Appendix 3 – Sheffield City Centre Healthcheck

Sheffield City Centre

Description - Sheffield city centre is by some distance the largest centre in the administrative area, and it serves an important sub-regional role in meeting comparison goods needs. It also has a strong service and leisure offer, which meets the needs of permanent residents, students, and visitors to the city. The city centre extends to the A61 to the south, Eyre Street and Arundel Gate to the east, Castle Street and Campo Lane to the north, and Leopold Street and Barker's Pool to the west. Barker's Pool is an area of quality public realm bounded by the vacant John Lewis department store and City Hall, leading up to Division Street. The primary shopping area comprises the Heart of the City, the northern half of the Moor, and Division Street.

National multiple retailers are primarily found on The Moor, High Street and Pinstone Street and Fargate. The greatest pedestrian flows were found on The Moor and Pinstone Street on the day of our visit. The Moor accommodates the largest retail units in the centre, including some department stores, although the Debenhams store has ceased trading and is now vacant. Further discount comparison retailers are also found in Castlegate and at the south of the Moor. The Moor market is a purpose-built covered market which accommodates a good variety of retailers, together with a food court.

The city centre has been the subject of a decline in respect of its comparison goods retail offer, with the proportion of commercial units and commercial floorspace occupied by such retailers now below the national average level. This general trend is not unique to Sheffield and has been seen in comparable centres throughout the country. However, Sheffield has been particularly impacted through the loss of key anchor retailers. By virtue of such changes, the proportion of vacant units and floorspace within the centre is substantially above national average level. In particular, the proportion of vacant units has increased significantly relative to the level recorded at 2016.

The Sheffield City Centre Strategic Vision (March 2022) has been developed to both strengthen and build on the successes of the City Centre to date, whilst also adapting it to address wider trends and transitions in the market. The Vision builds on the theme of 'An Outdoor City', and establishes seven vision principles, including that the city will be 'liveable', 'connected and accessible' and 'distinctive'. The Vision also identifies nine key projects within the central spine of the City Centre, an area largely analogous to the Goad defined boundary considered by Nexus Planning. These projects include both the former Debenhams and the former John Lewis buildings. In respect of retail, the Vision notes that *'the city needs to redefine it's offer and re-purpose vacant City Centre units to future proof its economy'*, whilst in respect of hospitality the centre's *'early evening leisure offer is lacking – which in particular would be attractive to City Centre residents'*.

Sheffield city centre performs a strong leisure role, and is the focus of the leisure service sector in the city. This offer is broad and diverse, and is commensurate with the centre's role at the core of a wider region and comparable to equivalently sized cities. However, as noted above the City Centre does have a higher proportion of early evening operators, such as restaurants rather than bars or public houses, which may encourage activity in the centre at different times. The city centre also has a diverse and broad financial and business service offer, which reflects the city's strong role as an office and employment destination.

The healthcheck has focused on the area defined by Experian Goad as the city centre, which is largely consistent with the 'central shopping area' defined by the Sheffield Plan Policy Map and includes parts of The Moor, Heart of the City, the Cathedral Quarter, Sheaf Valley and Castlegate. It should be noted that Experian Goad excludes West Street and Division Street which are within the central shopping area. Whilst it is acknowledged that this area differs from the defined 'city centre' area, this healthcheck uses the term 'city centre' to refer to the extent of the city centre defined by Experian Goad.

Figure 1: Examples of street furniture, public realm and historic buildings on Fargate.

Figure 2: Looking down The Moor to the Moor Market

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Figure 3: The former John Lewis store at Barkers Pool.

Figure 4: Pinstone Street, closed to vehicular traffic since the Covid-19 pandemic and as a resultof the Heart of the City 2 construction taking place in the background.

Table 1 City Centre Floorspace Composition

GOAD Category	Floorspace at 2022 (sq.m)	Floorspace at 2022 (%)	Floorspace UK Average at 2022 (%)
Comparison	54,590	27.7%	30.4%
Convenience	22,430	11.4%	15.4%
Financial	12,400	6.3%	6.8%
Leisure	57,090	28.9%	25.7%
Retail Service	9,940	5.0%	7.2%
Vacant	40,880	20.7%	13.9%
TOTAL	**197,330**	**100%**	**100%**

Source: Composition of City centre based on boundary as defined by Experian Goad and derived from Nexus Planning Survey of March 2022; UK Average from Experian Goad Report January 2022.

