in front of the Market main entrance has the potential to be a good / useful public space. It is currently used to accommodate a mobile catering unit but could be used more effectively in a ‘Market Square’ type role acting as a social meeting point and local landmark.

8.31 The Rotherham Interchange is a key strength of the town centre making it convenient and accessible for the many shoppers dependent on public transport. Shoppers using public transport or arriving by car will typically approach the town centre via College Walk and onto Frederick Street. However, the retail offer in both of these areas lacks impact and fails to provide a strong sense of arrival. As a gateway to the retail offer it can be improved.

8.32 Effingham Square is also a key pedestrian gateway into the town centre and would also benefit from streetscape and public realm improvements, as identified in the Public Realm Strategy.

8.33 More needs to be made of these positive attributes of the town centre – they are great strengths that provide clear points of difference that the nearby competition cannot offer.
Competing Centres are very Strong

8.34 Rotherham sits within the retail hierarchy and sphere of influence of three established, successful and also improving retail destinations – Parkgate Shopping, Sheffield City Centre and Meadowhall. All three are successfully attracting shoppers as a result of the scale and content of their offer and the ease and convenience of using it. Parkgate Shopping is seeking to expand its offer and Sheffield City Centre has plans (currently on hold) for a stronger offer in the form of the Sevenstone Retail Quarter development by Hammerson. Rotherham’s shoppers visit these destinations and their experiences at them influence their shopping expectations and aspirations. Therefore, it is increasingly apparent to Rotherham’s shoppers that the major centres have moved ahead and Rotherham has not. Any improvements to these other destinations will simply widen the gap and make the other destinations more appealing. Rotherham needs to evolve its offer to complement and differentiate itself from these large competitors.

Rotherham Town Centre Needs to Offer a More Rewarding Shopping Experience

8.35 To benefit shoppers and retailers alike the overall shopping experience in Rotherham Town Centre needs to be more rewarding and the retail offer enhanced. This point is further emphasised when Rotherham is compared with nearby Meadowhall and Parkgate Shopping where shoppers have access to longer trading hours, modern contemporary environments, better quality and greater choice of catering, family friendly facilities and free parking. In addition to the ease of the shopping experience, the content of the retail offer at Meadowhall and Parkgate Shopping is stronger – more and bigger shops, recognised names providing more choice and variety for consumers. As such, both Meadowhall and Parkgate Shopping offer a more rewarding shopping experience. Rotherham Town Centre does not provide sufficient reward and this imbalance needs to be addressed so that Rotherham becomes more rewarding, more convenient and easier to use as a shopping destination.

8.36 Whilst it can never compete with Meadowhall and Parkgate Shopping in terms of the scale and content of the offer, it can provide an easy, everyday alternative for the dominant shopper groups and town centre workers. In order to get these groups to use the town centre on a more frequent basis to satisfy more of their everyday shopping requirements, Rotherham needs to make it easier and offer more rewarding choices. Existing strengths
such as environment, independent retail provision, sense of place and the market can all be built on and further improved so as to be clear differentiators / reasons to visit Rotherham Town Centre more often.

**Town Centre Health Check**

8.37 The aim of the following section is to summarise the vitality and vibrancy of Rotherham Town Centre’s retail and leisure offer. A significant amount of bespoke research has been undertaken for this project, including detailed analysis of the town centre offer on a shop-by-shop basis. The project has also considered the views and opinions of residents, as well as shoppers and retail operators ‘at the coal face’. The project team has also consulted with a wide variety of stakeholders and business organisations to ensure we have a very detailed insight as to how the town centre is performing and the issues it faces.

**Indicators of Vitality and Viability**

*Diversity of Uses (From Appendix 5C Retail Review)*

8.38 Rotherham’s Town Centre has a relative over-provision of service goods operators, especially opticians and hairdressers. There are insufficient large sized retail units and this has resulted in an under-provision of national comparison goods retailers. Catering is poor, one-dimensional and typically has a ‘basic everyday food’ focus. There is a limited supermarket provision (location, size, range, offer, environment, etc.). The rest of the convenience offer (in particular smaller stores) is adequate. Effingham Street (which would be expected to be the main high street) has too few destination comparison goods retailers and too many banks and charities.

*Retailer Representation & Intentions to Change Representation (from FOCUS)*

8.39 According to the latest FOCUS report, there are 25 retailers with requirements for a store in Rotherham. This is down from 48 two years ago and equates to the lowest level since 1998. Key retailers present include Boots, Argos, WH Smith, Superdrug, Wilkinson and Primark. Much more detailed analysis of the retail offer is contained in Appendix 5C.
Shopping Rents

8.40 **Figures 8.4 and 8.5** overleaf are based on the Colliers CRE In-town Retail Rents database. **Figure 8.4** shows the absolute prime rent of Rotherham Town Centre compared to the regional and Great Britain averages from mid 1987 through to mid 2009. This shows that rents in Rotherham have been generally flat over the past 20 years and have remained well below both the regional and national averages.

8.41 **Figure 8.5** is perhaps even more instructive. This shows Rotherham’s rental performance indexed to 1987 and compared to that for the region and Great Britain. From 1987 till the peak of the market in the early 1990’s Rotherham’s performance matched that of the region and Great Britain, but during the last economic downturn (1992 to 1994) its performance was significantly worse. From 1994 through to 2008, Rotherham’s prime rent slowly increased in a series of steps, but this performance was no match for the region or Great Britain, and the ‘performance gap’ widened considerably.

