

Storage World, Middleton Economic Benefit Assessment

Prepared by Icení Projects
For Self-Storage Performance Management International Ltd

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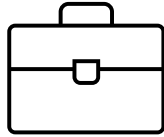


Storage World, Middleton

EXECUTIVE SUMMARY



100,000 sqft
Storage World
building lost in fire in
2025 in Middleton
Town Centre



74 businesses
operating out of
Storage World at the
time of the fire



Prominent town
centre site now an
eyesore which could
**impact local pride
& wellbeing**



Phase 1 proposed:
100,000 sqft Storage
redevelopment
including **9,259 sqft**
GF commercial
units with active
frontage



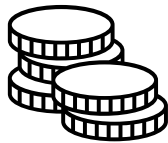
Phase 1 catalyst /
enabler for wider
proposals for **23,522**
sqft public realm, &
potential for 42
residential units &
arena extension



Proposals align with
key policies
including **Middleton**
Town Centre
Masterplan



Phase 1 could create
209 jobs, support
74 SME businesses
and generate **£10.1**
million in local GVA
per annum.



Private investment in
Phase 1 proposals
could generate **£36.4**
million in societal
benefits, equivalent to a
BCR of 3.95



Phase 1 could be a
catalyst / enabler for wider
benefits including **103**
new residents, and **£4.6**
million resident
expenditure over 20 years.

Storage World, Middleton

INTRODUCTION

This Economic Benefit Assessment sets out the strategic rationale and economic benefits associated with the proposed plans to redevelop the former Storage World site in Middleton, which has remained vacant and in poor condition following a devastating fire in June 2025. This has left a prominent gap in the town centre, with the proposals presenting an opportunity to support local SMEs and economic activity, as well as potential to support a wider mixed-use development which could have a transformational impact on the town.

CONTEXT

Storage World, Middleton was a 100,000 sqft modern, secure facility with over 400 storage units providing 24/7 access to users. The building won a façade award in 2023 for its composite panel system.

The flexible and accessible nature of the building meant that it had formed into a business hub for SMEs. At the time of the fire, the site was at 75% occupancy, was home to 74 businesses and was the main place of work for almost 100 people.

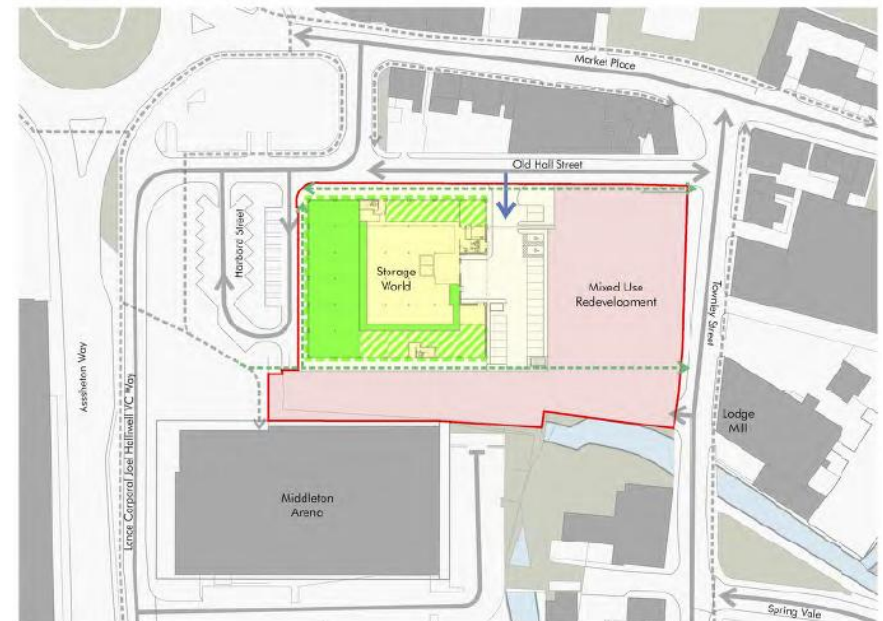
The site is in a prominent location adjacent to the Middleton Town Centre boundary and immediately adjacent to Middleton Arena, with access from Assheton Way, Market Place and Townley Street, along with access to the local bus network and emerging cycle network. It is also adjacent to the Middleton Conservation Area.

For these reasons, there is an opportunity to redevelop the site in a way that will re-provide support for the local small business community, whilst

sparking further economic growth in the town centre.

The proposed scheme would involve the redevelopment of 100,000 sqft of Storage World floorspace. However, 9,259 sqft of this floorspace will provide ground floor active frontage with individual storage world and commercial units accessed directly from the street, enabling occupation by separate businesses. This would be Phase 1.