Table 2 City Centre Unit Composition

GOAD Category	Units at 2022	Units at 2022 (%)	Units UK Average at 2022 (%)	Units at 2016 (%)
Comparison	118	21.5%	27.0%	32.9%
Convenience	50	9.1%	9.2%	9.6%
Financial	37	6.7%	9.1%	31.6%*
Leisure	156	28.4%	24.7%	31.6%*
Retail Service	49	8.9%	15.7%	31.6%*
Vacant	139	25.3%	14.1%	23.7%
TOTAL	**549**	**100%**	**100%**	**100.0%**

Source: City centre composition based on boundary as defined by Experian Goad and derived from Nexus Planning Survey of March 2022; UK Average from Experian Goad Report January 2022; Units at 2016 taken from Sheffield & Rotherham Joint Retail & Leisure Study 2017. 2016 figures for financial, leisure and retail service operators represent a total of these uses.

Major Retailers Present

Department Stores		**Clothing**	
House of Fraser	0	H&M	1
John Lewis	0	Monsoon Accessorize	0
Marks & Spencer	1	New Look	1
Mixed Goods Retailers		Next	1
Argos	1	Primark	1
Boots the Chemist	1	River Island	1
TKMaxx	1	**Other Retailers**	
WHSmith	1	Carphone Warehouse	0
Wilko	1	Clarks	1
Supermarkets		Clintons	0
Sainsbury's	1	EE	1
Tesco	1	HMV	1
Waitrose	1	O2	1
		Superdrug	1
		Vodafone	1
		Waterstones	1

Source: Composition of Sheffield City Centre derived from Nexus Planning survey of March 2022. Major retailers are the 26 operators identified by Experian Goad as being the most likely to improve the appeal of a centre.

Convenience & Comparison - Since 2016, the comparison goods offer in Sheffield city centre has changed considerably. Our March 2022 survey recorded 118 comparison goods operators, equivalent to 21.5% of all units in the city centre, a figure which represents a substantial decrease on the 32.9% of comparison operators recorded at 2016. Similarly, the current proportion of comparison goods operators is lower than the current national average of 27.0%. These changes reflect the closure of the John Lewis department store at Barker's Pool and the Debenhams at The

Moor, and the fact that various other national multiples have ceased trading over the past few years. Notwithstanding this, the comparison goods retail function of the city centre continues to be one of its key attractions and it will be important that it is not eroded further. The comparison goods sector is currently underpinned by 15 clothing goods stores, alongside two department stores (including Marks & Spencer), a number of charity shops, gift shops, books shops, jewellers, chemists and specialist goods retailers (including retail art galleries and a comic store). Table 4 below provides a breakdown of comparison goods operators by Experian Goad sub-category.

Table 4 Breakdown of Comparison Good Operators by Experian Goad Sub-Category

Operator	Units	Floorspace (sq.m)
Art & Art Dealers	4	1,780
Booksellers	3	880
Catalogue Showrooms	1	390
Charity Shops	8	3,730
Chemist & Drugstores	3	1,700
Clothing General	9	6,730
Crafts, Gifts, China & Glass	5	560
Department & Variety Stores	5	10,720
Diy & Home Improvement	2	3,150
Electrical & Other Durable Goods	1	220
Florists	1	40
Footwear	6	1,420
Furniture General	1	80
Greeting Cards	4	600
Hardware & Household Goods	7	4,680
Jewellery, Watches & Silver	5	510
Ladies & Mens Wear & Acc.	7	3,820
Ladies Wear & Accessories	3	460
Mens Wear & Accessories	1	120
Music & Video Recordings	2	570
Newsagents & Stationers	5	1,080
Other Comparison Goods	4	360
Sports, Camping & Leisure Goods	4	5,960
Telephones & Accessories	12	1,250
Toiletries, Cosmetics & Beauty Products	9	2,300
Toys, Games & Hobbies	6	1,480
Total	**118**	**54,590**

The convenience goods offer comprises 50 operators in Sheffield city centre. These operators equate to 9.1% of all units in the city centre, a figure which is broadly similar to the overall national average level (9.2% of all units) and the figure recorded within Sheffield city centre at (9.6% of all units). The proportion of convenience goods operators is therefore considered to be commensurate with the role of Sheffield and its position in the retail hierarchy.