8.42 As the country is now in another severe economic downturn, Rotherham’s performance of the early 1990’s appears to be repeating. Over the past 12 months Rotherham’s prime rent has fallen by 29%, as against 16% for the region and 12.1% for Great Britain. Rotherham’s decline in rent during 2008/09 is amongst the worst of any centre in the UK.
Figure 8.4  Zone A Retail Rents, 1987-2009

Figure 8.5  Zone A Retail Rents Indexed, 1987-2009
**Proportion of Vacant Street Level Property (from The Retail Group audit)**

8.43 At the time of the study, the total retail floorspace for Rotherham Town Centre was 55,709 sq.m. (gross). Of this, circa 7,776 sq.m. (gross) is made up of vacant units, which represents 14% of the total retail floorspace. Of the 74 vacant units, a number are high profile, large units in prominent locations such as the ex-Marks and Spencer and those on Frederick Street. There is also a cluster of smaller sized vacant units on the High Street.

**Commercial Yields on Non Domestic Property (from Valuation Office)**

8.44 The latest published data from the Valuation Office (July 2008) gives Rotherham a shopping yield of 6.5%, compared to 5.5% in Sheffield City Centre. This represents a significant shortening compared to the 9.25% at January 2007. More notable given that yields across all centres have lengthened over the past 12 months due to the economic downturn. As of last year Rotherham’s yield was lower than that at other major centres such as Wakefield (6.75%), Bradford (7.0%), Halifax (7.5%) and Huddersfield (7.0%), suggesting Rotherham had retained a surprisingly good level of viability. This supports the findings of the household survey which indicates that trading performance is holding up well.

**Pedestrian Flows (from Rotherham Metropolitan Borough Council counters)**

8.45 Pedestrian flows in Rotherham town centre are captured using a number of counters. Due to the discovery of technical failures with some of this equipment the 2008 figures are not considered to be accurate or reliable. Even taking account of this issue, 2008 is likely to have recorded lower pedestrian flows than 2007. This compares to a 1.5% decline for 2007 vs. 2006 and a 10.6% increase for 2006 compared to 2005.

8.46 Taking into account historical data Effingham Street is the busiest area, followed by All Saints Square. High Street and Corporation Street are the quietest of the areas monitored by pedestrian flow counters.
Accessibility (from The Retail Group audit)

8.47 Rotherham Town Centre is easy to get to by car using the motorways and ‘A’ roads. The town centre is also easily accessible by bus with the Rotherham Interchange (bus station) situated off Frederick Street via College Walk. Rotherham Central (railway station) is a few minutes walk from the town centre so, although the rail links exist, it is a less convenient means of reaching the core town centre area.

Customer Views and Behaviour (from RMBC Staff Feedback and Shopper Surveys, Colliers CRE Household Survey and The Retail Group Retailer Survey)

8.48 Rotherham attracts shoppers on a very frequent basis, with most (80%) visiting the town centre at least once per week. Nearly half of these visit every day / couple of days. In addition encouragingly there is no social bias with the visit patterns, with all three of the shopper groups identified visiting very frequently.

8.49 Also positive is the many reasons cited for visiting, including; shopping, services, markets, supermarkets, social reasons and ‘work there’. This provides a strong platform for the future in terms of many opportunities to enhance the reasons to visit.

8.50 The mass market shoppers typically choose Rotherham as their main destination of choice. The lower mid market and mid market shoppers prefer Parkgate Shopping and Meadowhall as their main choices and visit Rotherham more for work, social or supermarket shopping.

8.51 Employees of Rotherham Metropolitan Borough Council have similar views to shoppers and retailers in the town centre, in so much as the vast majority of people surveyed want bigger shops, more choice, more recognised multiple retailers, more fashion, footwear and childrenswear, better catering, improved environment and better security.
Perceptions of Safety and Occurrence of Crime (from RMBC Staff Feedback & Shopper Surveys, Colliers CRE Household Survey and The Retail Group Retailer Survey)

8.52 When asked for improvements wanted to the town centre, ‘improved security’ was the 4th highest request from shoppers, especially the mass market value shoppers as well as the mid market affluent shoppers (the top three being; ‘more shops’, ‘clean up’ and ‘M&S / larger stores’).

8.53 Safety was also a particular issue with Rotherham Metropolitan Borough Council employees.

8.54 It is also an issue with town centre retailers, with retailers typically listing ‘crime & anti social behaviour’ as being the 4th most significant weakness of the town centre.

State of Town Centre Environmental Quality (from The Retail Group audit)

8.55 Rotherham Town Centre has a mixed environment. It has a number of attractive historic buildings, e.g. The Old Town Hall and some pleasant public spaces, e.g. All Saints Square. However, not enough is made of these positive aspects of the environment and consequently there is a limited ‘sense of place’. Throughout the pedestrianised parts of the town centre, there are trees, old fashioned style street lights and seating areas, which add interest and character. However, in contrast, there are parts of the town centre where the quality of the environment is poor, such as; High Street, Doncaster Gate and the area around the indoor Market. These areas feel tired and dated as a result of old buildings in need of repair and boarded up vacant units.

The Quality, Quantity & Convenience of Retailing & Other Uses in the Area & the Potential Capacity for Growth or Change (from Colliers CRE)

8.56 Appendix 5C contains a very detailed analysis of Rotherham’s existing retail and leisure offer. This identifies the existing offer as being left behind compared to the surrounding competing centres. Unfortunately, unit sizes are typically small to medium, often with dated shop fronts and old style fascias. The offer has a mass / bargain focus, with a number of high profile vacant units. The environment in places is basic and anchors are ineffective.
The indoor market is the biggest strength, although the external fabric and impact of the market are in need of considerable improvement. Many key elements of the leisure offer, such as cinema, quality food and beverage outlets are missing. Independent retailers are not typically clustered within the town centre and thus punch below their weight. Catering is largely one-dimensional and mass market “takeaway” focused.

