

INVERNESS CITY CENTRE RETAIL REPORT 2010

January 2011

SUMMARY

- Overall Inverness city centre has seen an increase of 9 retail outlets between 2009 (417) and 2010 (426).
- The number of vacant outlets has decreased from 55 and 48 in 2008 and 2009 respectively to 38 in 2010. The vacancy rate is currently 8.9% compared to 11.5% in 2009.
- The fall in vacant units has brought Inverness closer to the average vacancy rate for centres of a similar size in Scotland (just under 10%)

INTRODUCTION

Inverness is the largest shopping centre in Highland, serving the population of both the city and the wider Highland community. This briefing note provides an overview of the retailing sector within the city centre and compares the situation at the end of December 2010 with that of June 2009. It covers the main shopping areas of the city including the High Street, Eastgate Shopping Centre, Victorian Market, Academy Street, Church Street, Union Street, Queensgate, Castle Street, Huntly Street and Tomnahurich Street. It does not cover the City's "out-of-town" retail parks nor more local shopping in residential neighbourhoods.

This briefing note is based on data supplied by Experian Ltd. Its "Goad Plans" product provides details of the physical layout of many UK town centres, together with information on the retail occupiers and their trades. The last survey carried out by Experian Ltd was in 2009. The data in this briefing note has been updated through a foot survey by Highland Council in December 2010.

Changing trends will be monitored and reported in future briefing notes.



RETAIL GLOSSARY

There are four categories used to describe the retailing sector in this report. They are explained below:

Convenience outlets – retailers selling food and everyday goods. For example, butchers, supermarkets and off licences.

Comparison outlets – non food retailers, where the purchaser will compare on the basis of price and quality before buying. For example, clothing, electrical goods, furniture and bookshops.

Service outlets – service providers. For example, banks, restaurants and cafés, betting offices and the post office.

Vacant units – unoccupied units.

There is detailed analysis of the number of outlets in each of these categories.

Previous briefing notes provided details of unit floor space in the city centre. Due to the lack of accurate and up to date information on floor space this has been taken out of this briefing note.

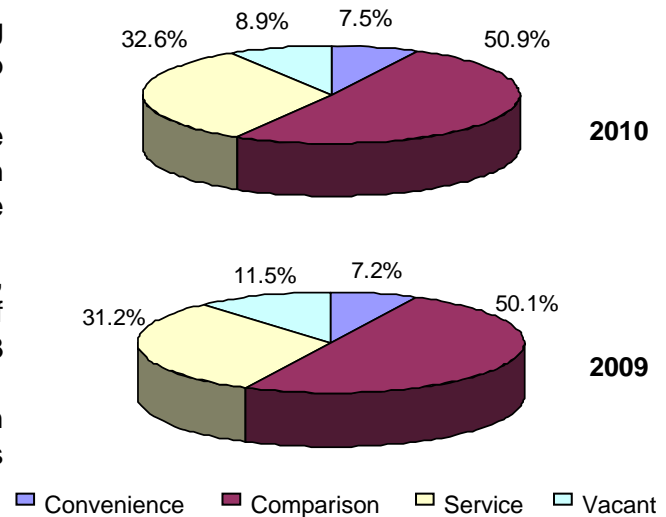
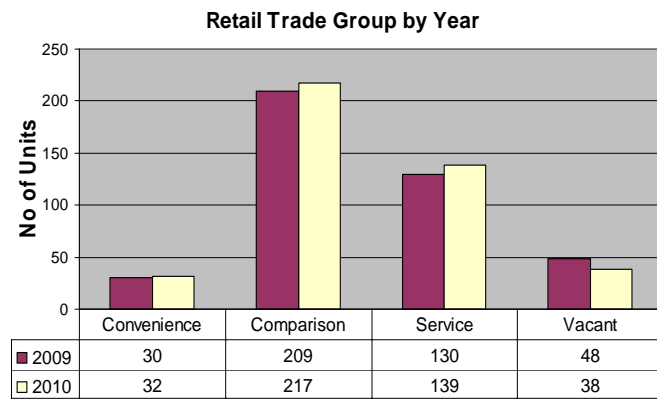


NUMBER OF RETAIL OUTLETS

Overall the city centre has seen an increase of 9 in retail outlets between 2009 and 2010.