Table 5 below provides a breakdown of convenience goods operators by Experian Goad sub-category. This table shows that, although limited in respect of overall proportion of units, supermarket operators account for the largest proportion of floorspace in Sheffield City Centre, as defined by Experian Goad. This is largely the result of these operators occupying large retail units. Other categories with a strong presence in the City Centre include bakers & confectioners, and confectionery, tobacco & news operators.

Table 5 Breakdown of Convenience Good Operators by Experian Goad Sub-Category

Operator	Units	Floorspace (sq.m)
Bakers & Confectioners	12	1,270
Butchers	3	360
Confectionery, Tobacco & News	11	450
Convenience Stores	4	1,050
Frozen Foods	4	1,660
Grocers & Delicatessens	4	560
Health Foods	3	400
Markets	3	5,140
Shoe Repairs & Key Cutting	2	70
Supermarkets	4	11,470
Total	**50**	**22,430**

Services - In 2016, service operators (leisure, retail and financial and business service operators) accounted for 31.6% of all operators in the city centre. At 2022, the proportion of service operators in the city centre equated to 44.0% of all commercial units. This increase is reflective of structural changes seen across larger town and city centres since that time, with leisure operators often repurposing comparison goods retail units and customers viewing leisure as an important reason to visit centres and socialise.

Sheffield's leisure offer is diverse and reflects its role as a city centre which is able to meet needs arising across the City and beyond. There are a total of 156 leisure service operators in the city centre, which occupy 28.4% of all commercial units. This is marginally greater than the current national average figure. The leisure offer in Sheffield city centre includes theatres and art galleries, with a concentration in Tudor Square which includes the Lyceum and Crucible Theatres, Graves Art Gallery and the Millennium Gallery. Also, there are live music and entertainment venues City Hall and the O2 Academy. There are a range of cinemas, including the Light Cinema on the Moor, the Odeon, Curzon and the independent Showroom Cinema. A particular concentration of national restaurant operators is apparent around St Paul's Place and the Peace Gardens (Bill's, Bella Italia, Piccolino and Browns), with additional operators being scattered around the main shopping streets.

Table 6 Breakdown of Leisure Service Operators by Experian Goad Sub-Category

Operator	Units	Floorspace (sq.m)
Bars & Wine Bars	14	3,410
Bingo & Amusements	4	2,240
Cafes	37	5,400
Casinos & Betting Offices	9	2,320
Cinemas, Theatres & Concert Halls	10	13,390
Disco, Dance & Nightclubs	2	2,420
Fast Food & Take Away	19	2,190
Hotels & Guest Houses	11	8,280
Public Houses	16	5,170
Restaurants	29	6,490
Sports & Leisure Facilities	5	5,780
Total	**156**	**57,090**

A total of 49 retail service operators were recorded in the city centre at March 2022, with these operators equating to 8.9% of all units in Sheffield city centre. Operators are diverse and include 11 hairdressers, seven beauty salons, four opticians, alongside two Post Offices, two travel agents, two tattooists, a tailor, a health club, a natural therapist and a solarium.

The financial and business and service operators in Sheffield city centre occupy 37 units, which equates to 6.7% of all units in Sheffield. These operators include 13 retail banks, five building societies, five pawnbrokers, three estate agents, and three solicitors.

Vacancies - At the time of our visit in March 2022, 139 vacant units recorded. These units account for 25.3% of all commercial units in the city centre, a figure significantly in excess of the current national average of 14.1% of units. The figure at 2022 also represents a slight increase on the 23.7% of vacant units recorded at 2016. The proportion of floorspace which is current vacant equates to 20.7% of all commercial floorspace which compares unfavourably to the national average figure of 13.9%.

Vacant units in the city centre are concentrated along The Moor and Pinstone Street, an area which has historically been the key location for retail operations in the city centre. This fact is considered representative of wider changes in the comparison goods market, but also of trends particularly noted in Sheffield. The average size of vacant units in the city centre is 294 sq.m, a figure which is smaller than the average size of units across the centre as a whole but which represents a number of fairly significantly sized units.

The vacancy rate is considered to be a particular cause for concern and is such that it is considered to have a negative impact in respect of the vibrancy and vitality of the city centre. This is particularly the case given the prominent location of these vacant units along the key retail circuit in the city centre, and the concentration of these units in locations such as those along The Moor and Pinstone Street results in there being parts if the city centre with more vacant than occupied units.

