

Wokingham Retail Overview – July 2014

1. The current position of Wokingham town centre

- A town centre occupancy survey was undertaken in Wokingham¹ in May 2014 which found the overall vacancy rate of ground-floor units (including shops and offices) was approximately 10%. The national average for town centre vacancy rates is at nearly 14% so Wokingham town centre is performing above average in this regard.
- Some of the vacant units have been or will be filled since the time of the survey such as 18 Peach Street which is now Code; 13 Denmark Street which will shortly open as the GrapeEscape and 8 Broad Street which will be filled by Michael Hardy
- At the time of the survey there were 8 charity shops within the town centre. This is not a particularly high proportion based on national trends. In many centres charity shops have occupied vacated shop premises during the recession as they can afford higher rents than small independent occupiers because of business rates discounts.
- Existing convenience facilities (e.g supermarkets, where you can buy day-to-day groceries) across the Borough are trading at 16% above national average levels, indicating their popularity and current demand.

2. On-line shopping

- Although on-line shopping has grown significantly over the last decade it still remains a relatively low percentage of total retail expenditure – about 12% in 2014
- By 2026, experts predict that on-line shopping will account for approximately 20% of total retail expenditure (about 5.1% of all convenience shopping and 15.9% of comparison shopping will be done on-line)
- The implications of on-line sales need to be considered in detail, for example some retailers operate a click and collect service from their retail premises so therefore a growth in on-line sales may not always mean there is a reduction in the need for retail floorspace

3. Why do we need more retail?

The need for further retail is driven by a number of factors:

- *Population growth* – The population of the Borough is expected to grow by approximately 20% by 2026. More people equals increased demand for goods and services, particularly day-to-day groceries (convenience).
- *Available expenditure* – Demand for retail is also driven by how much people have to spend. The amount of expenditure available per person is expected to rise over the next 10+ years (although the rate of increase is slower than pre-recession levels)
- *Preventing leakage* – A key objective of regeneration is to reduce the significant amount of money that Borough residents spend shopping outside of the Borough, by providing them with the shops and services they need within the Borough. This includes providing the right size and type of shops within Wokingham town centre to attract a mix of national and independent retailers (currently 70% of the units within Wokingham town centre are small units (less than 150m²) and are not suitable to attract national retailers).

¹ Occupancy surveys were also undertaken at Winnersh, Woodley, Lower Earley and Twyford

In summary the strategy for Wokingham town centre is to provide a retail and leisure offer that prevents leakage to nearby town centres rather than to compete with them by offering identical services. The plan is to complement Primary Regional Centres as Reading or Secondary Regional Centres such as Bracknell, Maidenhead, Windsor and Camberley by offering an alternative town centre experience based on its historic and compact qualities and its independent shops, supported by key anchors.

4. Future retail needs

- Taking into account these factors, Nathaniel Lichfield & Partners (NLP) were commissioned earlier this year to update the Borough's retail needs projections which were last undertaken in 2010
- The latest projections take into account the retail schemes delivered since 2010 and also planned retail schemes including Wokingham town centre and Arborfield and Shinfield SDL district centres. Therefore the figures quoted below are *in addition* to the Council's redevelopment plans at Elms Field and Peach Place.

Type of retail	Additional floorspace required across the Borough	
	2021*	2026
Convenience (groceries)	1,086m ² gross	5,072m ² gross
Comparison	2,541m ² gross	7,799m ² gross

** By 2021 it is assumed that retail proposals in Wokingham, Arborfield and Shinfield have been delivered*