ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	**Meeting:**	Joint meeting of the Cabinet Member for Regeneration and Environment and the Cabinet Member for Town Centres
2.	**Date:**	4 April 2011
3.	**Title:**	Rotherham Retail and Leisure Study 2011
4.	**Directorate:**	Environment & Development Services

5. Summary
This report summarises the findings and recommendations of the Rotherham Retail and Leisure Study 2011 and seeks endorsement of its use in informing planning decisions.

6. Recommendations

That Cabinet Member endorses the use of the Retail and Leisure Study in determining planning applications, making other planning decisions and as part of the evidence base for preparing the Local Development Framework

7. Proposals and Details

National planning policy (Planning Policy Statement 4) requires local authorities to assess the detailed need for land or floorspace for main town centre uses, and to keep under review the network and hierarchy of its centres, the need for further development and the vitality and viability of its centres.

In 2010 Colliers International were appointed to undertake a borough wide retail and leisure study, to replace the 2004 study which is now becoming out of date. The final retail and leisure study has now been received. A summary of the study is attached at appendix 1 and the following section highlights the headline findings.

The Retail and Leisure Study 2011 has been produced in order to:

- support the work of the Council's planning and regeneration functions;
- act as evidence base to inform the policies and strategies of the Local Development Framework;
- provide data and evidence which will inform the Council's decision making, in particular the determination of planning applications

Following a review of retail and leisure trends and Rotherham's local and regional retail and leisure context, the study provides three key outcomes:

- A 'health check' of Rotherham's retail centres
- An assessment of the need to plan for further retail and leisure floorspace in the future, and
- A number of Policy recommendations to inform the preparation of the Local Development Framework

Headline Findings

- Centres with Good Vitality and Viability: Wath-upon-Dearne and Wickersley
- There are opportunities for Rotherham town centre to reposition itself in the national retail ranking and become more competitive with major rivals. There appears to be a significant qualitative and quantitative need for additional retail floorspace to be provided in the town centre.
- Rotherham town centre should be the main focus for any additional non-bulky comparison goods (i.e. smaller purchases such as clothing) shopping floorspace in the borough, whilst also being well placed to benefit from any new (food) superstore proposal, being centrally located within the borough and at the hub of the main urban area.
- Out of centre retailing now accounts for over 70% of the borough's total retail floorspace stock. More than three-quarters of retail sales in Rotherham are out of centre - presenting opportunities in the future for Rotherham's centres to capture some of this expenditure.
- Half of spending on non-bulky comparison goods is outside of the borough, reflecting the competition from town centres and out-of-centre shopping centres within neighbouring local authority areas.
- A need for 8,660 sq m (gross) of convenience goods (ie food shopping) floorspace to 2027.

- A need for 3,090 sq m (gross) non bulky comparison floorspace (i.e. smaller purchases such as clothing) to 2027.
- A need for 33,090 sq m (gross) bulky comparison floorspace (i.e. DIY, furniture, large appliances) to 2027. The vast majority of the need is generated by estimated overtrading at the existing out of centre retail parks, primarily Parkgate Shopping. The Council must take a view on the extent to which this qualitative need should be planned for in terms of providing new retail floorspace, when there is already a good choice of bulky comparison goods stores within and (close by) outside of the borough.
- There is a need for a cinema in the borough, preferably located in Rotherham town centre. Scope has been identified for a swimming pool and a bowling centre to serve residents living in the south of the borough.
- There is little need for the Council to actively plan for additional hotel facilities. However any proposals that come forward should be directed towards town centres in accordance with national planning guidance.
- Having regard to national planning guidance, the recommended hierarchy of centres within Rotherham is shown below:

Principal Town Centre	Rotherham town centre
Town Centres	Dinnington
	Maltby
	Wath upon Dearne
District Centres	Kiveton
	Parkgate
	Swallownest
	Swinton
	Wickersley
Local Centres	Bramley
	Rawmarsh
	Thurcroft
	Waverley (planned), plus other existing centres to be defined through the Local Development Framework

Next Steps
The Study will be taken into account in preparing the Local Development Framework, and will also be used to assist in determining relevant planning applications and making other planning decisions. It may also prove useful to other programme areas in taking forward their areas of work. The Study will be made available on the Council’s website.

8. Finance
The cost of the Study, £22,950 (excluding VAT), has been met from the Forward Planning budget. There are no financial implications for the Council arising from this report.

9. Risks and Uncertainties

Should the findings of this study not be taken into account in making planning decisions and, where relevant, in the work of other programme areas, any future strategies, policies, and decisions would be based on out-of-date data, contrary to the advice in national planning policy guidance. This may compromise decisions taken by the Council and could lead to challenge at appeal in respect of individual planning applications. It may lead to inconsistency of strategy, co-ordination and decision making.