However, we note that positive steps are being taken to address this. Plans have been publicised to demolish the vacant former Debenhams unit and replace this with a complex comprising apartments, office space and a hotel, however it is also understood that the site is still being marketed for potential reoccupation. Furthermore, consideration is also being given to the most appropriate re-use of the former John Lewis/Cole Brothers site, although it is noted that the building has recently been listed by Historic England as Grade II listed. These proposals will help modernise the centre's offer and should result in a future overall decrease in the proportion of vacant floorspace in the city centre.

Rents & Yields - With reference to Costar information sourced in March 2022, the average market rent per sq.ft currently achieved in Sheffield City Centre is £22.69, with this figure representing a 0.9% decrease on the £22.89 per sq.ft achieved in the previous 12 month period. Conversely, the average market sale price per sq.ft has increased over the past 12 month period, up 0.3% to £183 per sq.ft. In this context, Costar currently predict market rents to increase to circa £24.00 per sq.ft by 2026.

In respect of yields, Costar find that the current market yield is 7.0%, with this figure having barley changed from the 6.9% market yield observed in the previous 12 month period. The current market yield is forecast to barely change over the period to 2026 in Sheffield City Centre.

In respect of the probability of leasing vacant premises, 50% of premises can be anticipated to be leased within 8 months on the market, with approximately 70% of premises being let within 12 months.

Pedestrian Flows – The strongest level of pedestrian activity at the time of our visit was concentrated around The Moor and Pinstone Street. There are also flows of activity in a linear manner from High Street and Fargate through to Barkers Pool to the west. High Street and Castlegate were busy, with a particular concentration of activity nearer to the tram stops. Orchard Square and Church Street were noticeably quieter.

The southern half of The Moor was the busiest on the day of our visit. This is partly a consequence of the Moor Market acting as an anchor destination and driving footfall throughout the area. Pedestrian activity is more dispersed in the areas to the south of the market and in the side streets of Eyre Street, Rockingham Gate and Matilda Street, as well as Furnival Gate.

Within the Heart of the City regeneration area, St Paul's Place was quieter, perhaps due to its focus on financial/professional service and the presence of fewer active ground floor uses.

The Sheffield Economic Bulletin of May 2022 indicates that 305,512 pedestrian movements were recorded in the city centre in Week 20 (mid-May). This figure represents an increase on the 213,732 recorded at the same point in 2021, and an improvement on the 271,952 recorded in 2019. This suggests that footfall levels in the city centre have now returned to (and actually appear to be above) pre-pandemic levels.

Figure 5 below provides a summary of footfall on Fargate between 2016 and 2021. This clearly shows peaks and troughs over the year, with notable spikes visible in historic data around Christmas and school holidays. The impact of the Covid-19 lockdowns is also easily visible, with footfall falling away dramatically from March 2020.

Although, it is important to note that footfall in 2020 was already substantially lower than that observed in previous years even before the lockdown was mandated. The green line shows footfall for the first six months of 2021, and this demonstrates that there was a slight recovery in activity over this time. Notwithstanding this, activity remained lower than in previous years, suggesting that confidence had not entirely returned, and that some element of continued working from home may be depressing office-related footfall.

Figure 5: Footfall on Fargate (2016-2021)