The graph and pie charts to the right show the number of outlets in each of the four categories described on the previous page: convenience, comparison, service and vacant:

- The number of convenience outlets has increased by 2 between 2010 (32) and 2009 (30). This represents 7.5% of the total number of outlets.
- The number of comparison outlets increased by 8 during 2010 to 217 units. Comparison outlets currently take up 50.9% of all city centre outlets.
- The number of service outlets has risen by 6.9%. There are currently 139 service outlets when there was 130 in 2008. Service outlets take up 32.6% of all city centre outlets.
- Within the Service outlets, the category of Restaurants, cafes, fast food saw a rise of 5 units and the category of Hairdressing, beauty & health category had a rise of 3 units.
- There has been a decline in the number of vacant units in the city centre of 20.8%. The total number of vacant units was 38 in 2010 as opposed to 48 in 2009.



A COMPARISON DOMINATED CENTRE

As comparison goods are bought by consumers on the basis of suitability, quality, price and style it is important that shoppers are given sufficient choice and value for money. More comparison shops provide competition among retailers giving shoppers better value.

High quality comparison outlets can also give customers a reason to go into the city centre which in turn has an effect on the business of other service and convenience outlets such as restaurants, bakers and newsagents.

Comparison dominated centres can be seen all over Scotland and considered good thing for a competitive retail centre.

INVERNESS AND REST OF UK/SCOTLAND

In September 2010 the Local Data Company published a press release analysing the vacancy rates of the UK's shopping centres.

Its findings suggest that the average vacancy rate in Great Britain has risen from 12% at the end of 2009 to 13% in June 2010.

Inverness as a large centre (more than 400 outlets) with a vacancy rate of 8.9% is lower than Scotland's overall vacancy rate of just under 10%. The graph to the right shows the vacancy rates for large, medium and small centres across different UK regions.



Fig 1. Regional vacancy.

Source Local Data Company, Press Release 09/09/10

<http://www.localdatacompany.com/press-releases/2010/9/9/press-release-north-south-divide-when-it-comes-to-empty-shop.html>

