

Introduction

An audit of businesses operating in Wem's main shopping streets was undertaken in September 2022 as part of an on-going piece of research reviewing the vibrancy of Shropshire's main market towns and key settlements. Wem centre was first audited in July 2019, and then again in September 2020 and September 2021. The objective of these audits is to provide a snapshot of the vitality of the town by investigating:

- The range and diversity of the retail offer
- The number and types of non-retail businesses operating
- The number and location of vacant properties
- Distinctive characteristics within the town, for example a strong tourism offer or a high penetration of "low end" traders
- The amount, location and type of domestic residences in the centre of the town

The research also aims to monitor change over time. The functionality of the High Street has been changing for some time, and through 2020 and 2021 the coronavirus pandemic posed additional challenges to High Street businesses. The 2020 audits for all towns took place in September, following the first national lockdown. Non-essential retail and hospitality businesses were able to trade at this time (albeit with strict social distancing measures in place). The 2021 audits also took place when High Street businesses were able to trade. By 2022 High Streets were trading normally with no Covid-19 restrictions, but the cost of living crisis was gathering pace.

Key Findings

- 102 commercial units, occupying 11,300m² gross floor space
- 7th largest centre in Shropshire accommodating 4.0% of all Shropshire High Street traders
- Average number of stores per head of population at a rate of 16 units per 1,000 population
- Average store size 112m² which is notably smaller than the average across Shropshire (132m²)
- 182 residential premises in the main shopping area, giving a ratio of 0.6:1 commercial versus residential properties
- Wem had a 20% business churn rate between the 2019 and 2020 audits, which was amongst the highest in the county—by 2021 the churn rate had fallen to 7% and was similar in 2022 at 9%
- 15% of all commercial premises were vacant in 2022, which, except for Cleobury Mortimer, is the highest in Shropshire (average 11%)
- The number of vacancies has however fallen by four since 2021
- The highest proportion of commercial units is attributable to retail services (26%)
- In contrast, there are comparatively few businesses operating in comparison retail (18%)
- The largest store in the town is the Co-op, meaning that convenience retail accounts for a disproportionately high share of floor space.

Methodology Statement

Only the main retail centre of the town was surveyed, as shown on Map 4.

Both retail and non-retail businesses will be operating in other parts of the town. In Wem, the business park is just outside the scope of this audit.

All commercial premises within the defined area were audited, and classified as:

- Comparison Retail—defined as stores selling non-food/drink/tobacco products
- Convenience Retail—defined as stores selling food/drink/tobacco products
- Retail Service— defined as stores selling a service rather than a product, such as hair dressers or travel agents
- Financial & Business Services — for example, banks, solicitors, accountants, estate agents
- Health - including dentists, health centres, GP practices, alternative therapies
- Restaurants & Takeaways—including cafés and tea rooms
- Tourism & Leisure—hotels and public houses/bars as well as visitor attractions and cultural assets
- Education & Community Facilities—including schools, colleges, libraries, community centres
- Other Non-Retail
- Vacant

Gross floor space was matched to each premise using OS Master Map. It should be noted, that where two outlets shared the same premise (as shown on Master Map) an assumption was made that both occupied the same amount of floor space. For multi-storey buildings occupied by multiple businesses, it is assumed that all floors have the same gross space. Unless it is clear that a single business occupies more than one floor of a building, it has been assumed that it occupies only one floor. This means that in some cases, gross floor space may be under-estimated as some traders use upper floors for storage. No estimate relating to net floor space has been made.

Businesses occupying above ground floor level premises have only been included in this audit if their presence is clear from street level (by door signs or external hoardings for example). It is likely, therefore, that some non-consumer businesses operating in the area may have been missed.

Premises are assumed to have changed hands if their name or function has changed since the 2021 audit. In some cases though, ownership may be unchanged but the business has been rebranded or renamed.

An estimate of the number of domestic residences in the main retail centre has been made using OS Address Base (complete version) using all residential classification codes.

Retail Centre Hierarchy

Town centres represent important employment, entertainment and shopping hubs for their local population and hinterland. They also represent an important component of the visitor economy.

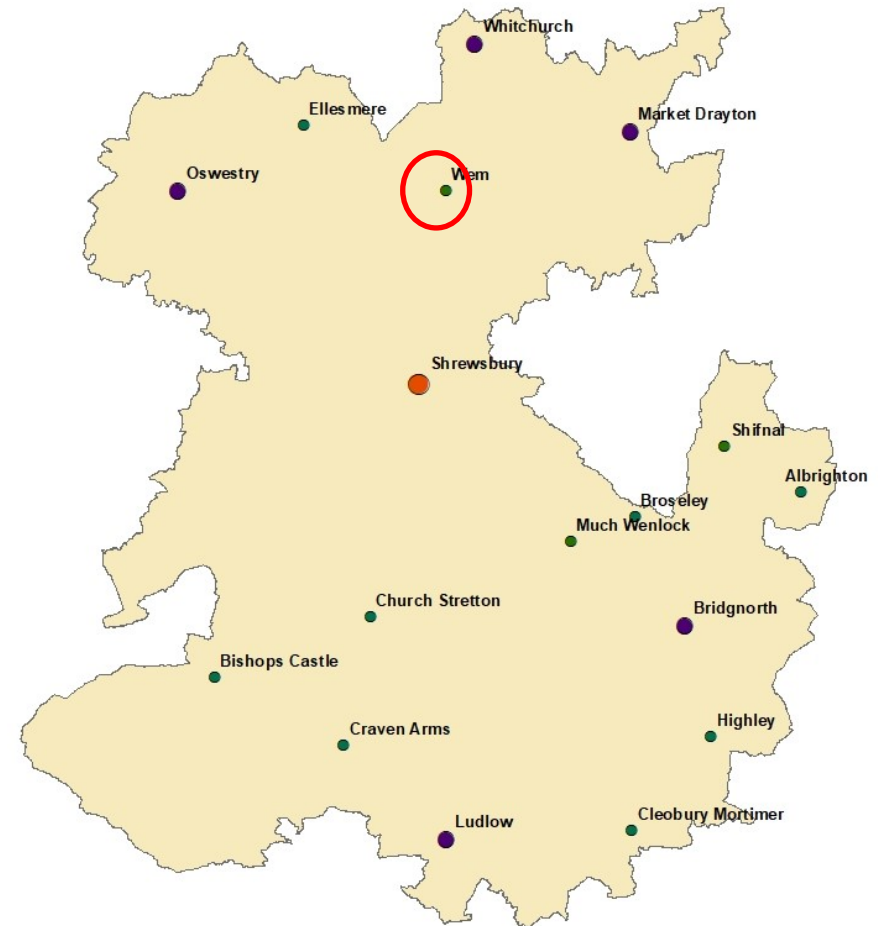
However, not all centres have comparable functions. Larger centres tend to attract workers and shoppers from much further afield than smaller centres, and consequently offer a much greater volume and variety of retail trade and consumer and business services.

In order to benchmark Shropshire towns against each other in an appropriate manner, the following hierarchy has been adopted:

- Tier 1: Shrewsbury
- Tier 2: Bridgnorth
Ludlow
Oswestry
Market Drayton
Whitchurch
- Tier 3: Albrighton
Bishops Castle
Broseley
Church Stretton
Cleobury Mortimer
Craven Arms
Ellesmere
Highley
Much Wenlock
Shifnal
Wem

Along with Shifnal and Ellesmere, Wem supports a relatively large retail centre compared with other tier 3 Shropshire towns.