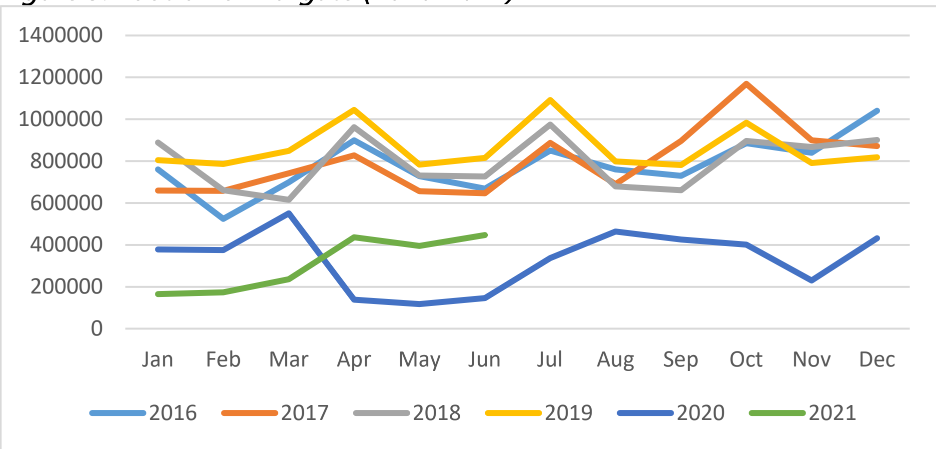
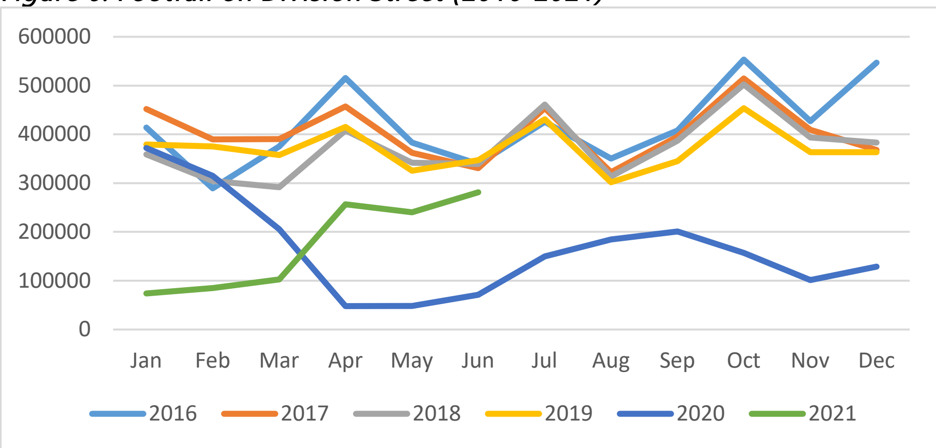


Figure 6 shows footfall on Division Street over a similar period, and again shows similar broad patterns to those identified above. However, there are a couple of key differences. Firstly, the changes in 2020 are more stark, with the decrease in footfall being more significant between January and April. Indeed, footfall at the start of 2020 compared favourably to that observed in previous years. Secondly, the bounce back observed in 2021 was somewhat more strong, with activity in June nearly matching the historic figures observed between 2016 and 2019.

Figure 6: Footfall on Division Street (2016-2021)



Accessibility - The accessibility of a centre is determined by the ease and convenience of access by a choice of means of travel, and the city centre is provided for well by a range of public transport modes, along with opportunities to park if travelling by private vehicle. The centre is also accessible by foot from surrounding residential areas, meeting the day-to-day retail, leisure and service requirements of the local catchment.

The railway station and bus station are within walking distance of the primary shopping area of the city centre (albeit there is a significant change in topography east of Arundel Gate which creates a steep walk in to the city centre from these public transport hubs).

Pedestrian movement is generally good throughout the centre, with the main shopping streets of The Moor, Fargate and Pinstone Street being pedestrianised. In particular, the closure of Pinstone Street, firstly as a result of Covid-19 social distancing measures and then latterly during construction of the Heart to the City 2, was initially a temporary measure. However, it is understood from conversations with Officers that this may now become permanent.

Whilst some cycle parking facilities were observed throughout the city centre, dedicated cycle lanes are rather sporadic and do not create comprehensive routes where the needs of cyclists are prioritised.

The railway station is at the south-east of the city centre, within walking distance of the majority of the city centre, and accessible via Howard Street which is pedestrianised. As mentioned above, this route is relatively steep (and is uphill coming from the direction of the station), which may impact on its accessibility for all groups. There is a long stay multi-storey car park on Turner Street and a short stay/drop off area adjacent. Sheffield is a stopping point for cross-country trains from Plymouth to Newcastle and there are regular services up the East Coast line including an express train to London St Pancras. There are hourly (more in peak times) services to Manchester. A range of local services travel to destinations including Dore and Totley, the Hope Valley, Meadowhall, Barnsley and Doncaster.

Sheffield Interchange is located at the south of the city centre on Pond Street which is the interchange for First and Stagecoach buses. The bus station appears somewhat tired in appearance, and is not located along a major pedestrian thoroughfare. There are a number of tram stops within the city centre which serve all of Sheffield tramlines. The stops are located at the railway station, Fitzalan Square, Castle Square, the Cathedral, and City Hall.

The city centre is served by a number of multi-storey and surface car parks. Duration and cost of parking varies throughout the centre, but overall, car parking is accessible and affordable, and there is a good range for visitors in the city centre.

Perception of Safety - Although the perception of safety varies throughout the city centre, Sheffield is largely perceived as a safe and secure centre.

The primary shopping areas of Fargate, Pinstone Street and The Moor were generally busy, with high levels of pedestrian footfall throughout these areas and a good provision of active frontages. The activity brings with it a higher level of natural and passive surveillance.