Local Development Frameworks (LDF) are required to be founded on robust evidence base. A failure to take account of this study in preparing the LDF may lead to the soundness of any future Development Plan Documents being challenged.

10. Policy and Performance Agenda Implications

Adoption of the study findings will ensure that future strategies, policies and decisions support the vitality and viability of Rotherham town centre and other defined centres within the borough and promote sustainable travel patterns. This will contribute towards the regeneration of Rotherham town centre and other town, district and local centres.

The study findings contribute positively towards Rotherham's community strategy. Ensuring the vitality and viability of the borough's shopping and leisure provision contributes towards ensuring equality of access to facilities and services and supports investment within Rotherham town centre and the borough as a whole.

11. Background Papers and Consultation

- Appendix 1 – Retail and Leisure Study 2011: briefing note and key findings
- The full Study and accompanying appendices are also available on the intranet. Please click here to view the full Study.

Consultation has been undertaken with RiDO.

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Appendix 1: Rotherham Retail and Leisure Study: March 2011

Briefing Note and Key Findings
The Retail and Leisure Study has been produced in order to:

- support the work of the Council's planning and regeneration functions;
- act as evidence base to inform the policies and strategies of the Local Development Framework;
- provide data and evidence which will inform the Council's decision making

The Study has been prepared to comply with national planning policy guidance and be compatible with the approach taken in the 2010 Rotherham Town Centre Retail and Leisure Study. The report sets out the approach adopted, in particular the methodology used to forecast retail and leisure floorspace need, which is considered to be a robust approach.

Retail and Leisure Trends
The retail and leisure sectors have been subject to significant changes when looked at over the medium term. Retail and leisure are both evolving processes with operators constantly adapting to demand and increasingly analysing and targeting their customers. These continual changes have important implications for property and business location, which in turn are related to policy. **Local authorities should therefore regularly monitor the retail and leisure sectors in order to ensure that their policies are both up to date and appropriate**.

Rotherham Context
Current retail planning policy in Rotherham is broadly consistent with Government guidance in that it promotes a town centre first policy and adopts the sequential approach to site selection, whilst also seeking to support and enhance local shops. However, in practice the application of this policy has not resulted in the level of protection and enhancement of existing town and district centres envisaged by the Council. This is because the major out of centre retail schemes at Meadowhall and Parkgate Shopping were originally developed during the late 1980's and were already trading before the UDP policy could be applied. Moreover, the impact of these schemes continues to be felt, perhaps even more so, as a result of increasing car ownership (producing increasing levels of shopper mobility), the national trend towards a greater concentration of shopping trips at the more attractive centres, and the recent economic downturn, which has depressed overall levels of consumer retail expenditure.

The household telephone survey confirms that the current retail offer within Rotherham as a whole is sufficiently strong and attractive in the bulky comparison goods[1] and convenience goods[2] sectors for relatively high levels of available expenditure to be retained locally, particularly given the close proximity of competing centres. However, **in relation to non-bulky comparison goods[3], the borough perform poorly with half of the available spend leaking out to competitor**

[1] Bulky goods – large items such as DIY goods, furniture and floor coverings and major household appliances
[2] Convenience goods – low-cost, everyday items that consumers are unlikely to travel far to purchase
[3] Non-bulky goods – all other comparison goods such as clothing, books, footwear, and small appliances

centres/stores. This pattern of shopping behaviour is largely a reflection of the limited non-bulky comparison goods retail offer in Rotherham town centre, which should ideally play a much more significant role in attracting expenditure in this sector and retaining spend within the borough.

<u>Health Checks of Rotherham's Retail Centres</u>
Although not focused on Rotherham town centre, the study supports the findings of the 2010 Rotherham Town Centre Retail and Leisure Study, concluding that **Rotherham town centre could develop further to reposition itself in the national retail ranking and become more competitive with major rivals.** Although the independent quality shopping offer has grown in recent years and the towns enterprising nature has seen several start-up businesses achieved in the retail and leisure sector, there still remains a strong qualitative need for further retail provision. **There appears to be a significant qualitative and quantitative need for additional retail floorspace to be provided in the town centre**, primarily in non-bulky comparison goods, which would 'clawback' expenditure that is currently leaking out of the borough to competitor centres.