Map 1: Shropshire's Main Retail Centres



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About Wem

Wem is a small market town located in the centre of Shropshire to the north of the county town, Shrewsbury. The area was first settled during the Celtic Iron Age, and today has a population of 6,300 (*2020 Mid-year estimates*) and 2,626 households (*2011 Census*). The town's population has grown by 4.1% since 2015. It is the eighth largest market town in the county. The population is projected to rise to 6,700 by 2026.

The town has Whitchurch to the north, Market Drayton to the east, Shrewsbury to the south and Oswestry to the west. Wem is located west of the A49 which provides access south to Shrewsbury (13 miles) and north to Whitchurch (10 miles). Local roads also provide access to surrounding market towns, including Ellesmere, and the countryside. Wem is also on the national rail network on the Manchester to Shrewsbury line. The total population within a 10 mile radius is approximately 97,300.

Wem provides approximately 1,400 jobs across the town council area (*ONS Business Register and Employment Survey, 2021*). Key sectors include:

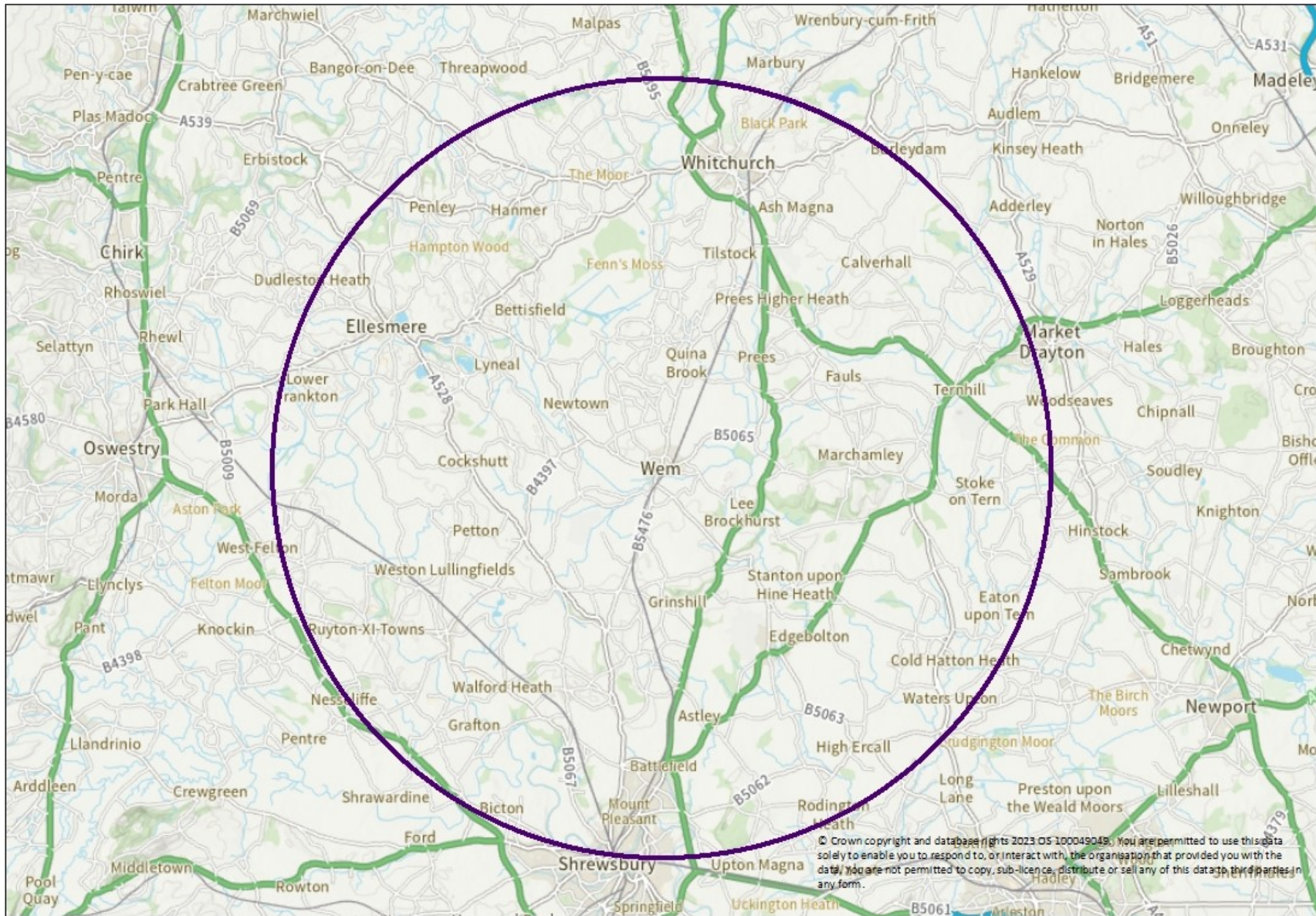
- Education (17.4% of jobs)
- Health (16.7% of jobs)
- Construction (10.4% of jobs)
- Retail (9.7% of jobs)

Overall, Wem town council area (depicted on Map 3) covers an area of 367 hectares. The main shopping area (depicted on Map 4) is much smaller than this, at around 6 hectares.