8.57 Colliers CRE has identified the need for 2,060 sq. m. of convenience retailing by 2014, rising to 3,135 sq. m. by 2026. The need for non bulky comparison goods is expected to grow from 8,555 sq. m. in 2014 to 11,150 sq. m. by 2026.

Population Change, Economic Growth / Decline & Expenditure Patterns (from RMBC, Experian and Colliers CRE)

8.58 The residential population of the study area is forecast to grow from 256,000 to 272,000 by 2018 (+6%).

8.59 According to Rotherham Metropolitan Borough Council's 'Rotherham in Focus' publication, Rotherham’s employment rate grew positively through 2002 to 2005, fell sharply in 2006 and eased off in 2007. In 2007 / 08 there were in excess of 1,200 new announcements, however the picture in 2008 was much less positive with a series of redundancies announced from Pawsons, Wincantons, Hovis Mill and Ventura Call Centre.

8.60 Colliers CRE estimate that the pool of available expenditure will grow by some £713m between 2009 and 2026 (£287m for bulky comparison).

8.61 The findings and conclusions have been detailed previously in this section, as well as in Appendices 5A to 5F inclusive. It is these sections that contain detailed assessment of Rotherham Town Centre’s Health.

8.62 The following section summarises key extracts from the detailed Health Check undertaken.
Summary

8.63 Rotherham benefits from a large and mixed profile resident base. The town centre is attracting shoppers from the three major groups identified, although the shoppers tend to be the mass market and value seeking residents. The town centre benefits from high repeat visits and traders report a positive performance. The market is a strong asset as are many of the physical / environment aspects of the town centre. Many of Rotherham's competing centres have been improved and developed over the last couple of decades. There is a significant need for an improved retail and leisure offer in the town centre. All of the research areas pointed to the need for bigger shops providing more choice and variety, clear anchors, more recognisable branded retailers, more clothing retailers, more quality independent operators, more and better quality catering and restaurants, more of a leisure offer – including a cinema and more of a family friendly focus. There are too many vacant units which reinforce the negative perceptions that exist amongst retailers and shoppers. The town centre’s positive attributes are not being fully utilised and are overshadowed by the negative aspects of the town. Future changes to the retail and leisure offer will need to be very clearly visible and high profile in order to start to change existing views and perceptions about the town centre.
9.0 RETAIL AND LEISURE STUDY: FUTURE VISION AND RECOMMENDATIONS

9.1 This section of the report sets out the future vision for Rotherham Town Centre and the mission objectives required to deliver that vision. As such, it is derived from all earlier sections of this report, especially Sections 6 to 8 inclusive, as well as the primary retail research undertaken for this study, as detailed in Appendix 5.

The Future Vision for Rotherham Town Centre Retail and Leisure Offer

9.2 The future vision for the retail and leisure offer is set out below:

Rotherham Town Centre in the future will be a place that appeals to its mass market and lower mid market local residents and town centre workers by offering a comprehensive range of everyday convenience, service and minor comparison goods. There will be a wide variety of catering facilities available covering the full day part. The thriving retail and leisure offer will be complemented by the attractive and enhanced public realm available around the Minster and All Saint’s Square. The quality local independents, refurbished indoor market, new cinema, rejuvenated high street and extensive programme of children’s facilities and family events will help to make it a destination of choice for local consumers.

The Retail Study Mission Objectives

9.3 The mission identifies the key objectives to be undertaken in order to achieve the vision. These are set out below and covered in more detail in this section of the report.

Broaden the appeal of the offer.
Provide bigger stores and more national retailers.
More quality independent retailers.
More variety and better quality catering operators.
A stronger & more varied leisure offer.
Raise the profile of the market – to become a local landmark.  
Enhance Rotherham’s appeal as a family friendly destination.  
Develop & expand on the ‘sense of place’.

Broaden the Appeal of the Offer

9.4 As identified in Appendix 5.3, the existing offer is successfully appealing to the mass market value consumer which has been identified as the largest of the three dominant customer groups. The opportunity exists for the town centre to expand the mass market appeal and offer more to attract the other two groups, particularly the lower mid market shopper group. By adding to the offer in these ways, the town centre will offer more choice and variety to the existing customers (predominantly the mass market, value group) and therefore be able to fulfil more of their retail needs and requirements. In addition, it will tempt more of the other potential shopper groups (already visiting the town centre but more for work / social reasons / supermarket trips) to use the town centre for more of their shopping needs. The town centre already has a strong service offer which acts as a trip generator. Increasing the retail offer will build on the service offer and encourage shoppers visiting primarily for services to use the town centre for other retail requirements at the same time.

Provide Bigger Stores and Target Key National Retailers

9.5 There are a number of product categories where the choice for shoppers, particularly the lower mid market group, is limited. Going forward, Rotherham Town Centre needs to provide bigger sized stores occupied by well known national retailers across the following categories, ladieswear, menswear, childrenswear, footwear, music / DVDs / games and catering. Indicative retailers are identified overleaf to give a flavour of the names / brands and appropriate market positioning
9.6 The priority operators in the short term are TJ Hughes, Topshop / Topman and Costa. These would require typical units of 2,000 sq.m to 1,000 sq.m and 100 sq.m respectively.

