Dawn of a better market!

Shop Vacancy Report - End of Year 2009

Welcome to the LDC End-Year Report 2009 which covers the results of over 149,000 Shop premises surveyed in over 700 town centres**across Great Britain.*

The value of retail sales in December 2009 was 3.6% higher than in the same month a year earlier. This increase was dominated by a 4.9% rise in food sales with a lesser 1.6% rise in non-food. December set the seal upon something of a retail recovery in the second half of 2009. However, the pressure will be on to maintain steady growth against a still-fragile backdrop for the wider economy.

There are real reasons for nervousness going into 2010. The temporary reduction of 2.5% in VAT expired at the year end and there are signs that this pulled forward expenditure on big-ticket items particularly into 2009. The country also slithered to a halt for a couple of weeks in the snows of January – an event that is almost bound to hit High Street sales.

Vacancy rates are showing signs of improvement in some centres but overall the trend remains doggedly upwards. Comparison retailers continue to bear the brunt of the pain with multiple retailers faring worse than independents. Geographically the big city centres of the Midlands and north continue to show stubbornly high numbers of empty shops.

Vacancy trend remains upwards

Town centre vacancy rates in Great Britain have risen from nearly 10% in the middle of 2009 to over 12% at the end of December***, which is 500 basis points above vacancy rates at the top of the market in 2007.

Table 1 shows the worst performing large centres at the year end. This is dominated by the big retail centres of the Midlands and the North, with Wolverhampton topping the table this time around rising from 4th position mid-year.

There are ten newcomers to the top 25 centres for vacancy. Bradford takes 2nd position having seen vacancy rise significantly during the second half of the year. Both Wolverhampton and Bradford see over 20% of shops vacant in their town centre area along with Sheffield and Middlesborough.

Some large centres have improved their standing during the second half and have dropped out of the top 25. Birmingham has seen vacant shops fall to around 10% from nearly 14%; Leicester stands at just under 12% from over 13%; and Exeter is down to 13% from nearly 15%.

A geographic trend is less apparent amongst the medium sized centres (table 2). Margate tops the list with a vacancy rate over 27% but is joined over 20% by Gateshead, Stockport, Camberley and Letchworth amongst others.

1. * 'Shops' relates to Comparison, Convenience and Service retail.
2. ** Each 'Centre' relates to the Communities and Local Government (CLG) retail core boundary definition.
3. *** The latest calculation of vacancy rates now includes shopping centres. All vacancy rates quoted in this report, including historical, are calculated on the same basis, allowing accurate historical comparisons.

No.	Centre	Vacancy Rate %	Position at mid 2009
1	Wolverhampton	23.9%	4 ▲
2	Bradford	22.5%	*
3	Sheffield	21.0%	8 ▼
4	Middlesborough	20.1%	*
5	Doncaster	19.5%	23 ▲
6	Kingston-upon-Hull	19.5%	12 ▲
7	Preston	18.3%	21 ▲
8	Leeds	17.8%	5 ▼
9	Wakefield	17.3%	*
10	Derby	16.9%	1 ▼
11	Sunderland	16.9%	*
12	Liverpool	16.8%	3 ▼
13	Manchester	16.8%	15 ▲
14	Newcastle-upon-Tyne	16.7%	11 ▼
15	Nottingham	16.6%	*
16	Southampton	16.3%	14 ▼
17	Carlisle	15.2%	*
18	Guildford	14.6%	*
19	Leamington Spa	14.5%	*
20	Bristol	14.5%	20 ◆
21	Bath	13.8%	*
22	Croydon	13.8%	7 ▼
23	Worthing	13.4%	*
24	Central London	12.9%	19 ▼
25	Exeter	12.8%	10 ▼

Table 1 - large centres.

* New entrant to top 25 large centre table.

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A report from The Local Data Company shows the continuing impact of the recession upon town centres[1] across the ***East Midlands***.[2]

The report shows that:

- The number of empty shops[3] continues to increase but the rate of increase is slowing.
- Comparison retailers have been hardest hit while convenience retailing such as food has continued to trade well.
- Northampton had the lowest vacancy rate[4] of the larger retail centres in the East Midlands. At the end of December it stood at 9.5% compared with Derby, Nottingham and Leicester where vacancy is in double figures.
- Hinckley sees the highest overall vacancy at nearly 23% compared with a national average of around 12%

All Figures derived from visiting the centre between July and December 2009.

No.	Centre	Vacancy Rate %
1	Hinckley	22.9%
2	Sutton-in-Ashfield	21.2%
3	Worksop	17.3%
4	Derby	16.9%
5	Coalville	16.9%
6	Nottingham	16.6%
7	Newark-on-Trent	15.9%
8	Mansfield	15.1%
9	Long Eaton	14.0%
10	Loughborough	13.5%
11	Chesterfield	12.8%
12	Melton Mowbray	12.8%
13	Beeston	12.6%
14	Leicester	12.0%
15	Alfreton	11.7%
16	Kettering	11.1%
17	Northampton	9.5%
18	Belper	8.5%
19	Ripley	8.2%
20	Market Harborough	8.3%

Regional vacancy rate league table.

(1) Each 'Centre' relates to the Communities and Local Government (CLG) retail core boundary definition.

(2) Television region.

(3) 'Shops' relates to Comparison, Convenience and Service retail.

(4) The latest calculation of vacancy rates now includes shopping centres. All vacancy rates quoted in this report, including historical, are calculated on the same basis, allowing accurate historical comparisons.

About The Local Data Company

LDC maintains a fantastically detailed and up-to-date database of UK retail and leisure premises, covering over 92% of the UK population.

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