# The Thomas Consultancy

## UK Shopping Centres

1. Floorspace levels in the shopping centre development pipeline are at the highest levels recorded since the late 1980s
2. In mid-2007, there is almost 6 million sq m (63.15 million sq ft) of floorspace in the pipeline, up by 5% on the third quarter of 2006.
3. The majority of floorspace is scheduled to be completed over the 2008-10 period, with peak completion levels due in 2008.
4. Most of the pipeline floorspace will be developed in existing town and city centres, highlighting the continuing impact of PPS6 on the location of development. Out-of-town shopping centre development activity has all but ceased in Great Britain
5. The trend towards developing larger shopping centres, that set-in following the early 1990's recession, continues as developers seek to create dominant retail mixes.
6. Retailer demand for larger units is also strong, particularly in the 1,860 –2,800 sq m (20,000-30,000 sq ft) size band. The increase in unit size requirements is, in part, a result of the steady concentration –due to the distribution of development activity –of comparison goods retailing in larger markets.
7. Despite the number of new schemes in the pipeline increasing to 40% of the total over the last six months, most schemes in the pipeline are extensions, redevelopments or replacement stock.
8. Mixed use schemes are becoming increasingly popular, in large part due to the lack of available quality dedicated shopping centre sites
9. Major concentrations of potential retail development can be identified particularly around London, the South East and the North West, which between them account for almost half of the total shopping centre development pipeline.
10. Major players include Capital Shopping Centres, Westfield, Land Securities, ING, Hammerson and Hermes.
11. Leading architects are BDP, Chapman Taylor and Benoy.
12. Major consultants include Cyril Sweett and Watermans.