

RETAIL & MAIN TOWN CENTRE USES STUDY

Retail Capacity Addendum

September 2026

INTRODUCTION

1. Rother District Council (“the Council”) instructed LSH to review the retail capacity assessment presented in the Retail and Main Town Centre Uses Study 2026 (RMTCUS). The review takes account of dwelling-based population projections produced by Edge Analytics and to inform the Council’s housing and economic needs assessment (HEDNA).

POPULATION PROJECTIONS

2. The population projections that informed the RMTCUS were based on a combination of sources and were applied to the defined study area that comprised six study zones. The assessment period used to inform population projection was 2022 to 2025. The following projections and sources were applied by study zone:
 - Zones 1 to 6 informed by projections for Rother District published by East Sussex County Council for 2023 to 2038 and the Office of Statistics’ (ONS) 2022-based Sub National Population Projections released in June 2025.
 - Zones 7 to 9 are derived from the ONS’ 2022-based Sub National Population Projections.
3. The updated dwelling-based population projections that inform this retail capacity update are set out below for the key assessment years:

Table 1: Dwelling-based population projections

	2025	2030	2035	2040	2042
Dwelling-led Draft Plan (HH-22)	96,998	100,740	104,474	108,117	109,550
Dwelling-led Draft Plan (HH-22-R)	96,916	100,304	103,780	107,140	108,449

4. The revised capacity assessment applies the ‘HH-22’ scenario for dwelling-based population projections, which serves as a best-case scenario in terms of retail capacity forecasts.

CAPCITY UPDATE

5. The retail capacity assessment contained in the RMTCUS used an excel-based economic model. The assessment methodology and the summary findings are set out in Section 5 of the RMTCUS. The associated assessment tables are set out in Appendices 2 to 9, Volume 2.

6. For this addendum the economic model was updated to include the dwelling-based population projections summarised in Table 1 above, replacing the projections for Zones 1 to 6 that were previously informed by East Sussex County Council and the ONS (in respect to Rother District). No other updates were applied to the economic variables that informed the RMTCUS. Specifically, applied estimates on retail expenditure per head by study zone, annual growth projections on expenditure, adjustments to Special Forms of Trading, productivity growth rates, etc. are unchanged.
7. The revised retail capacity forecasts are set out in the table below alongside the original RMTCUS forecasts.

Table 2: Revised Retail Capacity

Floorspace Need/Capacity (sqm net sales)	2030	2035	2040	2042
RMTCUS Convenience Capacity	-1,902	-1,820	-1,792	-1,799
Revised with Dwelling-led Draft Plan (HH-22) Population	-1,918	-1,778	-1,657	-1,624
RMTCUS Comparison Capacity	-674	-557	-558	-647
Revised with Dwelling-led Draft Plan (HH-22) Population	-719	-448	-208	-194

8. The updated retail capacity assessment findings show that despite higher levels in population projections associated with future housing supply that there remains no identified need to support new retail floorspace at district level.
9. However, as highlighted in the RMTCUS assessment the absence of retail capacity over the study period does not preclude facilitating any further investment in new retail, particularly where it can help support Rother's existing and new centres. By strengthening or diversifying retail in centres could help to increase retail expenditure retention for centres and support town centre economic growth. Therefore, where opportunities arise for new retail development it should be prioritised within the district's centres and any proposals for edge or out of centre development should be assessed against retail planning policy (i.e. sequential and impact tests as per the current and emerging development plan for Rother and the new National Planning Policy Framework).

CONCLUSION

10. This addendum has reviewed the implications of applying the updated dwelling-based population projections to the retail capacity assessment prepared as part of the RMTCUS. The revised modelling indicates that, notwithstanding the higher population growth associated with the updated housing supply assumptions, there remains no identified quantitative need for additional retail floorspace at district level over the study period.

--End--