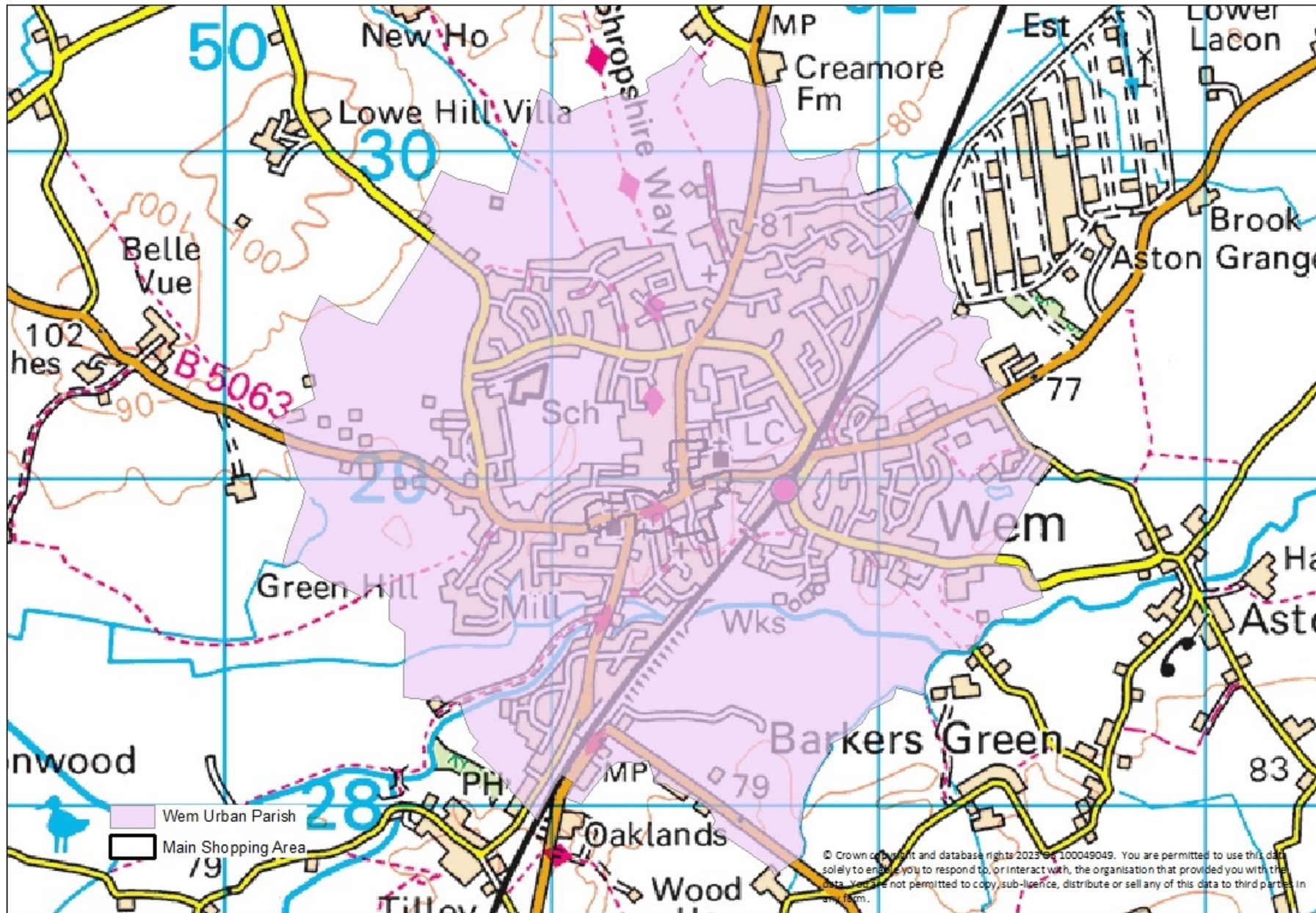
The town comprises predominantly independent retail and there is a significant amount of residential housing stock in the main shopping area of the town. The weekly market is held at the town hall and square every Thursday.

More information about Wem can be found here: <https://shropshire.gov.uk/media/19078/wem-profile.pdf>

Map 2: Location of Wem showing 10 mile radius



Map 3: Wem Town Council Area



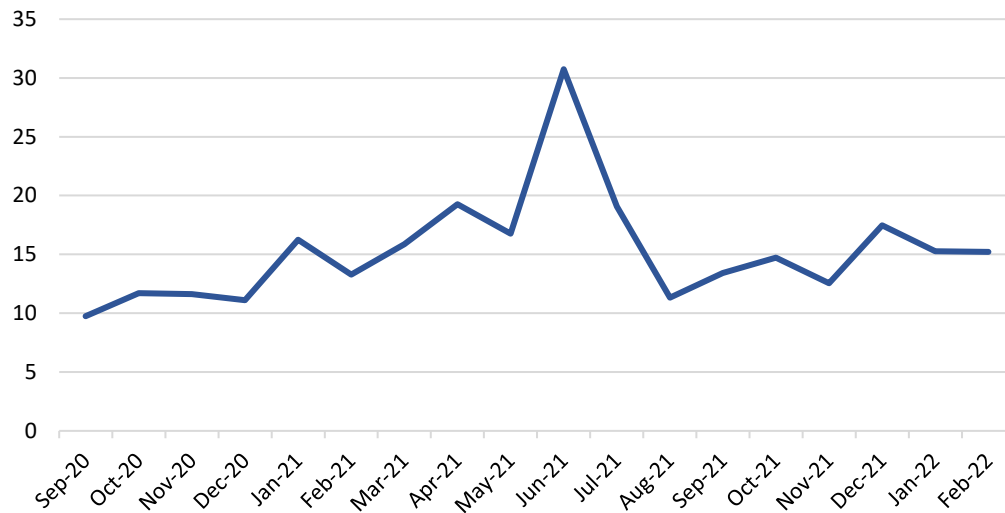
Catchment and Footfall

The map on the following page shows the main catchment for Wem town centre. It covers the town itself and a significant hinterland that stretches to Whitchurch, Market Drayton and Ellesmere to the north and to Shrewsbury to the south. Overall, the area includes six postcode districts.

The total population within the catchment is 121,875 people which is slightly larger than the Market Drayton catchment population and slightly smaller than for Whitchurch. The average catchment distance is shorter than for any other Shropshire town at 6.58 miles.

The chart below shows the percentage of the catchment population visiting Wem at least once a month since September 2020. The conversion rate has ranged between 9.7% (September 2020) and 30.7% (June 2021).

Chart 1: Catchment Conversion (%)



Source: Town & Place AI

Note: Catchment defined as any postcode district from which at least 3% of residents visited the town on at least one occasion during the preceding month. Hence, the precise catchment area and catchment population will change on a monthly basis.

The map on the following page shows the percentage of each postcode that forms part of the Wem catchment area that visited the town centre at least once in February 2022.

The overall catchment conversion stood at 15.2% in February 2022. However, this ranges from more than 36.2% in SY4 (where Wem is located) to 5% or less in SY2 and TF9.

Overall, 72% of visitors to Wem originated from the two postcode districts that make up the core catchment (SY4 and SY13). This proportion is relatively high. The remainder of the catchment accounts for 24% of visitors, with the remaining 4% representing visitors from further afield (classified as tourists). The proportion of visitors accounted for by tourists is relatively low.