Following this, Phase 1 opens up potential wider opportunities to redevelop the site to create a mixed-use environment with access to the town centre. Early-stage proposals include 23,522 sqft public realm and up to 42 residential properties across 42,000 sqft. A potential arena extension could also be accommodated in the future. This will be enabled by a small Storage World plot, allowing for additional space around the arena for these projects.



Storage World, Middleton

ALIGNMENT

Middleton Town Centre Masterplan (2022)

The site sits within an area identified in the Masterplan as ‘East Side – The Cultural Quarter’, with Middleton Arena being the cultural highlight. The vision is for Market Place to become a highly active street leading to a new public square, and there will be a permeable network of spaces, allowing local businesses to thrive.

The Storage World site is specifically identified for mixed-use including residential and commercial ground floor.

The proposed plans for redevelopment of the site directly align with this vision, as well as wider plans to extend the arena. The public realm will contribute to the vision for a high-quality arena forecourt, creating a lively community space that supports the growth of the local small business community alongside cultural and creative initiatives.

Middleton Mayoral Development Corporation (MDC)

The Middleton MDC was agreed in principle in 2025 and is now at statutory consultation stage. The proposed site falls within the boundaries of the MDC area. The purpose of establishing the MDC is to drive regeneration in Middleton and transform the town centre through mixed-use, high-quality development, improvements to public spaces, and by supporting economic growth, all of which will be achieved through the proposed redevelopment of Storage World.

Places for Everyone Plan (2024)

The Places for Everyone (PfE) Plan is the strategic spatial development plan

for Greater Manchester, setting out how the city region will grow up to 2039.

By bringing a vacant and fire-damaged site in Middleton back into productive use, the scheme supports the plan’s objective to prioritise brownfield redevelopment.

Furthermore, a priority of the Plan is to ensure there is a diverse range of employment sites and premises. Storage World has already proven that it can be a hub for SME activity, providing flexible and accessible space at affordable prices that gives businesses the opportunity to thrive in a convenient town centre location.

The wider proposal also align with strategic objectives to encourage and enable active travel in town centres, and to focus new homes in town centres.

Rochdale Adopted Core Strategy (2016)

The current statutory development plan is the Rochdale Borough Core Strategy (adopted in 2016), which remains the primary planning policy framework for the borough. This is in the process of being replaced through the emerging Rochdale Local Plan, which is currently at draft consultation stage (2025–26) and is expected to be adopted in 2027.

Policy E1/M is focused on establishing Middleton as a thriving town centre. The proposal aligns with the Council’s strategic vision for Middleton by supporting a vibrant and revitalised town centre including regeneration of the area around Middleton Arena and supporting measures to improve public realm and pedestrian access.

The wider proposals for the site align with Policy E1/3 which propose the delivery of housing in Middleton Town Centre.

Storage World, Middleton

CASE FOR CHANGE

The case for change for the Storage World site proposals is strong. The key factors are set out below:

1. Regeneration of a Prominent Vacant Town Centre Site

The proposal brings a highly visible, fire-damaged brownfield site in Middleton town centre back into productive use. In its current condition, the site creates a gap in the urban fabric and detracts from the environmental quality. Its redevelopment will repair this gap and significantly improve the appearance, function, and vitality of a key town centre location.

The current condition of the site could have a long-term impact on values of surrounding properties, impacting residents and harming local economic growth, as well as having a negative impact on wellbeing and pride.



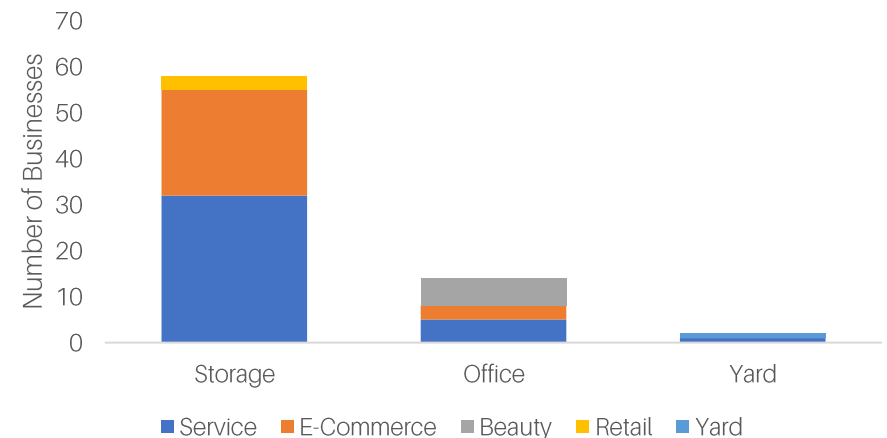
2. Provision of Flexible Space to Support Local SME's

Before the fire destroyed the building in 2025, Storage World had become a business hub for SMEs in Middleton. Since its inception, the site supported 500 micro businesses.