9.7 Section 8 of this report contains a detailed analysis of shopper views and requirements. As well as providing a greater choice of stores, shoppers also want more and bigger ranges within the individual stores. To do this and to meet the retailer floorspace requirements, larger sized footplates will be required within the town centre. The town centre would also benefit from a new large food store effectively integrated within or adjacent to town centre core retail area.
Figure 9.1 below shows the minimum change and improvements needed, as well as additional changes that will be required if a new food store is developed on the current Norfolk House / Civic site provided.

9.8 The priority actions are to fill the existing large vacant units. The next priority is to create the retail space and accommodation suitable for attracting key targets.

9.9 The first option is to examine the potential of combining units to create bigger units with larger floorplates. Howard Street and Effingham Street would be the preferred locations for further investigation.

9.10 The second option will be to look at the potential to create space by developing a scheme through land assembly, e.g. former Marks and Spencer and adjacent units.
9.11 The third option will be to look at alternative uses of space, for example the outdoor market complex, could units face onto a new town centre food provision on the Norfolk House site?

9.12 It is recommended that specialist planning and development consultants are retained to identify and assess specific development opportunities and the opportunity to assemble sites through compulsory purchase.

9.13 New retailers are likely to require significant incentives as indicated by a specialised letting agent with knowledge of the local retail market.

- Major fashion anchor (e.g. a number of Arcadia fascias) – 3-5 years rent.
- Mainstream fashion – e.g. Republic – 18 months-2 years.
- Discounter, e.g. Poundworld – 12-18 months.
- Coffee operator – 12 months (e.g. Caffé Nero).
- Branded national food operator 6-12 months.

9.14 All of the above will depend on individual adjacencies and how they view Rotherham and its opportunity. In the short term these are only likely to go up, however they will also be influenced by the national picture in regard to property performance and letting conditions.

Provide Better Quality & More Variety of Independents

9.15 The role of the independents is to add interest and variety to the retail offer. They would also provide a point of difference for Rotherham compared to Parkgate Shopping. The current independent offer is focused around young adult / designer fashion, which whilst it is a major asset is too limited in its appeal. The independent offer needs to be broader and include product categories such as childrenswear, footwear and accessories, home, music, cards, gifts and clothing for the 35+ years age range. By offering a range of independents that cover these categories, there will be sufficient critical mass to deliver a ‘cluster effect’ to create a mini shopping zone within the town centre. Figure 9.2 overleaf shows the areas of the town centre where more and better independent retailers should be encouraged to locate.
More and Better Quality Catering Needed

9.16 The detailed analysis of the existing retail offer, as contained in Appendix 5.3 of this report, identifies that the existing one-dimensional offer has limited appeal for the customer base and lacks temptation and variety. The future catering offer needs to deliver more choice and variety to appeal to all three shopper groups, in order to extend the dwell time of their town centre shopping trips. It needs to focus on the different requirements for the different shopper groups and day parts. These include family groups on a day out needing a family friendly environment and children friendly menu offer, workers looking for both take away and eat in options with a range of styles and price points for before and after work and during their lunch breaks and shoppers seeking a quality ‘coffee and cake’ offer for mid morning / mid afternoon or a quality lunch time offer. The offer could include cafes, bistros / restaurants, coffee shops, sandwich / deli bars, juice / smoothie bars, salads and healthy eating options. The provision of a quality, customer friendly and contemporary environment is as important as the product ranges being sold.
Provide a Stronger and More Varied Leisure Offer

9.17 The existing leisure offer has a number of gaps to be filled, particularly for the family oriented components of a leisure offer such as a cinema, bowling and the quality family friendly cafes and restaurants that typically trade alongside cinema and bowling activities. A new cinema could potentially be located on the Forge Island site or in locations close to the river frontage and other possible leisure facilities along Corporation Street. In either case, it is essential that the ancillary food and beverage / catering offer is on the town centre side of the River Don. Additional leisure options to be considered could include an activity centre linked to the Arts College with an ‘educational slant’, an urban park facility with a stunt bike / cycle area, roller skating, climbing wall, etc. Figure 9.3 summarises the leisure offer recommendations.

Fig. 9.3 Leisure Offer Recommendations

- Easily accessible casual evening dining – buffet style, American, Chinese, Italian, etc.
- New cinema – strong anchor for the leisure provision – two options
- Family friendly catering – located to draw cinema goers / leisure visitors into rest of the town centre
- More pavement dining / street activity – add interest, create atmosphere
- New day time dining & quality evening quarter – alongside service & convenience – targeting workers and shoppers – contemporary environment, better quality multiples / independents. Key gateway for workers into town centre
Redevelop the Indoor Market

9.18 The indoor market is already popular and well used – particularly with the mass market, value shoppers. It is also well located in the heart of the core shopping offer, at the junction of two of the primary shopping streets (Effingham Street and Howard Street). It acts as a key central anchor on the prime footfall ‘dog-leg’, i.e. transport to market to All Saints Square central space.

9.19 It is not necessary nor recommended that the indoor market is relocated. Indeed the market is probably likely to be the centre of the town's future offer going forward (more of this later in the report). The indoor market’s key weaknesses include a dated and tired environment and weak entrances, which fail to do justice to what’s on offer inside. The profile of the market has to be raised. This could be done by opening up the main entrance areas to make it more visible and using the space immediately in front of the main entrance as part of the market offer, i.e. take the indoor market to the immediate outside area. The environment also has to be improved through the provision of modern, ‘fit for purpose’ stalls with well presented product displays, upgrading of the internal decor to create a light, bright and contemporary environment. A further improvement required (as very successfully delivered in the Arndale Market, Manchester), is a much greater emphasis on fresh food (meat, fish, bread, fruit and veg). Additional quality catering operators (e.g. Oxford Indoor Market) would also improve and anchor the offer.