Chart 3: Trends in Wem Postcode Conversion

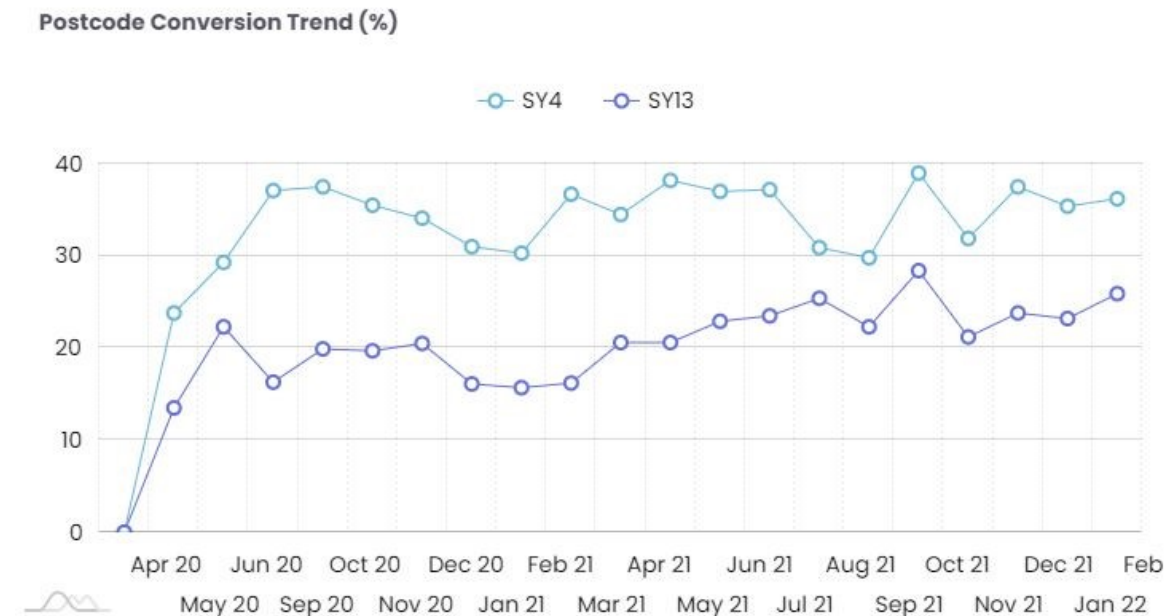
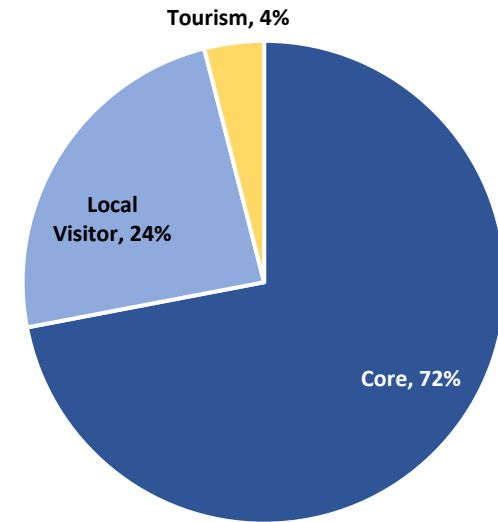
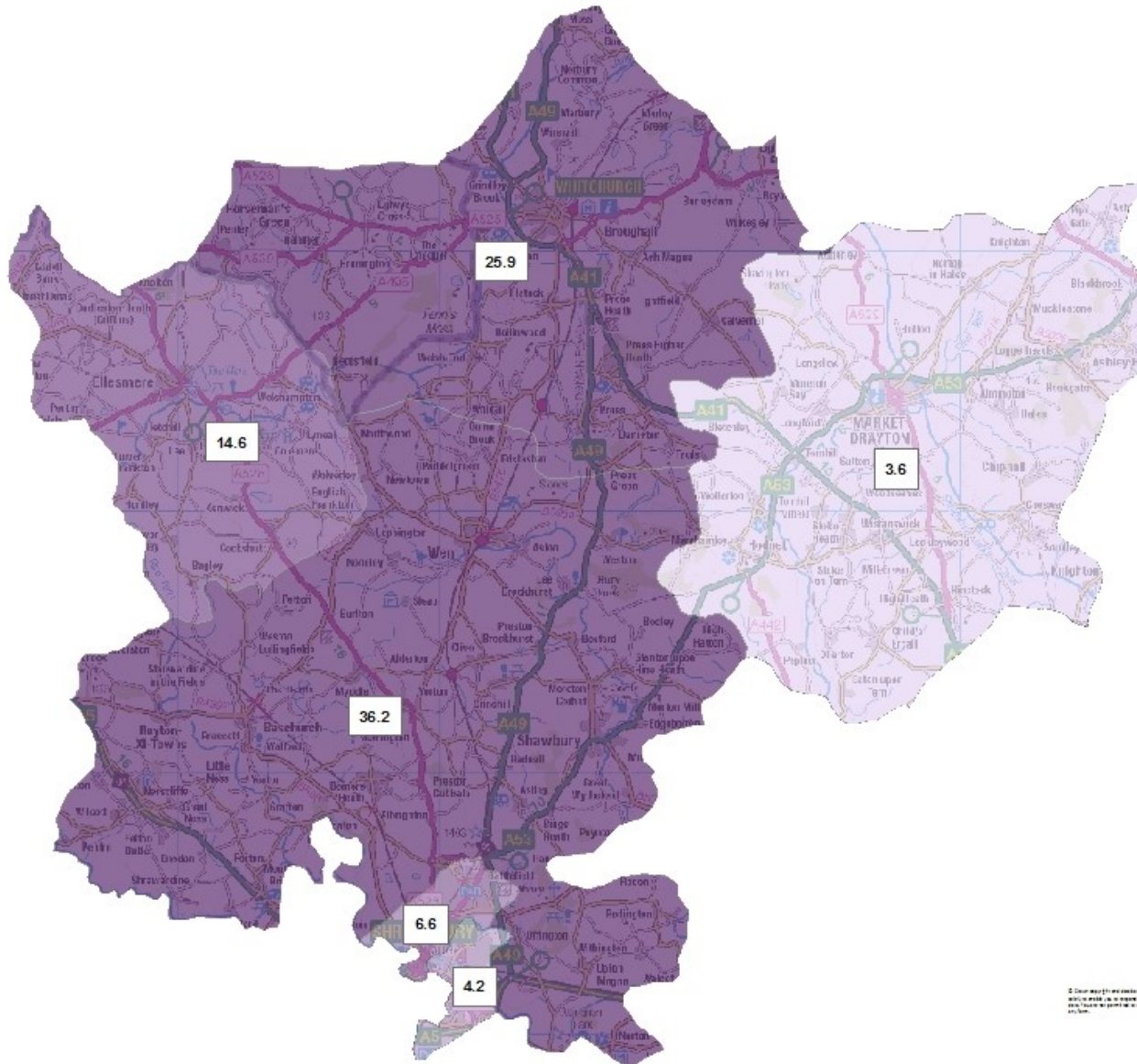


Chart 2: Breakdown of Visitors to Wem, February 2022



The adjacent chart shows trends in postcode conversion for the Wem core catchment area. It shows that conversion from the core postcode districts SY4 and SY13 have followed a similar pattern over the last several months, with the rate of conversion consistently higher for SY4 than for SY13.

Wem: Postcode Conversion
February 2022

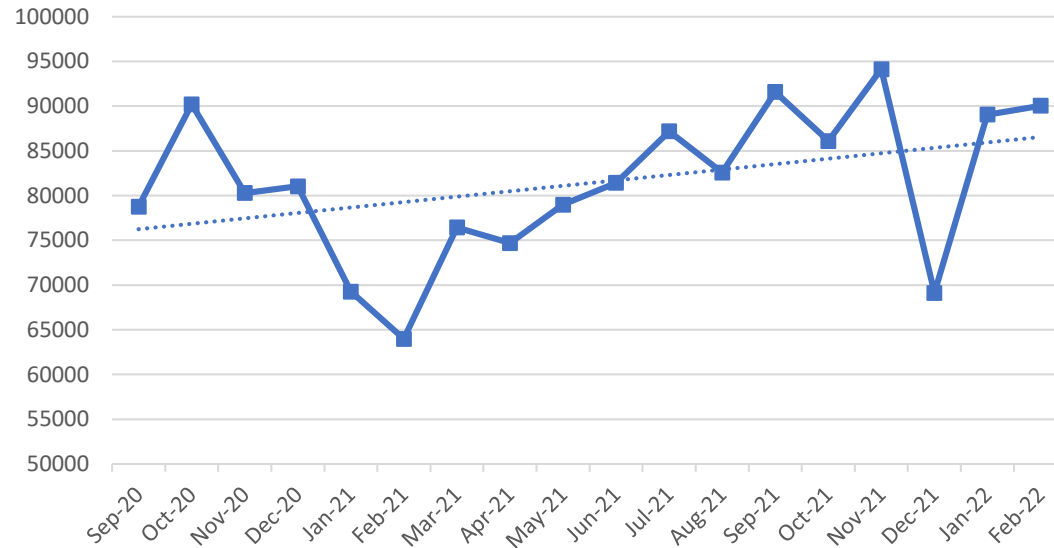


Source: Town & Place AI

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The following chart shows footfall in Wem town centre from September 2020 to February 2022. Overall, the trend is upward, but there have been some large dips—at the beginning of 2021 when the country entered its third lockdown and again in December 2021, when larger shopping destinations may have benefitted from Christmas trade. Overall footfall stood at 90,033 in February 2022, which represents an increase of 41% over the same month in 2021.

