

Employment Land Assessment and Draft Retail Capacity Study

Summary of Findings

1.0 Purpose

- 1.1 To provide a summary of the findings on the Employment Land Assessment Update (January 2016) and the Draft Retail Capacity Study, which is due to be finalised in April 2016.

2.0 Employment Land Assessment Background

- 2.1 Rutland County Council commissioned the consultants, BE Group to carry out an update of the Employment Land Assessment Review that was previously prepared for the Council in 2013.
- 2.2 The purpose of the update was to assess the supply, need and demand for employment land and premises in Rutland over the 21-year period to 2036 and to make recommendations as to the Council as to the future approach to employment land provision in its Local Plan.
- 2.3 Part of this assessment included, BE Group consulting with the key stakeholders (businesses, landowners, developers and their agents) in the area to further understand their needs, reasons for being in Rutland, and to understand any issues arising from their location/occupation of property in the County.

3.0 Local Property Market

- 3.1 The main headlines from a survey of the Local Property Market is as follows:

Industrial

- Local demand start-up and business premises (as in 2013)
- Driven by strong growth in the rural market (Oakham Enterprise Park (OEP))
- Significant expansion requirements from larger local firms
- Industrial rents are £55-65/sqm.

Office

- Meets the needs of local service sector businesses
- Improving picture since 2013 employment study
- Demand for larger space remains limited
- Office rents vary from £65-130/sqm.

4.0 Employment Land Supply and Needs

- 4.1 At 31st March 2015 there was a headline supply of 20.87 ha of available employment land, made up of nine sites. This is not a significant change on 2013, when a baseline supply of 19.98 ha, in ten sites was identified. Almost half of this (9.71 ha) comprises Employment allocation at Oakham North.
- 4.2 Of this supply, 1.94 ha comprises sites unlikely to be brought forward for development or already developed. Excluding these gives a realistic land supply of 18.93 ha.

Employment Land Assessment and Draft Retail Capacity Study

Summary of Findings

- 4.3 Some of issues identified on the employment land supply include OEP reaching capacity for more start-up business and loss of allocated employment land to other non-employment (B class uses) (e.g. Pub, hotel, Petrol station at Oakham North). Other employment allocations in Local Plan and Uppingham Neighbourhood Plan at Uppingham Gate and Pit Lane Ketton are still undeveloped at present but remain long term options
- 4.4 The employment study recommends that the Council through the Local Plan review protects the existing supply of employment land and premise (18.93 ha) and looks for 29 ha of new employment allocations primarily in and around the mains towns and large villages (Local Service Centres). It also recommends the provision for start-up and micro business premises.

5.0 Retail Capacity Study Background

- 5.1 Rutland County Council commissioned the consultants, Bilfinger GVA to carry out an update of the Retail Capacity Study that was previously prepared for the Council in 2010 and 2013.
- 5.2 The purpose of the update is to assess the following:
- Review of the current national trends in retailing and retail development and the implications this has for Rutland
 - Vitality and viability of the two main town centres of Oakham and Uppingham,
 - the need for additional retail floor space (food/non-food) in Rutland over the next 21-year period to 2036 and
 - to make recommendations as to the Council as to the future approach to retail land provision in its Local Plan.

6.0 National Retail Trends

- 6.1 The draft retail study sets out the national trends in retailing as follows:
- More On line retailing and expansion of discount retailers
 - 'Click and collect' forecasts to grow by 82% by 2019 (Verdict 2014)
 - Contraction of major supermarkets and focus out of centre locations
 - National comparison retailers focusing investment in larger centres
 - Town Centres needing to evolve to sell unique selling points including High quality shopping experience coupled with leisure and tourism activities

7.0 Retailing Patterns and Expenditure

- 7.1 GVA conducted a Household telephone survey of shopping patterns (800 households) to identify the current shopping patterns of residents in Rutland for their main comparison (non-food) and convenience (food) shopping.