9.20 The market should also have a role as a social meeting place as well as a shopping destination. This is another aspect of Rotherham’s retail offer that is unique – the competition has not got one! The market is currently a hidden gem, yet it has the potential to play a much more effective anchor role. Going forward, the revised PPS4 will also place much greater emphasis on developing and improving town centre markets, as a strong defensive and differentiating factor against out of town retail centres.

Enhance Rotherham’s Appeal as a Family Friendly Destination

9.21 Rotherham Town Centre must be a more family friendly destination. To change this, it needs to deliver a choice of family friendly catering, accessible and easy to use toilets and baby change facilities, mini fun rides, pleasant public spaces and seating areas where
families can relax and enjoy their day out. In addition, the environment has to be perceived as safe, this will include deterring anti-social behaviour groups from the town centre. An enhanced activities and events programme would help to trigger family trips to the town centre and providing it delivers on all the other criteria listed here, Rotherham Town Centre will be viewed as a good place to go for a family trip out.

**Develop and Expand the Sense of Place**

9.22 It has already been identified that Rotherham Town Centre has pleasant public spaces but that they are not used to their full potential. Specific examples are All Saint’s Square, Effingham Square and the ‘Market Square’. All Saint’s Square is in a central location with the Minster as a back drop, a fountain that adds to the overall ambience yet it is currently a void – it needs to be built on as a central hub for activities and events. Effingham Square is a ‘square’ in name only! – yet it will be one of the key gateways to the heart of the town centre and will therefore need to create a great first impression. For the ‘Market Square’ to become a social meeting point it has to be a pleasant place to spend some time.

9.23 The aim is to make these public spaces (along with others) pleasant places to be and pass the time and, in some cases, local landmarks. As also identified in the Public Realm Strategy, this can be achieved through better use of green spaces, the introduction of pocket parks, more lighting, contemporary street furniture, better seating areas, trees and planters to soften the environment and street activities.

**Delivering the Retail and Leisure Study**

9.24 Existing national\(^1\), regional\(^2\), local policies and goals\(^3\) are aimed at promoting the role of the town centre as the focus for new retail and leisure development in the Rotherham area as part of a much wider regeneration programme. The forthcoming Local Development Framework and Core Strategy Options are expected to continue this emphasis. The Retail and Leisure Study presented in this report should be used to inform appropriate elements of the Council’s LDF.

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\(^1\) PPS 6 Planning for Town Centres and Draft PPS4 Planning for Prosperous Economies.
\(^3\) Yorkshire Forward Urban Renaissance Programme for Rotherham (Ten Renaissance Goals)
9.25 Our specific planning policy recommendations in support of the Retail and Leisure Study are set out at paragraphs 9.31 to 9.44 below. However, we also consider that to best facilitate the successful regeneration of Rotherham Town Centre through new retail investment there should be a strong presumption against permitting any further non-bulky comparison goods development out of centre, especially at Parkgate.

9.26 Planning can play an important role in translating the key initiatives of the new Retail and Leisure Study into actual transformation and development on the ground. However, there are many other equally important drivers for change and all will need to combine in unison if Rotherham Town Centre is to achieve a successful Renaissance.

How does the Rotherham Renaissance Programme help to deliver the objectives of the Town Centre Retail Study?

9.27 Under this assessment we assume that the various town centre Rotherham Renaissance Initiatives are delivered in due course. We have then overlaid them onto the mission objectives the future retail and leisure study is built on, to determine whether they help to deliver the study. This is set out in Figure 9.4 overleaf.
**Fig. 9.4 Rotherham Renaissance Satisfaction of Retail Study Objectives**

<table>
<thead>
<tr>
<th>Proposed Development</th>
<th>Retail Study Mission Objectives Achieved?</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Drop in PCT</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>New Railway Station</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>New Cultural Quarter on Forge Island</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Old Market Redevelopment</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Imperial Buildings</td>
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<td>×</td>
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<td>Turnpike Wharf</td>
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<td>×</td>
</tr>
<tr>
<td>All Saints Building</td>
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<td>×</td>
</tr>
<tr>
<td>Westgate Chambers</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Townscape Heritage Initiative</td>
<td>✓</td>
<td>×</td>
</tr>
<tr>
<td>Rotherham Interchange</td>
<td>✓</td>
<td>×</td>
</tr>
<tr>
<td>Moorgate Crofts</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Horbury Developments</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Guest &amp; Chrimes New Civic Building</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Drummond Street Car Park</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>St Anne’s Leisure Centre</td>
<td>×</td>
<td>×</td>
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<tr>
<td>RCAT</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Markets Improved</td>
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<td>×</td>
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</table>
9.28 As can be seen, the current suite of Renaissance projects will not, on their own, deliver a step change in the retail and leisure offer, although this is not surprising as many of the projects included were not specifically developed to target retail improvements. The reality is therefore that further interventions are needed to address the key study objectives of a broader offer and bigger stores / more national operators. The objectives of more catering and more independents will be helped by the Imperial Buildings, All Saints Building, New Cultural Quarter and Keppel Wharf. Between them however, whilst they do bring key benefits, Rotherham Town Centre needs much more in terms of an extended catering offer and a critical mass of new retailers.

9.29 The stronger leisure offer objective will obviously be significantly helped by a future cultural quarter. However, this site is too remote from the town centre to have a major beneficial effect for Rotherham’s retail offer. For maximum benefit, food and beverage should be kept to a minimum on the island itself, to reduce it becoming a stand alone, out of town centre destination. The issues relating to the markets will only be addressed if they are to be fully refurbished, of which the Renaissance Programme contains little detail.