At the time of the fire, it was 75% occupied and home to 74 businesses.

Storage World offered a wide range of spaces that can accommodate different types of businesses, including micro-warehousing, e-commerce and retail, event storage, studio space, workshop space and office space. It provided a secure form of incubator space that was flexible and low-commitment, reducing barriers to entry for start-ups, sole traders and home-based businesses looking to scale up. This also provides these businesses economically resilient infrastructure to protect them during times of demand fluctuation and uncertainty.

Businesses Operating from Storage World at the Time of the Fire



Storage World, Middleton

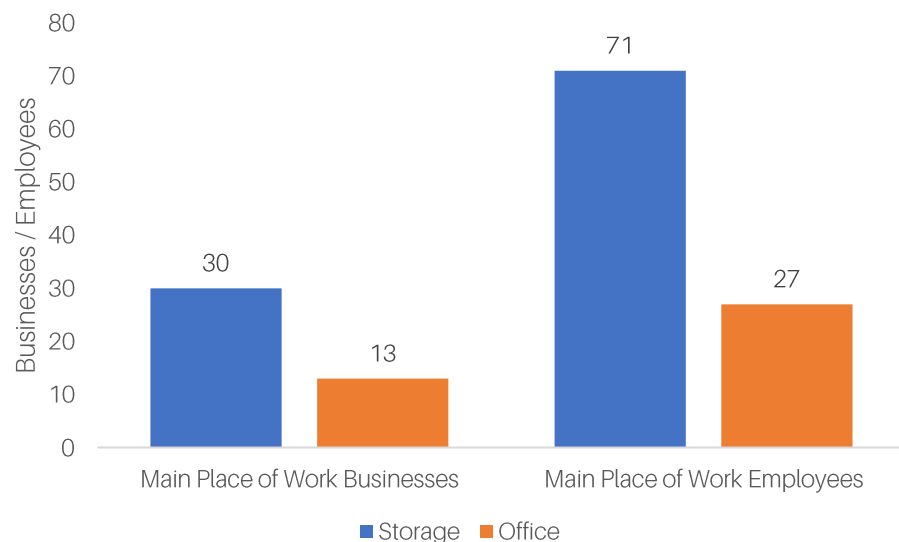
CASE FOR CHANGE

2. Provision of Flexible Space to Support Local SME's

This included 14 businesses using office units, which collectively employed 158 people, and all but 1 using Storage World as their main place of work. These businesses were across sectors including Service, Beauty and E-commerce.

58 businesses used the site for storage. This includes 10 businesses where Storage World was the base of their regional hub. 30 of these businesses used the site as their main place of work, supporting employment of 71 people. 23 businesses were using the site for E-commerce storage, 32 for Service storage and 3 for Retail storage.

Number of Businesses Using Storage World as a 'Main Place of Work' & Number of Employees in These Businesses



Rochdale / Middleton SME Community

There are 7,940 SMEs in Rochdale, equivalent to 97% of all businesses. Over the last decade, this has grown by 930 businesses (13%). This is significantly higher than the 6% growth seen regionally and nationally, highlighting the growing importance of small businesses to the Rochdale economy. Furthermore, 52% of all Rochdale SMEs are located in Middleton Town Centre MSOA which strengthens the importance for providing flexible, affordable space for these businesses to operate from in Middleton.

Office Demand

The average rent for office space in Rochdale is £15.80 per sqft, while Storage World charges small businesses £16–£20 per sqft. Although this is slightly above the prevailing market average, the offer is still likely to be more affordable for SMEs in practice due to effective occupancy cost. This reflects the very limited supply of appropriately sized office space in Middleton Town Centre, meaning SMEs are often either unable to access space at all or are forced to take larger units than required, increasing their overall costs.

Across Rochdale, office vacancy stands at just 2.6%, indicating strong demand. Desk-based research identifies only two traditional office properties in Middleton that cater to small businesses and offer space comparable in size to Storage World (where units can start from 50 sqft). One of these, Cityview Business Centre, is currently fully occupied. The other, Burnside Centre, only provides space on an hourly basis.

There is therefore clear evidence of a need for this type of flexible, small-scale office provision within the Town Centre to support Rochdale's SMEs.

Storage World, Middleton

CASE FOR CHANGE

2. Provision of Flexible Space to Support Local SME's

Storage for Business Demand

Prior to the fire, 58 businesses were using Storage World Middleton for storage as part of their operations.

There are 43 industrial properties within a one-mile radius of Middleton Town Centre, with a current vacancy rate of just 1.6%. Most of this vacant floorspace is concentrated in a single large warehouse, further highlighting the limited availability of suitable space. This points to strong demand and a constrained supply of industrial accommodation in Middleton.