Chart 4: Trends in Footfall



Wem attracted 33,720 unique visitors in February 2022, each of whom visited an average of 2.67 times to generate footfall of just over 90,000. The average dwell time was 32 minutes.

Alternative Shopping Destinations

Only around a third of Wem residents (SY4) visited the town centre in February 2022, suggesting that the majority of the town's population utilises alternative shopping destinations. The most frequently visited alternative destination is Shrewsbury, with 56.2% of SY4 residents visiting at least once in the month. Shrewsbury is just over 10 miles from Wem (see Map 2). The proportion visiting Shrewsbury has risen gradually over the period since April 2020 in line with the easing of Covid-19 restrictions. Wem residents were less likely to visit Ellesmere or Whitchurch than Shrewsbury, with these towns attracting 11.7% and 8.6% of Wem residents respectively in February 2022.

Chart 5: Shrewsbury

Postcode Conversion Trend (%)



Chart 6: Ellesmere

Postcode Conversion Trend (%)



Chart 7: Whitchurch

Postcode Conversion Trend (%)

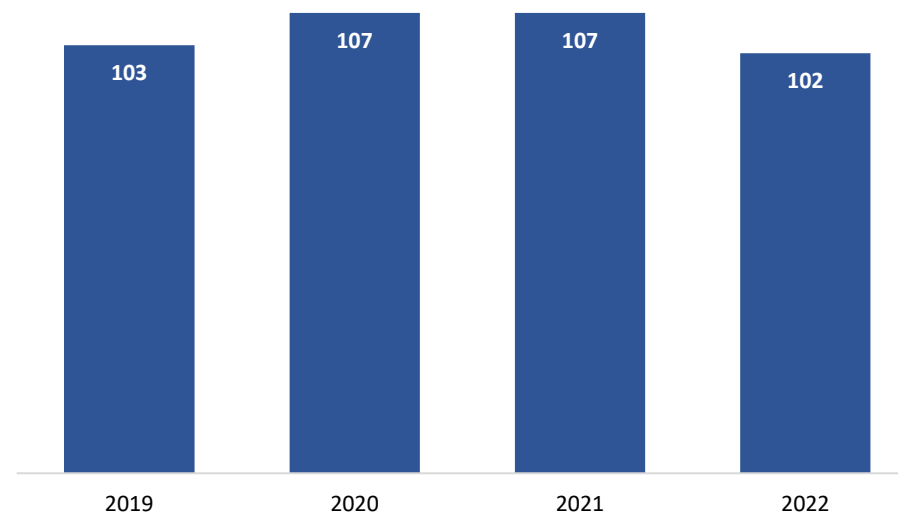


Postcode conversion charts have been downloaded from the Town and Place AI tool which monitors visitor numbers and footfall across a range of towns and city centres across the UK.

Key Audit Results

There are a total of 102 commercial premises within the Wem survey area. These are primarily in High Street (78 business premises), with a small number in Aston Street (10), Leek Street (6), Mill Street (1) and New Street (7). Gross floor space allocated to these premises is approximately 11,300m² (more than 80% in High Street). The average store size is 112m² with units ranging in size from 10m² to 1,586m². Over the last year, the number of commercial units has reduced by five. One formerly vacant premise is being converted into a residential property, and is therefore no longer classified as commercial. The rest of the reduction is attributable to units that were previously split between commercial enterprises being consolidated into just one unit. This means that just 200m² of commercial floor space has been lost (-1.7%).

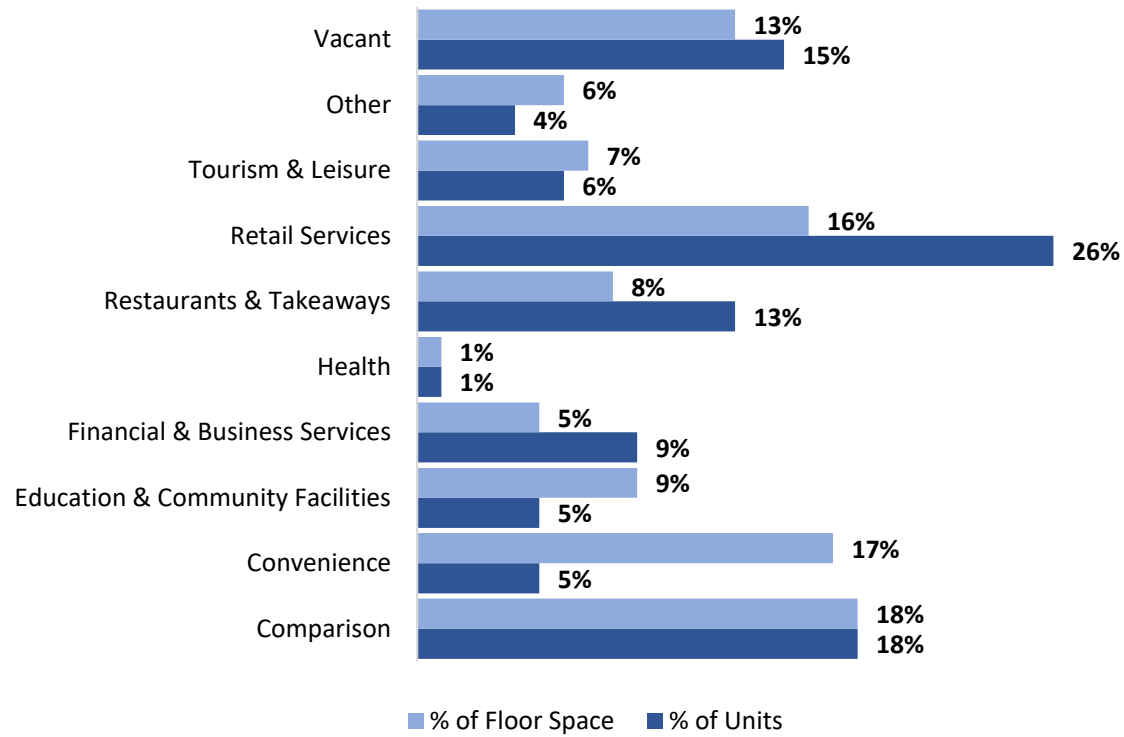
Chart 8: Number of Commercial Premises in Wem



The highest proportion of commercial units is allocated to retail services, at 26% of the total. These are comparatively small in size and account for just 16% of floor space. Comparison retailers account for 18% of units and the same proportion of floor space. Convenience retail accounts for only a small share of units (5%) but for a significant proportion of floor space (17%). 13% of units are attributable to restaurants and takeaways, while 9% of units are filled by a financial/business services operator. Small numbers of units are filled by educational/community facilities, health care provision, tourism & leisure operators and non-service and other types of businesses.