9.30 Finally, the Family Friendly and Enhanced Sense of Place objectives will be benefited by a number of key initiatives, especially the Cultural Quarter, All Saints Building, Turnpike Wharf and Townscape Heritage Initiative. There remains however, much more to be delivered in the centre of the town, as identified in the Spatial Vision for the retail and leisure offer that is described below.
9.31 In broad terms the retail and leisure spatial vision for the town centre is set out in Figure 9.5.

Figure 9.5 Spatial vision for the town centre

New Leisure / Food & Beverage Quarter
New daytime catering / office / office workers quarter
New independent quarter
Core retail area
Improved Public Realm
Bigger retail units

9.32 The new leisure / food and beverage quarter will address current weaknesses in the retail and leisure provision. It is important that regardless of the future of Forge Island, the improved food and beverage provision is on the town centre side of the Island. Suitable operators for this quarter would be family friendly during the day, providing easily accessible meals at lunch time, and in particular providing the post shopping / work provision at the beginning of the evening (so called Chameleon Bars). We would expect the offer to be food focused / bar snacks as opposed to vertical drinking.

9.33 The current Mecca Bingo / Wilkinson site would be a great location for a cinema, notwithstanding the tight footprint. This is a major gap in the existing provision and it would appear from the qualitative assessment that there is demand for such an offer.
9.34 The area for new leisure / food and beverage (the evening economy destination) should be spatially defined in a plan and specific policies for this area be developed to encourage leisure / food and beverage operators to locate there. Change of use away from retail to leisure / food and beverage should be supported in this area and a range of acceptable uses should be set out to include A3, A4, A5, nightclubs, concert uses and taxi companies.

9.35 Next to the new leisure quarter logically sits the new **daytime catering / office workers quarter**. The focus here is on a variety of catering options but with a quality slant. Both branded coffee operators as well as regional / local independents are needed. Other elements include quality freshly made sandwiches, smoothies, milkshakes, pizza, pasta, salads, patisserie and other products that will appeal to office workers as well as families and more discerning shoppers.

9.36 The day to day service requirements of workers such as shoe repairs, dry cleaning, chemist, beauty treatments, etc., would also fit with this area which includes Imperial Buildings, Market Place / Street and the top end of the High Street.

9.37 Once again, the daytime catering / office workers quarter should be defined in the plan. Within this area planning policy should be flexible and support the location and development of appropriate service / catering uses (eg. A3 / A4 / A5).

9.38 Moving further down the High Street, this would further build on the **independent focus**, but with a broader offer to include more comparison goods retailers.

9.39 It would also be a stronger area if the successes of the better quality clothing independents on Wellgate were incorporated into this new improved high quality environment. Other types of independent retailers to be encouraged include gifts, stationery, confectionery, childrenswear, fashion and accessories, footwear, jewellery, health and beauty and home fashion.

9.40 In the independent quarter, planning policy should support the development of niche retailing and small shops. The quarter should be defined spatially in the plan with relevant policies
applying to this area. There should be a limit imposed on the number of non-retail uses, but the ‘cap’ will be higher than for primary shopping frontages.

9.41 As we reach the bottom of the High Street and turn into College Street, we enter the **core retail offer**. At the moment it is blighted by a number of high profile, clearly visible vacant units, although we understand a discount operator has very recently opened in the ex Woolworths unit.

9.42 It is very important that the Marks and Spencer unit / block is brought back to life as soon as possible as this area of the town should contain its biggest and strongest stores. We would not want these shop units to be used as anything other than multiple operators selling comparison goods. These anchor stores are also a critical component in linking to and integrating Primark into the town centre offer.

9.43 The rest of the core shopping offer builds on the existing offer, particularly on Effingham Street, Howard Street, Frederick Street and Bridgegate to a lesser extent.

9.44 A plan should define the prime shopping frontages. Within this area, policy should support and encourage the location of retail stores. Change of use away from (A1) retail should be resisted, whilst the number of non retail uses should be capped at a modest level. Policy should also support store extensions and refurbishments and unit amalgamations, in order that larger footplates are provided. Any major new retail development or redevelopment in Rotherham Town Centre as a whole should be directed to this area or locations that would extend the prime shopping area.

**Options for Rotherham Town Centre**

9.45 Rotherham Metropolitan Borough Council is currently consulting on three options for the town centre as part of the Core Strategy;

- Option A – Consolidation
- Option B – Expansion
- Option C – Contraction / Dual Node
Option A – Consolidation

9.46 Under this option, the existing town centre boundary and current layout will remain as it currently is.

9.47 We therefore consider whether the study mission objectives will be satisfied as part of this option, by keeping the town centre boundary constant.

<table>
<thead>
<tr>
<th>Will be satisfied under Option A?</th>
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<tbody>
<tr>
<td>Broaden the appeal of the offer</td>
</tr>
<tr>
<td>Provide bigger stores and more national retailers</td>
</tr>
<tr>
<td>More quality independent retailers</td>
</tr>
<tr>
<td>More and better quality catering operators</td>
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<tr>
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<tr>
<td>Raise the profile of the market – to become a local landmark</td>
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<tr>
<td>Enhance Rotherham’s appeal as a family friendly destination</td>
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<tr>
<td>Develop &amp; expand on the ‘sense of place’</td>
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</tbody>
</table>

9.48 Clearly this option in itself does not help to satisfy the mission objectives needed to deliver the recommended retail strategy for Rotherham Town Centre’s Retail and Leisure Offer. The further downside to this option however is that it precludes any future additional food store being within the town centre boundary. Any new store would therefore effectively be an edge of town centre store, which would be detrimental to the town centre as consumers would view it and use it as an alternative town centre.