The study also assessed other centres within Rotherham, finding that there is a wide range in their vitality and viability with those of most concern being located in areas of highest deprivation:

Wath-upon-Dearne and Wickersley are busy centres with a range of shops, services and community uses appropriate to their status, and low vacancy rates. In Rawmarsh there are plans to demolish and rebuild the centre, which will clearly improve its 'health'. Swinton has little retail provision in the centre. Measures to improve vitality and viability should focus on improving the shopping precinct which forms the natural hub of the centre

Out of centre retailing has expanded considerably in Rotherham over the past 15-20 years, and now accounts for over 70% of the borough's total retail floorspace stock. Significantly (and very unusually), the proportion is higher for "high street" comparison goods shopping than for convenience goods. Overall, **more than three-quarters of retail sales in Rotherham are out of centre**. Although a high percentage is common for bulky comparison goods and to a lesser extent convenience goods, it is very rare for non-bulky comparison goods turnover to be so dominated by out of centre retailing.

Of the £1,018 million of retail expenditure generated within Rotherham, around one-third leaks out to neighbouring areas, mainly to Sheffield District. **The principal area of concern is non-bulky comparison goods shopping which forms the 'main stay' of town centres, where half of monies is spent outside of the borough**.

<u>Future Retail Floorspace Requirements</u>
The study has assessed the likely need for additional retail floorspace within Rotherham through to 2027. Three population scenarios were modelled, however the 'central' population projections best match the level of housing growth likely to be taken forward through the Local Development Framework and these figures are

used in the sections below. It must be stressed, however, that any analysis over such a long time period may be subject to a significant margin of error (especially by 2022 and beyond), since it is based on a number of assumptions which are difficult to forecast accurately. Nevertheless, the findings do provide a good indication of the broad quantum of additional shopping floorspace that should be planned for over the next 15 years.

As well as providing a borough wide floorspace requirement, the study breaks retail need down by area. The key conclusions on retail floorspace need to 2027 are:

Convenience floorspace (i.e. food shopping)

- A need for 8,660 sq m (gross)

The main areas of need are Rotherham town centre, Wickersley / Bramley, and the western (predominantly rural) part of the borough.

Non bulky comparison floorspace (i.e. smaller purchases such as clothing)

- A need for 3,090 sq m (gross).
- There is no floorspace requirement until beyond 2022 and even then it is very modest.
- The principal location where there is a strong need is Rotherham town centre. A material level of need has also been identified in zone 3 (Parkgate, Rawmash, Swinton and Wath), but this is primarily driven by estimated over-trading at Parkgate Shopping. Given that this location is out of centre and there is already a very strong mix of stores, **the Council may consider that this qualitative need should not be met unless the provision can be provided nearby and in an existing centre**.

Bulky comparison floorspace (i.e. DIY, furniture, large appliances)

- A need for 33,090 sq m (gross)
- We forecast modest quantitative requirements by 2022 and 2027. However, adding in the significant over trading which we believe is currently occurring within the borough as a whole (at the out of centre retail warehouses), substantially boosts the levels of quantitative and qualitative need.
- The substantial need is in zone 3 (Parkgate, Rawmarsh, Swinton and Wath), with little or no need for any additional retail provision elsewhere. The vast majority of the need is generated by estimated overtrading at the existing out of centre retail parks in Rotherham MB, primarily Parkgate Shopping. **The Council must take a view on the extent to which this qualitative need should be planned for in terms of providing new retail floorspace, when there is already a good choice of bulky comparison goods stores within and (close by) outside of the borough**.

Leisure Need

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

In relation to hotels, there is little need for the Council to actively plan for additional facilities. However any proposals that come forward should be directed towards town centres in accordance with national planning guidance.

Policy recommendations
The recommended hierarchy of centres is shown below:

Principal Town Centre	Rotherham town centre
Town Centres	Dinnington
	Maltby
	Wath upon Dearne
District Centres	Kiveton
	Parkgate
	Swallownest
	Swinton
	Wickersley
Local Centres	Bramley
	Rawmarsh
	Thurcroft
	Waverley (planned), plus other existing centres to be defined through the Local Development Framework

Overall, we recommend that **Rotherham town centre should be the main focus for any additional non-bulky comparison goods shopping floorspace in the borough, whilst also being well placed to benefit from any new (food) superstore proposal**, being centrally located within the borough and at the hub of the main urban area.

We recommend that:
- the sale of comparison goods on out of centre retail parks be restricted primarily to the sale of bulky goods
- the unclassified retail area that contains the Morrisons and the former Big W at Catcliffe is designated as a retail park.
- the local centre designation at the Morrisons at Bramley should be removed
- Primary shopping areas should be identified in town and district centres
- for Dalton, three options are suggested:
    - remove the current ‘local centre’ designation; or
    - restrict the ‘local centre’ designation to the eastern shopping parade,; or
    - encourage a broader range of a retail and non-retail uses into the immediate area and expand the boundary so that it qualifies as a ‘district centre’.
- the boundaries of Kiveton, Parkgate, Swinton and Bramley centres are redrawn
- the Council gives consideration to adopting in its LDF a **lower** threshold for impact assessments than the 2,500 sq m gross given in national planning guidance.