There are 15 vacant premises in Wem (15% of units), which is the equivalent of 13% of floor space.

Chart 9: Breakdown of Wem Commercial Premises by Classification, 2022



Change since 2021

The overall number of premises in Wem reduced by five units in 2022, with one unit being repurposed as a residential premise and four others being amalgamated with other units. There has, however, been minimal change in the commercial mix. The number of businesses classified as retail service providers rose by one, while there are two fewer finance and business service operators and one less convenience and comparison stores. The number of vacant units in the town declined by four in 2022 compared with the previous year.

The level of churn in Wem town centre—premises changing hands or use—was very high in 2020 (20%) but was much reduced in 2021, with just 8 stores changing hands or purpose (7% churn rate). This number was similar in 2022 at nine units (9% churn).

Chart 10: Breakdown of Business Churn 2019-2020 , 2020-2021 & 2021-2022

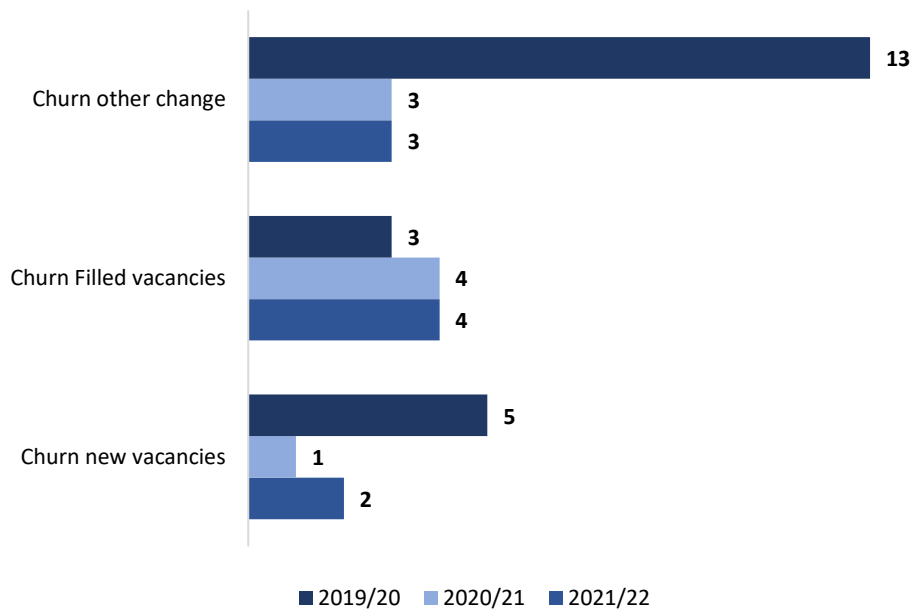
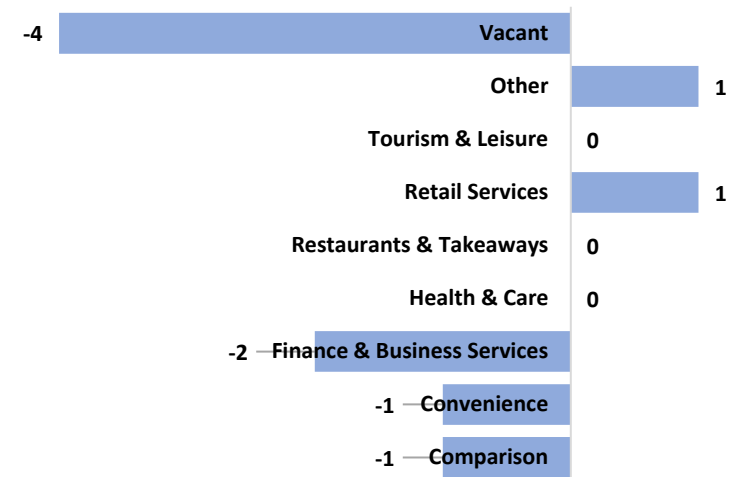


Chart 9: Change in Number of Units by Category, 2021/2022



In 2022, previously vacant premises becoming occupied accounted for 44% of all churn. This compares with half of all change the previous year and with just 14% of churn between 2019 and 2020. New vacancies represented 22% of churn in 2022 compared with 13% in 2021 and 24% in 2020.

Other change on the High Street has been much less pronounced over the last two years, with just three changes in 2021 and a further three in 2022. This compares with 13 in 2020.

Comparison Retail

The second largest proportion of commercial units is attributable to comparison retail (18%). This classification accounts for a similar proportion of floor space (18%). This equates with 18 stores with almost 2,000m² of floor space. There are one fewer comparison store trading in Wem than there was in 2021 and although there has been some fluctuation since 2019, the overall trend is downward.

Although they account for a substantial portion of all commercial activity, comparison retail is under-represented in Wem.

Chart 11: Number of Comparison Retail Stores, 2019-2022

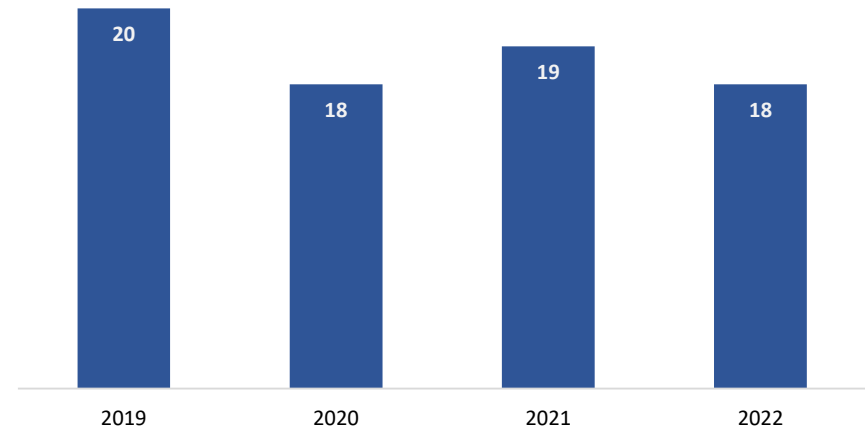
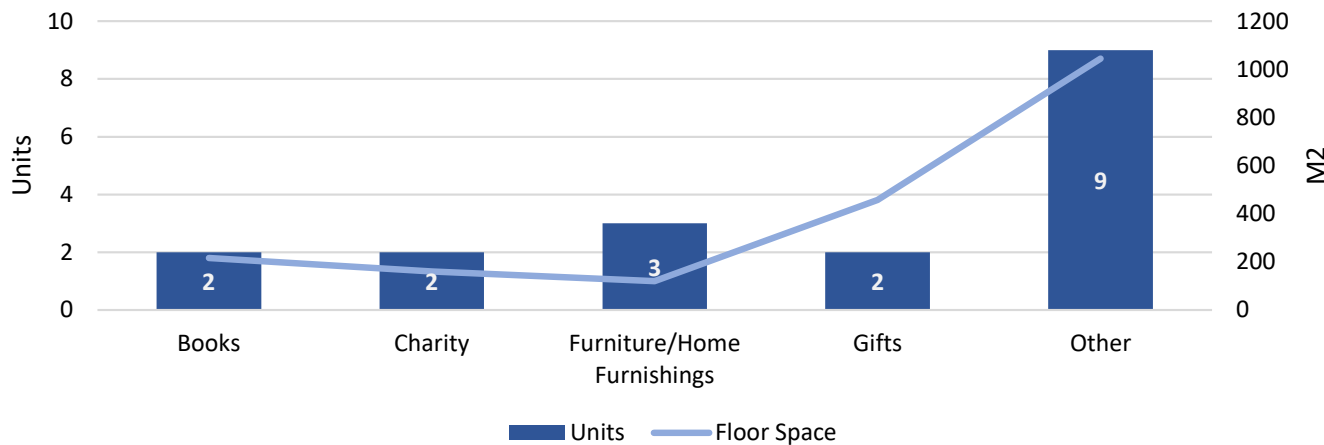