VACANT UNITS

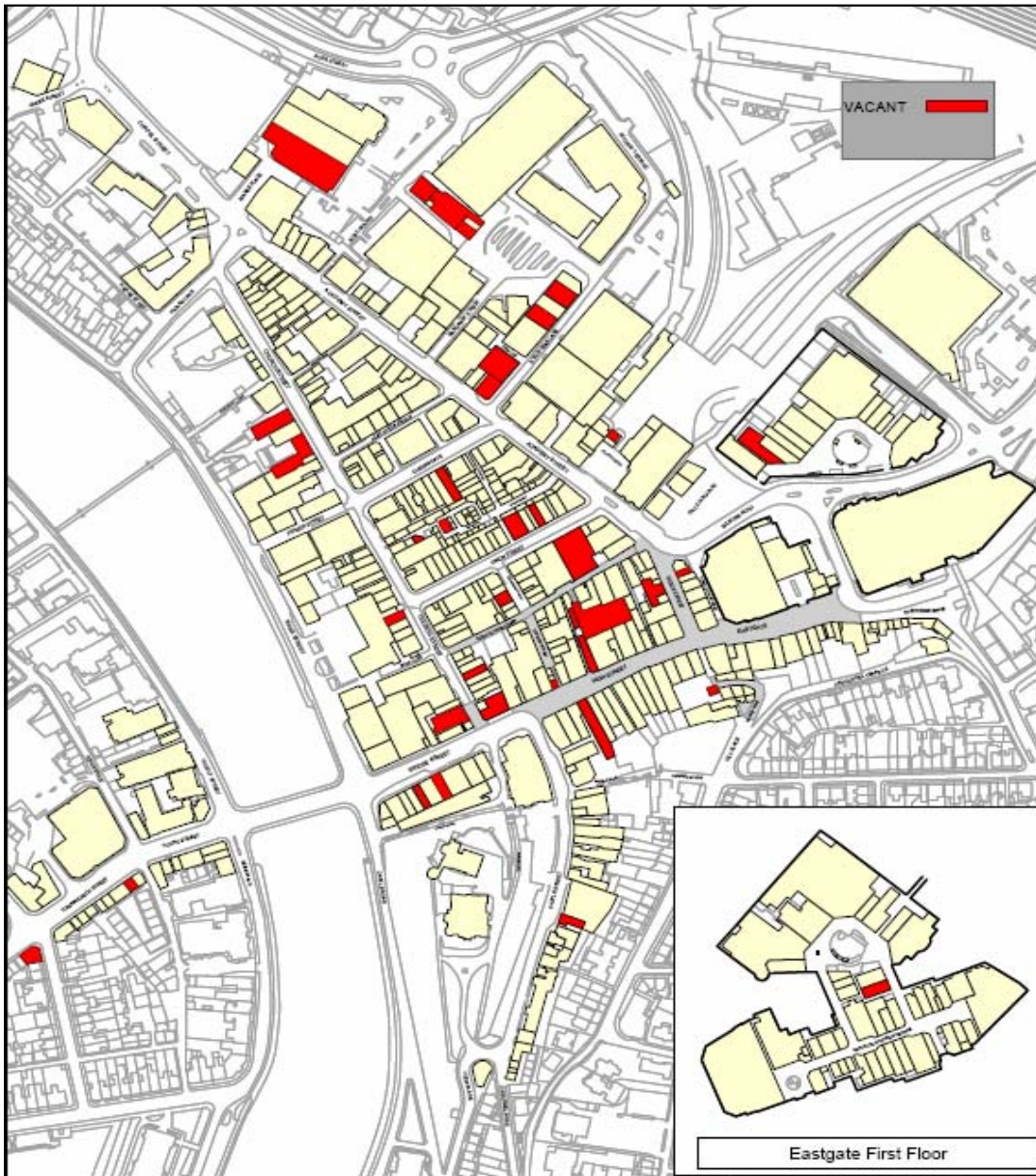
The location of vacant units as surveyed at the end of December 2010 is shown in the map below. Overall, there has been a decrease in the percentage of vacant units since 2009 of 22.9%. All but two outlets are occupied in the Eastgate shopping centre.

The gradual occupancy of new units on Strothers Lane and Rose Street have helped achieve the fall in vacant units.

Some of the most notable changes in relation to vacant outlets include the occupancy of the old Woolworths store by Poundland on High Street. Also, two of the three large units on Rose Street have been taken up by Dreams Beds and Iceland. The demolition process has also begun of the old Bingo hall on Huntly Street to make way for a new Premier Inn.

Other outlet changes have occurred including the opening of Zizzi restaurant on Bridge Street and the move of Specsavers from Inglis street to High Street for example.

Units that were occupied but are now vacant include the Cactus Jack's nightclub on Baron Taylors Street, the old Specsavers on Inglis Street and Millets outdoorwear and camping goods on High street.



TYPE OF OUTLETS

The various types of retail outlets that are grouped under the convenience, comparison and service headings are shown in Table 1 which gives detailed figures on the number of outlets in 2008, 2009 and 2010.