There was some evidence of anti-social behaviour including graffiti and smashed windows at the north of Fargate and High Street. There is a lack of active frontages in this area and a reduced feeling of surveillance due to the undercroft on High Street and Arundel Gate. The perception of safety deteriorates moving into some of the peripheral areas of the centre, particularly in Castlegate where natural surveillance is limited and footfall drops. In these areas in particular, consideration should be given to how increased footfall can be achieved through the re-use and redevelopment of vacant and underutilised premises, and the potential introduction of more residential development.

According to the website ukcrimestats.com, there were 1,120 crimes recorded within a mile radius of the district centre at February 2022. This compares with 669 crimes at February 2021 and 1,263 crimes at February 2020.

Environmental Quality - The environmental quality of Sheffield city centre is varied. It is generally positive, although there are opportunities to improve the centre's current appearance.

The principal areas of high environmental quality are focussed around The Moor, with new build and recently refurbished units, high quality public realm including paving and street furniture. The public realm in Fargate is less well maintained. Fargate itself benefits from some grand historic buildings and Norfolk Row is an example of a well maintained and attractive cobbled side street, with views to the Roman Catholic Cathedral.

The Peace Gardens is a very high quality public space with a large water feature and grassed areas. There are also a number of quality public and private spaces where people can sit and enjoy the surroundings, including Tudor Square, Barker's Pool, Fitzalan Square and the Winter Gardens. Although there are no real green spaces within the city centre, it is understood that there are proposals for a new public 'Pound Park', on an existing surface car park bound by Rockingham Street, Wellington Street and Carver Street.

The areas which have a lower environmental quality are generally at the east of the city centre, including Castlegate, Angel Street, High Street and Arundel Gate. The corner of Arundel Gate and High Street is dominated by heavy vehicular traffic and buildings that lack architectural merit.

Most areas of the city centre appear well-maintained, with little litter or graffiti. There are some areas which are of a poorer quality, with lower quality operators and units.

Conclusions - Sheffield city centre is by a distance the largest centre in the administrative area, and meets a good range of Sheffield's retail and leisure needs as a consequence.

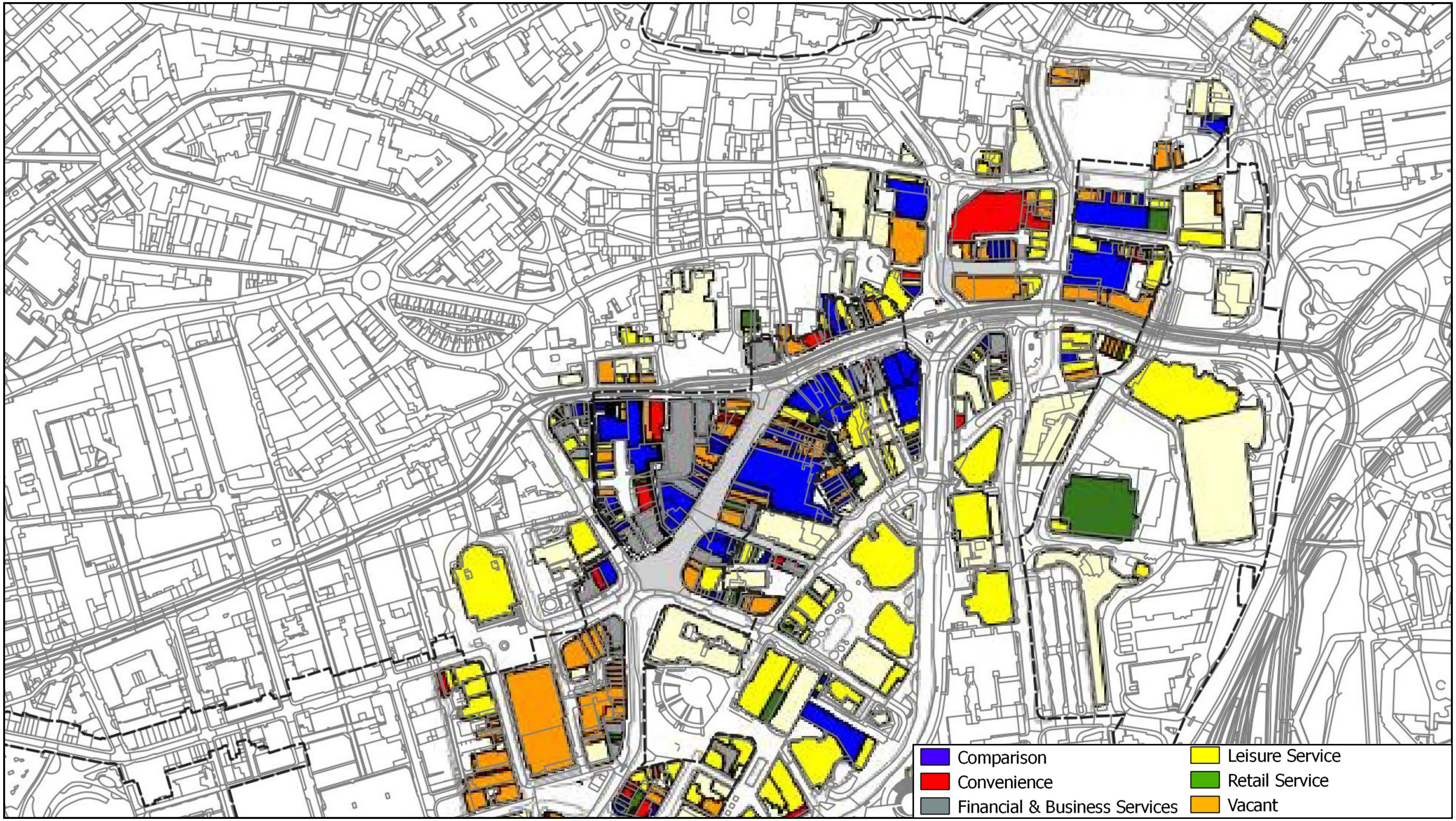
However, our survey of the centre has demonstrate that since 2016 the comparison goods offer of Sheffield city centre has deteriorated considerably. This is exemplified by the closure of the John Lewis department store at Barker's Pool and the Debenhams at The Moor (alongside the loss of a number of other high profile comparison goods national multiples). Whilst this is a broader trend (reflecting shoppers propensity to go online for many comparison goods purchases), the impact on Sheffield city centre is significant. Comparison goods retail will however remain an important part of the city centre offer moving forward and it will be important that this sector does not deteriorate further.

