

# PROPERTY

Retail Week's Four Sites documentary series looks at the shopping centres poised to open this year. And they could be an indication of a boom. By **Luke Tugby**



Watch the first episodes of Four Sites on

[Retail-week.com/FourSites](http://Retail-week.com/FourSites)

## How property developments are being reinvigorated

### WHEN THE UK SLUMPED

into an economic downturn ahead of the recession starting in 2008, the retail property industry was among the hardest hit.

Large shopping centres that had been planned across the country were shelved, some of which are still yet to be fully revived.

But this year four big retail developments will open in the UK, the most in one year since the recession gripped Britain.

Among them are Westfield Bradford Broadway and Friars Walk in Newport, both of which have been off and on as developers and retailers alike pulled out of the original schemes, only for them to be resurrected years later.

Add the rapidly approaching openings of Birmingham Grand Central and Flemingate in Beverley into the mix and 2015 is, as Savills' head of shopping centre leasing Mark Simms puts it, a "hugely significant" year.

Simms believes the four openings, which are looked at in depth in *Retail Week's* four-part documentary series *Four Sites*, not only demonstrate recovery, but reveal that retailers and developers are once again setting their sights on more secondary locations outside big cities such as London, Birmingham and Manchester.

### Breaking ground

That is a view supported by Harper Dennis Hobbs partner James Ebel.

"Pre-recession, retailers would be willing to take space within a shopping centre or a high street in a more secondary location," he explains. "That disappeared across Europe during the



recession. Retailers moved away from off-pitch locations because they weren't worth the risk.

"Demand has been high in more concentrated areas, and everywhere else suffered. What you're starting to see with these developments is a change – retailers are starting to explore different areas."

Simms believes retailers have been attracted to those less-sought-after locations such as Newport, Bradford and Beverley by their respective local authorities.

He suggests that other smaller towns and cities will be tracking the success of the new developments intently, using them as a benchmark when formulating their own regeneration blueprints.

### Inspiration beacons

"There is some great investment going into secondary locations now," Simms says. "In a lot of these

instances, you find that the local authority is working in partnership with the developer and they can often prove the catalyst to make these things work."

"These centres show that local authorities have longer-term visions and aren't necessarily looking for a direct financial return to make it work, but believe in the wider regeneration in their town or city centre. That's what has made these centres work and that will be the key to other similar schemes moving forward."

"Does that mean we can develop every secondary town? No, but it does show that the green shoots of recovery are here."

Simms believes that this year's four openings could prove the inspiration for other secondary towns to revive their retail dreams.

"So many developments were put on hold in 2007 and 2008 like Northampton, Bedford and Aylesbury, which all had schemes

planned for them. Some of those may now come back to life, but in a different guise," he observes.

"The local authorities will be looking at places like Newport, not just to see if they make money, but also at more intangible things – is the centre helping youth unemployment? Is it helping to reduce inner-city crime rates? That's where local authorities will look at these centres, perhaps over three to five years, to pick up positive lessons and shape their future development plans."

### Future blueprints

There is no doubting the significance of 2015 for the retail property market, and it is clear to both Simms and Ebel that this is just the beginning of what could prove to be a fruitful few years.

"It's not just that these four are opening this year, but more relevant to the overall retail environment is that most of the other retail developments that were put on ice five or six years ago are now in their full development phase. That's great news for the overall retail environment," Ebel adds.

"The development pipeline over 2017 and 2018 is looking very healthy. There's the likes of Oxford Westgate, Buchanan Galleries in Glasgow extending, Westfield London extending, Brent Cross, Lakeside and Bluewater all extending – just to mention a few. The future is quite exciting."

As the centres in Birmingham, Bradford, Beverley and Newport near their completion, it appears a wider retail property rebound is under construction.