9.49 Option A is therefore unsuitable for delivering the study mission objectives.

Option B – Expansion

9.50 Under this scenario, it is proposed to extend the town centre boundary to the North East to include the current Norfolk House / Civic Site and South West to include West Gate / former Guest and Chrimes Site.
9.51 Again we assess whether this option in itself will help to deliver the study mission objectives (assuming a new food store would be provided as part of this scenario).

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9.52 As can be seen, extending the town centre boundary as proposed under Option B will not in itself help to deliver the majority of the Town Centre Retail Study Mission Objectives.

9.53 One key benefit of Option B is that it could allow a new food store within a future Rotherham Town Centre Boundary on one of three identified sites by Rotherham Metropolitan Borough Council.

- Former Guest and Chrime Site
- Satnam site
- Norfolk House / Civic Site

9.54 It is not an objective of this study to undertake a formal impact assessment of the proposed supermarket sites in respect of PPS 6 and indeed when firm proposals are available and / or submitted, a Retail Impact Assessment will be required in due course.

9.55 For indicative purposes however, PPS 6 (at paragraph 2.28) sets out the criteria that local planning authorities should have regard to in selecting sites for development. These are as follows:-
• Assess the need for development
• Identify the appropriate scale of development
• Apply the sequential approach to site selection
• Assess the impact of development on existing centres and
• Ensure that locations are accessible and well served by a choice of means of transport.

9.56 The retail floorspace needs assessment in Section 6 concluded that there is a quantitative need for an additional 2,060 sq m gross of convenience goods floorspace in Rotherham Town Centre at 2014 rising to 3,135 sq m gross by 2026. Of course, any loss of existing convenience goods floorspace in the town centre must be added to these figures. In Section 6 we also forecast a healthy need for additional comparison goods shopping which would also be sold in any new large food store. The scale of any proposed new food store must have regard to these forecast levels of need; particularly that for convenience goods.

9.57 Our assessment of the merits of each of the proposed food store sites is set out below. We take into account the remaining PPS 6 criteria of the sequential approach, impact and accessibility.

9.58 The former Guest and Chrime site is totally unsuitable for a new large food store. It is on the other side of the river (thus replicating one of the key weaknesses of the existing supermarket). This site is too far from the town centre to enable shoppers to easily shop it and the town centre offer as part of the same trip. The site is also too far from the retail core and in particular, two of its most important anchors, i.e. the indoor market and the transport interchange. It is therefore recommended that the former Guest and Chrime site is not pursued as suitable for a large town centre food store.

9.59 The Satnam site off Wellgate is certainly more suitable for a large food store than the previous site. It is on the town centre side of the River Don and generally closer to the town centre core retail offer.

9.60 The key disadvantage of this site’s use as a large food store however is that it is contrary to the overall spatial vision for Rotherham as described earlier in the section.
9.61 The town centre area adjacent to this site between it and the Minster will be best used as a new independent quarter / improved day time catering. It is not anticipated that this area will be part of the core retail, i.e. multiple and comparison goods operators. A new large food store does not sit logically next to these retail uses.

9.62 As well as not being integrated within the future core retail offer, the other major downside to having a large food store on the Satnam Site is that it will effectively act as a highly visible and attractive barrier to the town centre for consumers to the south and west of the site. This is particularly relevant should the council relocate its offices to a new hub on the Guest and Chrimes site. Spend from council employees helps to underpin the performance of operators in the town centre (both retail and catering) and a new large food store on the Satnam site will divert much of this expenditure away from the town centre both at lunchtimes and on the way home for town centre employees.

9.63 This then leaves the Norfolk House Civic Site as the remaining potential location for a new large food store. This site is adjacent to the core retail area within the town centre. It is close to the indoor market, the bus interchange and many of the town centre’s current comparison goods operators such as Boots, Dorothy Perkins, Burton and New Look.

9.64 As such, a new large food store on this site would also be in keeping with the spatial vision for the town centre, with the north east sector and the south west sector focusing on independent operators, catering and leisure.

9.65 A large format food store will contain a significant non-food range, such as electronics, clothing, health, beauty and pharmacy, gardening, household, music / DVDs, etc.

9.66 As such, it will provide many of the elements missing from Rotherham’s offer, in a quality environment, at very competitive prices and with dedicated car parking.

9.67 To clarify the potential impact, if the new large food store were to open without the implementation of any defensive mitigating factors, the new store will act as an alternative town centre destination and will divert significant expenditure and footfall from the town centre. The market would be especially badly hit. The overall focus or heart of the town centre will naturally migrate north east towards the new food store. Shoppers will spend
more in the food store rather than the town centre and perhaps the biggest danger of all is that they park in the food store car park, shop and won’t venture into the town centre beyond Effingham Square. A new store here would also highlight the poor quality nature of the retail in this part of town as well as its current delivery of an unattractive key gateway into town.

9.68 On the plus side, the new food store will demonstrate real visible change in the town centre and will have significant appeal to the better quality shoppers in the catchment, thereby reducing leakage from Rotherham to Parkgate Shopping and Meadowhall.

9.69 A number of factors therefore have to be in place to ensure a new food store generates more positives than negatives.