Table 1: Retail Composition in the City of Inverness

	OUTLETS									
	2008		2009		2010		Difference 2010/09		Difference 2008/10	
	Number	%	Number	%	Number	%	Number	%	Number	%
RETAIL TRADE GROUP										
Convenience	34	8.1%	30	7.2%	32	7.5%	2	6.7%	-2	-5.9%
Comparison	208	49.6%	209	50.1%	217	50.9%	8	3.8%	9	4.3%
Service	122	29.1%	130	31.2%	139	32.6%	9	6.9%	17	13.9%
Vacant	55	13.1%	48	11.5%	38	8.9%	-10	-20.8%	-17	-30.9%
Total	419	100%	417	100%	426	100%	9	2%	7	1.7%
RETAIL CATEGORY										
Convenience	34	8.1%	30	7.2%	33	7.7%	3	10.0%	-1	-2.9%
Bakers	7	1.7%	6	1.4%	6	1.4%	0	0.0%	-1	-14.3%
Butchers	1	0.2%	2	0.5%	2	0.5%	0	0.0%	1	100.0%
Greengrocers & fishmongers	3	0.7%	2	0.5%	2	0.5%	0	0.0%	-1	-33.3%
Groceries & frozen foods	14	3.3%	11	2.6%	12	2.8%	1	9.1%	-2	-14.3%
Off licences & home brew	3	0.7%	2	0.5%	2	0.5%	0	0.0%	-1	-33.3%
CTN & convenience	6	1.4%	7	1.7%	8	1.9%	1	14.3%	2	33.3%
Comparison	208	49.6%	209	50.1%	217	50.9%	8	3.8%	9	4.3%
Footwear & Repairs	14	3.3%	13	3.1%	13	3.1%	0	0.0%	-1	-7.1%
Mens, boys wear	11	2.6%	12	2.9%	12	2.8%	0	0.0%	1	9.1%
Womens, girls & childrens	27	6.4%	26	6.2%	26	6.1%	0	0.0%	-1	-3.7%
Mixed & general clothing	25	6.0%	23	5.5%	26	6.1%	3	13.0%	1	4.0%
Furniture, carpets, textiles	5	1.2%	5	1.2%	7	1.6%	2	40.0%	2	40.0%
Books, arts/crafts, stationers/copy	14	3.3%	15	3.6%	15	3.5%	0	0.0%	1	7.1%
Elec, home ent, 'phones & video	19	4.5%	19	4.6%	19	4.5%	0	0.0%	0	0.0%
DIY, hardware & household goods	8	1.9%	6	1.4%	6	1.4%	0	0.0%	-2	-25.0%
Gifts, china, glass & leather goods	8	1.9%	12	2.9%	11	2.6%	-1	-8.3%	3	37.5%
Chemists, toiletries & opticians	19	4.5%	19	4.6%	20	4.7%	1	5.3%	1	5.3%
Variety, department & catalogue	7	1.7%	6	1.4%	6	1.4%	0	0.0%	-1	-14.3%
Florists & gardens	3	0.7%	3	0.7%	3	0.7%	0	0.0%	0	0.0%
Sports, toys, cycles & hobbies	11	2.6%	13	3.1%	14	3.3%	1	7.7%	3	27.3%
Jewellers, clocks & repairs	13	3.1%	12	2.9%	12	2.8%	0	0.0%	-1	-7.7%
Charity, pets & other comparison	24	5.7%	25	6.0%	27	6.3%	2	8.0%	3	12.5%
Service	122	29.1%	130	31.0%	139	32.6%	9	6.9%	17	13.9%
Restaurants, cafes, fast food	65	15.5%	67	16.0%	72	16.9%	5	7.5%	7	10.8%
Hairdressing, beauty & health	23	5.5%	30	7.2%	33	7.7%	3	10.0%	10	43.5%
Launderettes & dry cleaners	1	0.2%	1	0.2%	1	0.2%	0	0.0%	0	0.0%
Travel agents	5	1.2%	4	1.0%	4	0.9%	0	0.0%	-1	-20.0%
Banks & financial services	18	4.3%	19	4.5%	20	4.7%	1	5.3%	2	11.1%
Building societies	4	1.0%	4	1.0%	4	0.9%	0	0.0%	0	0.0%
Estate agents & auctioneers	6	1.4%	5	1.2%	5	1.2%	0	0.0%	-1	-16.7%
Vacant	55	13.1%	48	11.5%	38	10.1%	-5	-10.4%	-12	-21.8%

FURTHER RETAIL INFORMATION

This is the first of a series of briefing notes on retail of some of Highland's retail centres. Others to follow will include :

- Retail Parks, Longman - Inverness
- Dingwall
- Fort William
- Wick
- Thurso
- Portree