Conversely, the decrease in the comparison goods offer has been mirrored by growth in the service (leisure, retail and financial and business service operators) offer. In 2016, service operators accounted for 31.6% of all operators in the city centre. At 2022, the proportion of service operators in the city centre equate to 44.0% of all units in Sheffield. This increase is reflective of changes seen in centres since that time, with growth in service, particularly leisure service operators, coming by virtue of shrinkage in centres' comparison goods offer. However, it is noted that the leisure service offer is concentrated around a day-time and early evening offer, and the city centre would benefit from additional evening operators. To that end, the opening of Lane 7, a modern, boutique bowling venue in 2019, is noted and is considered beneficial in diversifying the centre's leisure service offer.

However, underling the city centre is the significant increase in vacant units. Our survey recorded a total of 139 vacant units, accounting for 25.3% of all units in the city centre. This figure is significantly in excess of the current national level, which equates to 14.1% of all commercial units being vacant. The 2022 vacancy rate also represents a slight increase on the 23.7% of vacant units recorded at 2016. The proportion of vacancies is considered to negatively impact the overall impression of vibrancy and vitality in the city centre. This can also been seen in the reduce footfall observed in the city during 2021 which, despite the lockdowns associated with the Covid-19 pandemic coming to an end, remains lower than in any of the years between 2016 and 2019. This reduced footfall is considered reflective of the reduced offer resulting in fewer visits and less activity, as well as an element of increased working from home reducing the activity arising from workers in city centre offices.

However, we note a number of recent projects which both reflect the changing nature of the centre, and will result in an overall decrease in the proportion of vacant floorspace in the city centre. The delivery of such development will help Sheffield to continue to meet the needs of its residents and will therefore be important in ensure that the occupancy rate in respect of commercial floorspace improves going forward. This is necessary to underpin the city centre's future vitality and viability, and these projects are largely aligned with the Sheffield City Centre Strategic Vision.

It is clear that Sheffield city centre is currently undergoing a period of substantial change, with a contracting comparison goods offer and a resulting increase in the overall vacancy rate. Although some of this available floorspace has been repurposed, securing the re-use of additional vacant floorspace is urgently needed to ensure the centre's vitality and viability. Ensuring that emerging policy is sufficient to ensure the long-term health of the city centre will be a key element of ensuring this. However, although the city centre can be considered vital and viable the level of vacancies is such that this position could easily change and no longer be the case. Delivering continued diversification of operators and repurposing of vacant retail floorspace are crucial to avoiding this.