Chart 12: Breakdown of Comparison Retail by Type, 2022



Within the town there are two gift shops, two charity shops and two book stores. There are also three home goods stores (one selling furniture, another carpets and the third curtains). One of the book stores, which has opened since 2021, also sells furnishings. All other classification types are represented by just one store. These include a clothes shop, a florist, a computer shop, a DIY store, an electronics store, a jewellery shop and a pharmacy. Since 2021, the town has lost a florist and a clothes shop.

The majority of stores are independent, although the town is home to Rowlands pharmacy and Severn Hospice charity shop (a local charity, but nonetheless a small chain of stores).

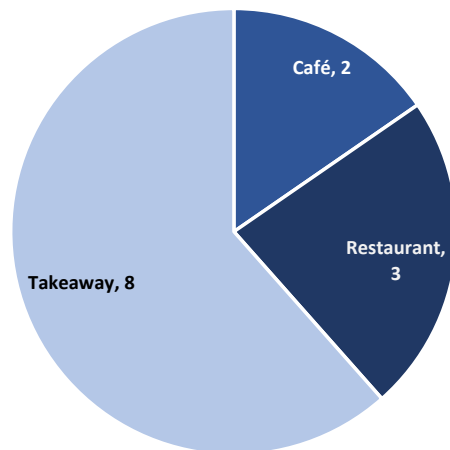
Convenience Retail

There are five convenience stores within the main shopping area of Wem, which is one fewer outlet compared with 2021. The town's bakery store closed between the 2021 and 2022 audits. Convenience accounts for 5% of all units and for 17% of gross floor space. As well as a supermarket (the Co-op), there is a delicatessen, a butcher, a confectionery store and an outlet offering a food subscription service.

Other than the Co-op, which is the largest store in Wem and contributes to the category's high floor space share, other operators in the convenience retail sector are independent.

Restaurants & Takeaways

Chart 13: Breakdown of Units in the Restaurant/Takeaway Sector, 2022



13% of units in Wem are attributable to restaurants and takeaways, with this category accounting for a notably lower proportion of gross floor space (8%). There has been no change in the number of operators in this classification since 2021, although there was a small level of churn, with one takeaway closing and another opening (in different premises).

The 13 units are split between cafés (15%), restaurants (23%) and takeaways (62%). One of the Wem restaurants is Indian, another modern British and the third Italian. The latter is new, and is located in the premise of a former café. In terms of takeaways, there is fish and chips, Chinese, Indian and pizza. Takeaways account for a proportionally lower share of floor space (46%) compared with restaurants (34%) and cafés (19%). The number of takeaways in Wem is high compared to the number of restaurants or cafés.

Tourism & Leisure

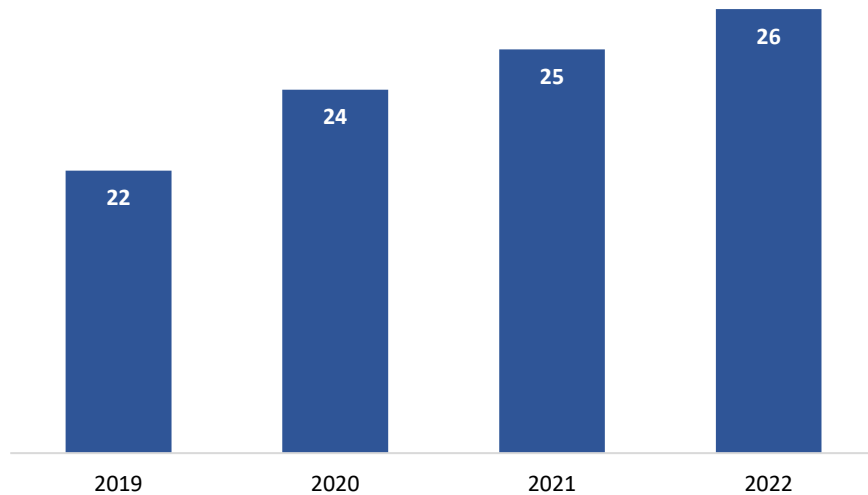
Also within the hospitality sector, there are three public houses. These take up approximately 600m² gross floor space. There is self-catering holiday accommodation located within the town as well as a theatre and a dance school.

Finance & Business Services

There are nine commercial operators in the finance, professional and business services sector in Wem town centre, accounting for around 600m² of gross floor space. Included within this classification are three estate agents, two consultants, an accountant and a solicitor. There are no longer any banks or building societies open in Wem.

Retail Services

Chart 14: Number of Retail Service Providers, 2019-2022

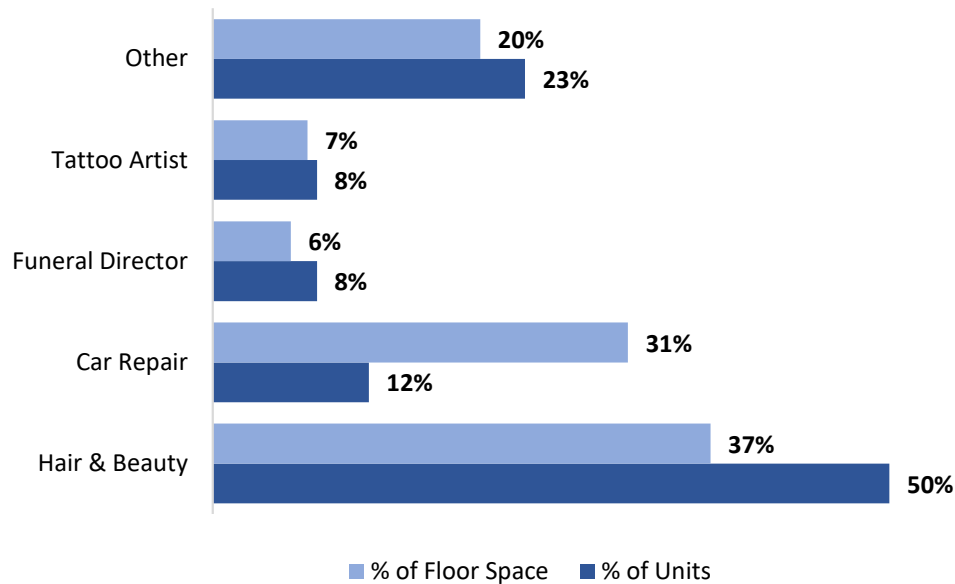


There are 26 retail service businesses operating in Wem town centre, with these accounting for more than 1,800m² of gross floor space. The number trading has risen by four since 2019 (+18%).