- The design of the store has to be naturally integrated into the town centre and needs to face in not out.
- Car parking charges and regimes have to be consistent with the rest of the town centre, thereby adding to the town’s parking facilities.
- The town centre boundary needs to grow to encompass the whole of the large food store site, thus ensuring it will be a fully integrated and effective town centre store.
- The existing dual carriageway will need downgrading or ideally diverting so as to reduce the current significant physical barrier.
- Effingham Square needs improving substantially to act as an enhanced major gateway.
- The existing poor quality buildings and shops and external market need to be replaced by large (500sq.m-1,000sq.m) footprint stores, occupied by recognised quality national multiples selling non bulky comparison goods.
- The physical fabric of the indoor market needs improving (already described) but also visibility and access to the market from the food store site also needs vastly upgrading.

9.70 Ensuring each of the above elements are in place before the large food store opens will help to mitigate its effects and thereby producing a positive impact for the town centre (a word of caution – the supermarkets can build stores quickly!).
9.71 So on balance, providing that the new large food store is well integrated into the town centre, nearby retail significantly upgraded and car parking utilised in terms of its relative appeal, then The Norfolk House / Civic Site is the most appropriate to help to deliver many elements of the recommended retail and leisure Study and presents the best overall opportunity of addressing and delivering all key planks of the recommended retail and leisure Study.

9.72 The loss of retail on the Forge Island site is unlikely to produce a negative impact on the town centre, providing a bigger, fully integrated store is built elsewhere within the town centre and the recommendations for creating an improved leisure and catering offer delivered on the Forge Island site and around Corporation Street and Market Place.

9.73 The existing food store is physically removed from the town centre and going forward the Island will not be a core part of the town centre offer, although obviously remain within the town centre boundary and used primarily for leisure and / or cultural purposes.

9.74 To summarise the suitability of Option B – Expansion, extending the town centre boundary north east to include a future large food store site will help to provide a new integrated ‘anchor’ and therefore deliver a number of the Retail Study Mission Objectives. Extending the boundary south west will stretch the town centre too far and divert footfall and expenditure away from the future core retail offer of the town centre as outlined in the spatial vision.

Option C – Contraction / Dual Node

9.75 It is envisaged under this option that development is focused both in the town centre and at Parkgate Shopping Centre. In effect, the town centre and Parkgate Shopping Centre would be more closely integrated and improved. However, additional development at Parkgate will be easier and quicker to implement as it is under a simpler ownership structure with a landlord that has a clear focus / business incentive.

9.76 As before, the ability of this option to deliver the Town Centre Retail Study Mission Objectives are assessed below;
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* Possibly after considering Parkgate first

9.77 The research undertaken for this study shows that Parkgate is a recognised destination and suggests that making Parkgate Shopping more attractive in retail terms may be at the expense of the town centre. Rotherham Town Centre is used for many reasons and often they overlap, i.e. combined trips, many of which include retail related activity. The presence of linked or shared trips has not been confirmed as part of this study.

9.78 The vision set out at the beginning of this section clearly describes how the town centre retail and leisure offer needs to develop.

9.79 A key component of this is the improving of the minor comparison and convenience retail offer within the town centre.

9.80 Improving the transport linkages between the town centre and Parkgate Shopping should make it easier for town centre shoppers to visit Parkgate Shopping and vice versa. Without a clear, joint / consolidated plan it is likely that the town centre retailers, service and catering operators will lose out. Consumers who shop at shopping parks and retail parks in general typically choose to go there as their destination of choice / leisure day out. Typically, they travel by car and take advantage of free parking. It is very unlikely that shoppers, having travelled to Parkgate Shopping as their main choice destination, will then undertake a further trip into the town centre to visit the catering or service operators, even with the ‘free bus’ in place. However there may be benefit in monitoring the bus usage and conducting further
bespoke consumer surveys to fully evaluate customer behaviour before adopting a dual node approach.

9.81 By the very nature of the offer (unless it is a particularly attractive and established destination restaurant) consumers tend to eat near to wherever they are shopping, so it would be unlikely that shoppers would shop at Parkgate and then shop and eat in Rotherham Town Centre.

9.82 The findings and conclusions of this research would suggest that improving Parkgate Shopping and the town centre offer in tandem, could be detrimental to the future potential of the town centre and therefore should not be pursued as a core strategy development option. However given the time available, whilst recommendations are adopted as strategy we would suggest monitoring the bus usage and customer behaviour.

**Recommended Alternative Town Centre Development Option for Core Strategy**

9.83 As already identified, it is not recommended that Options A or C should be pursued as the core strategy preferred option.

9.84 The recommended option is a hybrid of Option B, namely to keep the town centre boundary the same as it currently is to the south west, but expand it to the north east to accommodate a new large food store well integrated into the town centre.

9.85 We would also recommend one further amendment which is to consolidate Wellgate, incorporating a shorter strip into the town centre boundary as it is currently exacerbating some of the weaknesses of the town centre (too many poor independent retailers, too many service operators, poor environment, etc.)

9.86 There is a small core of good quality independents that should be offered rental incentives and support to help create stronger critical mass in the areas identified, as per the spatial master plan identified earlier.

9.87 In our view, this alternative scenario presents the preferred and possibly the only opportunity of delivering all of the key study objectives highlighted at the beginning of this section, i.e.
Broaden the appeal of the offer
Provide bigger stores and more national retailers
More quality independent retailers
More and better quality catering operators
A stronger & more varied leisure offer
Raise the profile of the market – to become a local landmark
Enhance Rotherham’s appeal as a family friendly destination
Develop & expand on the ‘sense of place’

9.88 Figure 9.6 overleaf shows our suggestion for the town centre boundary and also defines the suggested Primary Shopping Frontages.
**Figure 9.6 Future Town Centre Boundary Changes**

Key:
- Recommended Future Primary Frontages
- Town Centre Boundary

Possible food store – extension to town centre
Possible reduced area of Wellgate