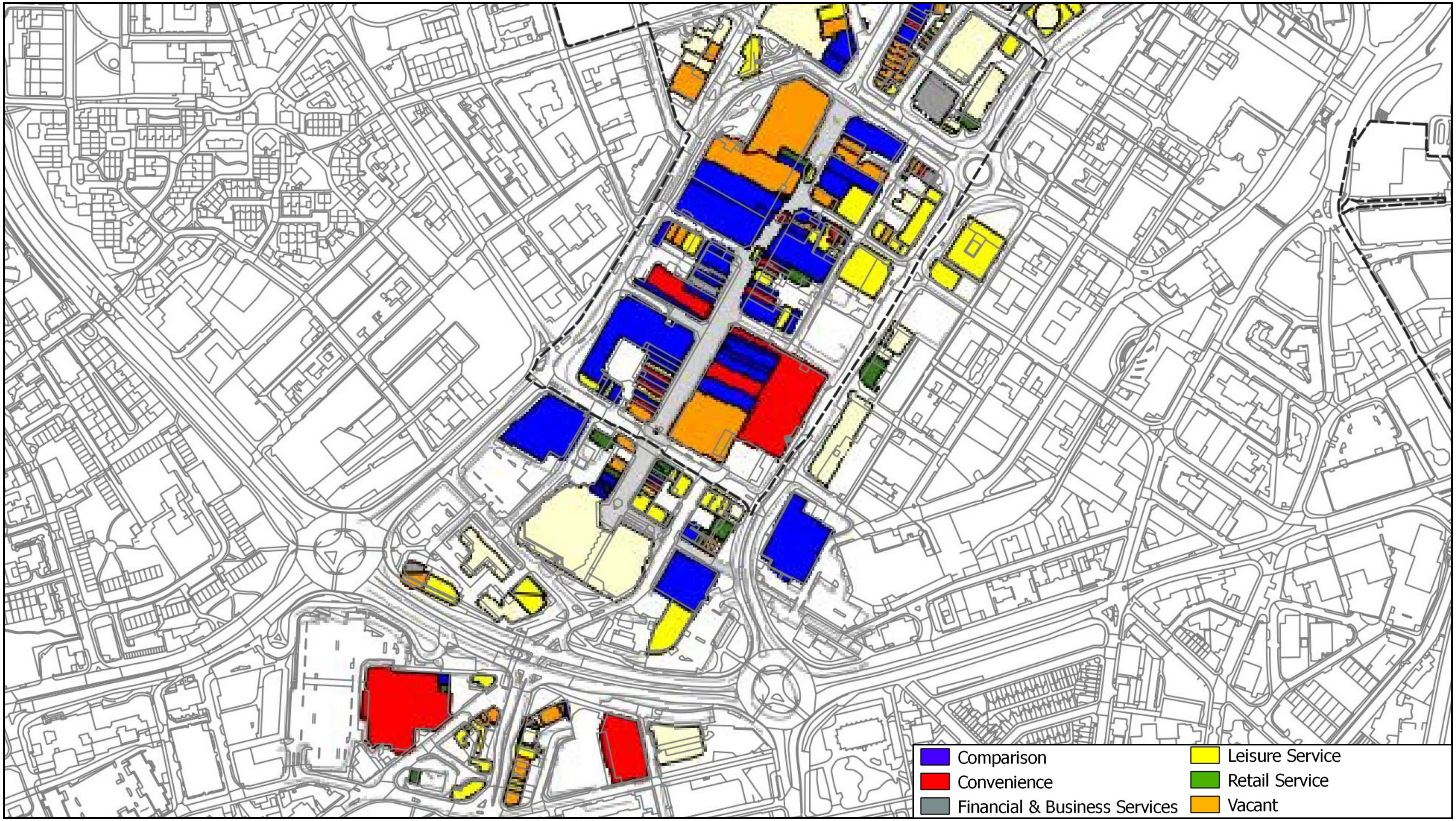


NEXUS
PLANNING

Sheffield city centre - north

Sheffield Retail and Leisure Study 2022

Survey Date - March 2022



NEXUS
PLANNING

Sheffield city centre - south

Sheffield Retail and Leisure Study 2022

Survey Date - March 2022