Compared with many other towns, retail services make up a high proportion of the commercial offer in Wem, especially in unit terms. The average size of stores is small, so this classification represents a much smaller share of floor space (26% of units compared with 16% of floor space).

Although the range of services provided is wide, a very high number of operators are in the barber and hair salon classification, with these together representing 50% of units and 37% of floor space. In addition, there are three garages (one offering a valet service), two funeral directors and two tattoo artists. Amongst other services provided in the town (by one operator only) are dry cleaners, launderette, optician and a post office.

Chart 15: Breakdown of Retail Services by Type, 2022



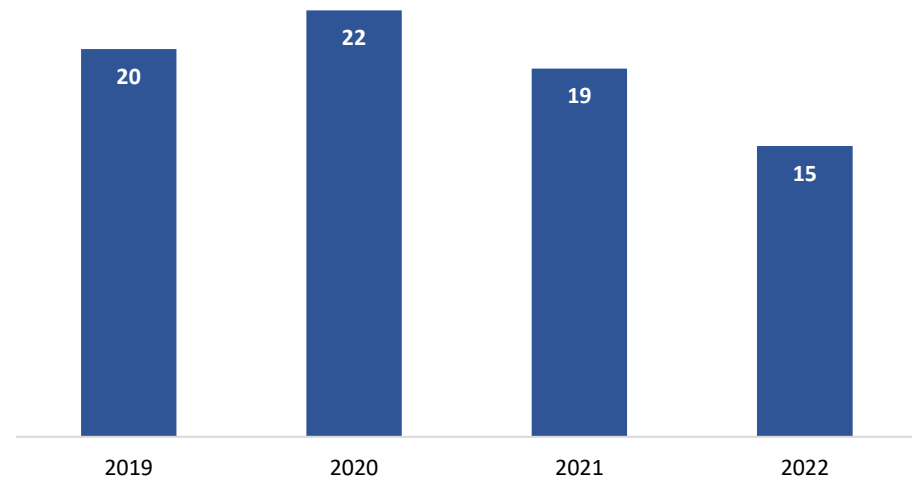
Health

There is one health therapist operating in the main shopping area of Wem.

Vacant Units

15% of Wem town centre outlets are vacant (13% of gross floor space). This is above average in comparison with comparable market towns in Shropshire. It is also higher than the vacancy rate nationally which stood at 13.9% in the third quarter of 2022 according to BRC (based on high street data only). Wem and Cleobury Mortimer are the only towns in Shropshire where the vacancy rate was higher than the national average at the time of the 2022 audit. The high vacancy rate on the High Street has been exacerbated by the significant number of businesses that have relocated to the Business Park, which is just outside the scope of this audit.

Chart 16: Number of Vacant Units, 2019-2022



Map 7: Location of Vacant Commercial Premises, 2022



Wem has traditionally had the highest vacancy rate of all Shropshire towns, but despite this the number has fallen by four since 2021. In 2022, just two new vacancies arose. In contrast, four previously vacant premises were filled. Of the 19 units which were vacant in 2020, 13 are still unoccupied. One previously vacant premise has been amalgamated with another unit, and another is being repurposed as a residential property.

Map 8: Change in the Number & Location of Commercial Units, 2021-22



Residential Premises

There is a significant amount of residential property within the main shopping centre in Wem. In total, 182 residential premises are located in the audit area, of which the majority are flats (111 or 61%) which are largely located above retail or other commercial outlets. Much of this stock is along the High Street. There are small quantities of detached and semi-detached housing stock, most of which is towards the periphery of the main shopping area. There are 49 terraced houses in Wem town centre (just over a quarter of the total), with significant clusters around the west end of the High Street and along Aston Street. The number of residential premises within this area of Wem has reduced by two since 2019.

Map 9: Location of Residential Premises in Wem Town Centre

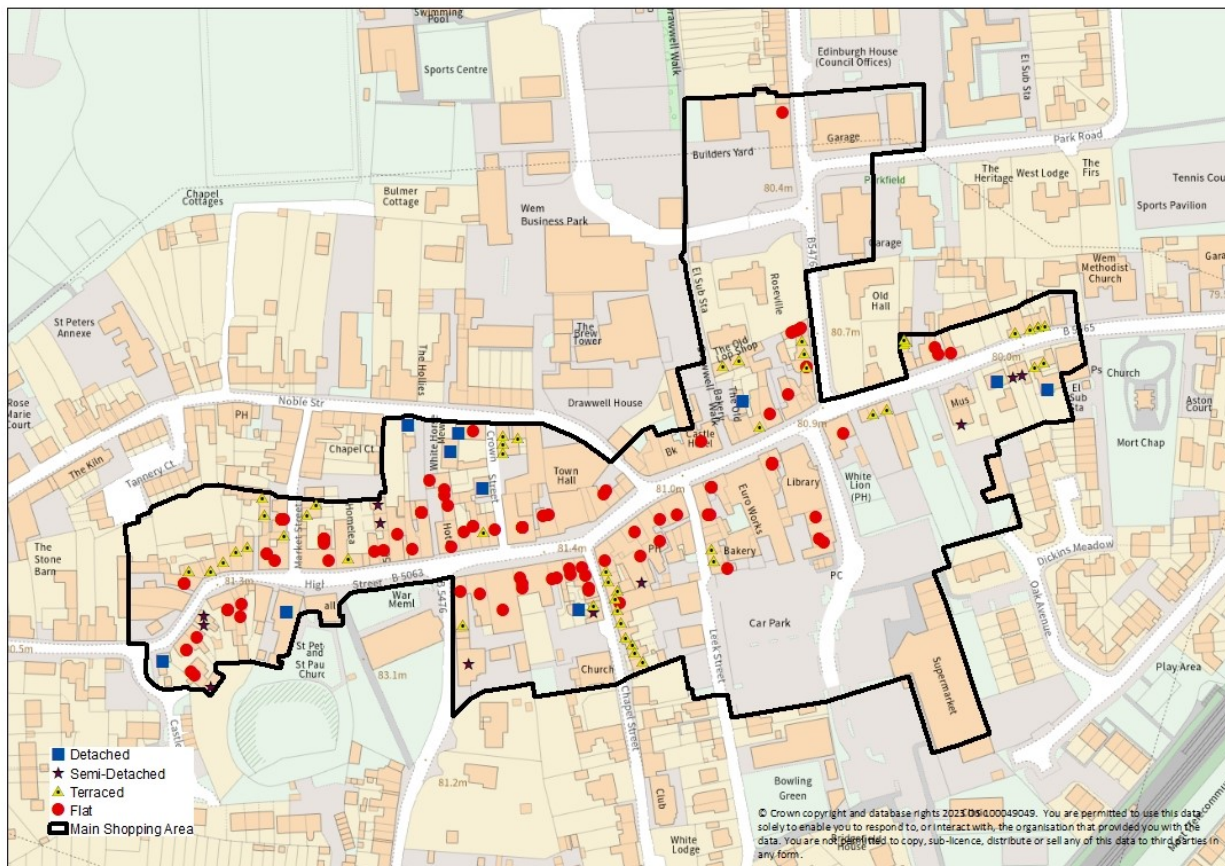


Chart 17: Breakdown of Residential Properties by Type