Employment Land Assessment and Draft Retail Capacity Study

Summary of Findings

- 7.2 The study there is currently £96.3m of convenience goods expenditure available to residents of the survey area. Of this, £40.1m (41.7%) is spent at stores in Rutland (both in-centre and out-of-centre stores).
- 7.3 Oakham itself (zone 1) is reasonably self-sustaining as a convenience goods shopping destination, with just over 3/4 of available convenience goods expenditure to residents in this zone spent at stores in Oakham. Tesco store is the most popular foodstore which attracts almost half of all convenience goods spending of residents in the Oakham zone.
- 7.4 The remaining 25% of convenience goods spending available to residents in this zone is spent at stores in Stamford and Corby. The most popular location for convenience shopping in each of these towns is a discount retailer (Lidl in Stamford, 4.9% market share; Aldi in Corby, 4.5% market share), and the consultant would therefore expect a degree of this expenditure 'leakage' to be stemmed following the opening of the approved Aldi store at Lands End Way.
- 7.5 The food shopping patterns in the other areas/zones varies. The majority of residents in northern part of Rutland North (zone 3) look towards Oakham for their convenience goods shopping, although the Aldi store in Grantham is the third-most popular convenience goods shopping destination. Virtually all residents in the eastern part of the County (zone 7) undertake their convenience goods shopping in Stamford, which is more readily accessible than Oakham for residents in this part of the County.
- 7.6 There is currently £175.8m of comparison goods (non-food) expenditure available to residents of the survey area. Of this, £39.6m is retained by Oakham and Uppingham town centres, equivalent to a 'retention rate' of 22.5%.
- 7.7 Leicester draws the highest comparison goods turnover of residents in the survey area, accounting for £38.7m of comparison goods spending, or 22% of total available comparison goods expenditure.
- 7.8 Oakham town centre accounts for a further £33.6m (19%) of comparison goods spending, followed by Peterborough (£24.6m (14%)) and Stamford (£24.0m (13%)).
- 7.9 People are willing to travel further for comparison goods and the largest centres such as Leicester and Peterborough provide the greatest offer in places such as the Highcross Centre in Leicester and Queengates Centre in Peterborough.

8.0 Vitality and viability of Oakham and Uppingham Town Centres

- 8.1 A Health check of Oakham and Uppingham Town Centres was undertaken and both centres were considered to be performing well. The most recent Experian Goad centre report for Oakham (August 2013) identifies that the

Employment Land Assessment and Draft Retail Capacity Study

Summary of Findings

centre has a vacancy rate of 11.2%, compared to the current UK average of 9.2%. The Council undertook their own assessment of the retail mix in the centre in September 2015 which identified that 11 of 207 units in the centre were vacant, equivalent to a vacancy rate of 5.3%, therefore significantly below the UK average. The Experian Goad centre report for Uppingham (August 2014) identifies the centre as having a low vacancy rate of 6.7%.

- 8.2 Oakham and Uppingham Town Centre continues to act as the focus of the independent/boutique retail sector (i.e. Mill Street) and Oakham is being an increasingly popular destination for national retailers, particularly in the café/restaurant sector.
- 8.3 Oakham and Uppingham continue to have attractive town centres. The buildings are, for the most part, of good quality and make a positive contribution to the overall environment. The areas outlined above were identified as potential areas that would benefit from some improvements to enhance the environmental quality and appearance of the area including West End, Gaol Street and North Street East. The Market Place in both town centres could be improved through the removal of the car parking spaces in these location and further environmental improvements and pedestrianisation.

9.0 Draft Retail Forecasts

- 9.1 The need for new comparison goods floorspace in the County is estimated to be between 1,300 sq.m net by 2025 and 4,000 sq.m net by the end of the study period at 2036 (all figures are cumulative), assuming current patterns of comparison goods shopping remain unchanged. The figures at the end of the Plan period should be considered indicative.
- 9.2 There is no quantitative need for any additional convenience goods provision in the County over the period to 2036, as there is a marginal over-supply of floorspace. These forecasts take into account the outstanding 'commitment' for a new Aldi foodstore in Oakham, which the applicants estimate will achieve a convenience goods turnover of £6.8m per annum at 2020. Other factors such as on-line grocery shopping is also reducing the need for additional convenience goods floorspace.
- 9.3 Emerging trends suggest that commercial leisure uses are playing an increasingly important role in the vitality and viability of centres by providing complementary uses that strengthen both the daytime and evening economies. The total spending on commercial leisure is expected to increase by £43.7m in the survey area between 2015 and 2036. Over 70% of this expenditure growth will be in the 'restaurants and cafes' sector and therefore there is considerable scope for the existing town centres to further capitalise on this growth in spending, building on current good levels of provision.