In addition, there is no comparable provision locally offering small, secure and flexible industrial or storage units tailored to SME needs. While Storage World's rents are higher than the local average at around £22 per sqft, the ability to rent smaller units without long-term lease commitments or surplus space makes them more cost-effective overall for SMEs.

Without the re-provision of this space, it is likely that businesses will be forced to relocate to other areas, causing a leakage of productivity and employment. Others may downsize or cease trading altogether.

Furthermore, without this site, the potential benefits gained through co-location of a large number of businesses could be lost, such as collaboration, supply chain linkages and knowledge sharing. For example, there were 23 e-commerce businesses using Storage World at the time of the fire that could benefit from shared logistics services.

It is unlikely that spaces of this kind to this scale will come forward outside of the storage market as small unit schemes have higher management costs and lower institutional appeal than large scale units.

Case Studies

The following case studies present the first-hand opinions of SMEs that were based in Storage World, and highlight the impact of the loss of the site and the importance of this facility to Middleton's SME community.

Acorn Cladding

Acorn Cladding is an industrial roofing and cladding company that operates nationally but employs 4-8 staff in the Greater Manchester area. They rented 3 units in Storage World before the fire for plant and materials storage.

Storage World was essential to the running of the business. It provided them with a practical storage solution with 24-hour access, without the need to rent a full industrial unit at a higher cost.

A key benefit of Storage World was that their staff are based locally to Middleton. Following the fire, the business has now had to relocate to another facility in Ardwick which is inconvenient and has removed this business activity from Middleton.

Acorn Cladding believe that a facility like Storage World is essential for SMEs in Middleton, as without the unit flexibility you must pay for more space than required. Storage World also gave them flexibility to easily increase from 1 to 3 units as their business grew. A standout of the facility was the support that was provided to businesses by the staff.

Acorn Cladding would return to Storage World / Middleton if it was rebuilt.

Storage World, Middleton

CASE FOR CHANGE

2. Provision of Flexible Space to Support Local SME's

Buildzone UK

Buildzone UK are a construction company that operate nationwide, with 50 employees. They have been operating since 2009 and are based in Middleton.

The large storage lockers that they utilised in Storage World before it burnt down were critical to their operations. It allowed them to have 24-hour easy access to storage facilities whilst operating out of their head office nearby in Middleton. Since the fire, they have now had to move to a facility in Ardwick which is less convenient, more expensive, and they have lost the flexibility of short-term contracts.

Buildzone were aware of a strong business community on site, particularly on the upper floors where there were nail / hair salons, music lessons etc. where businesses were busy and thriving. In particular, they highlight that the customer service on-site was second-to-none, making all businesses feel supported and allowed them to be extremely flexible. They note that the availability of serviced office space is very low and most using the site will likely have either had to relocate to another area or work from home.

Buildzone UK would consider returning to Storage World if it was rebuilt.

Nufire and Security

Nufire and Security have been operating for 20 years and employ 12 people that live locally to Middleton. Their main office is located close to the former Storage World site, and they used the site for storage space for their business.

Being based in Middleton is beneficial for their business because their staff live locally, and their main supplier's head office and depot is in Middleton.

Nufire and Security highlight that there was a business community within Storage World, of which the Storage World staff were integral. They state that the facility was well-run, and the staff had a rapport with hundreds of people that they would regularly check in with and would introduce businesses to one another, which all contributed to the creation of a community.

Nufire and Security shared that the fire had a huge impact on the town and the loss of the building is a massive hinderance to the SME community, with a large variety of businesses impacted within a small area. Any units that would be suitable for relocation are already occupied and another type of facility would come at a greater cost to businesses.

Nufire and Security would consider returning to Storage World if it was rebuilt.

Storage World, Middleton

CASE FOR CHANGE

3. Catalyst for Wider Mixed-Use Regeneration

The redevelopment of the former Storage World site presents a clear opportunity to act as a catalyst for wider town centre change, particularly given its current condition as a prominent but underutilised and visually poor-quality site within Middleton Town Centre.

By addressing this prominent gap in the town centre fabric, redevelopment of the site would enable meaningful enhancements to the public realm. A high-quality scheme would allow for improved active frontages, better-defined street edges, and more coherent pedestrian movement through the centre. This would help repair a currently fragmented townscape, creating a more attractive and welcoming environment. Given the site's visibility and location, improvements here would have a disproportionate impact on perceptions of the wider town centre.

In addition, the redevelopment of the site could potentially act as a supporting catalyst for the potential future extension and enhancement of Middleton Arena. At present, the quality of the surrounding environment limits the ability of the Arena to function as a fully integrated civic destination. Redevelopment of the Storage World site would help to strengthen this civic cluster by improving arrival experience, increasing activity in the immediate vicinity, and creating a more coherent and attractive setting. This would reinforce the Arena's role as a key anchor within the town centre and support a more joined-up leisure and cultural offer.

The site also provides an important opportunity to enable residential

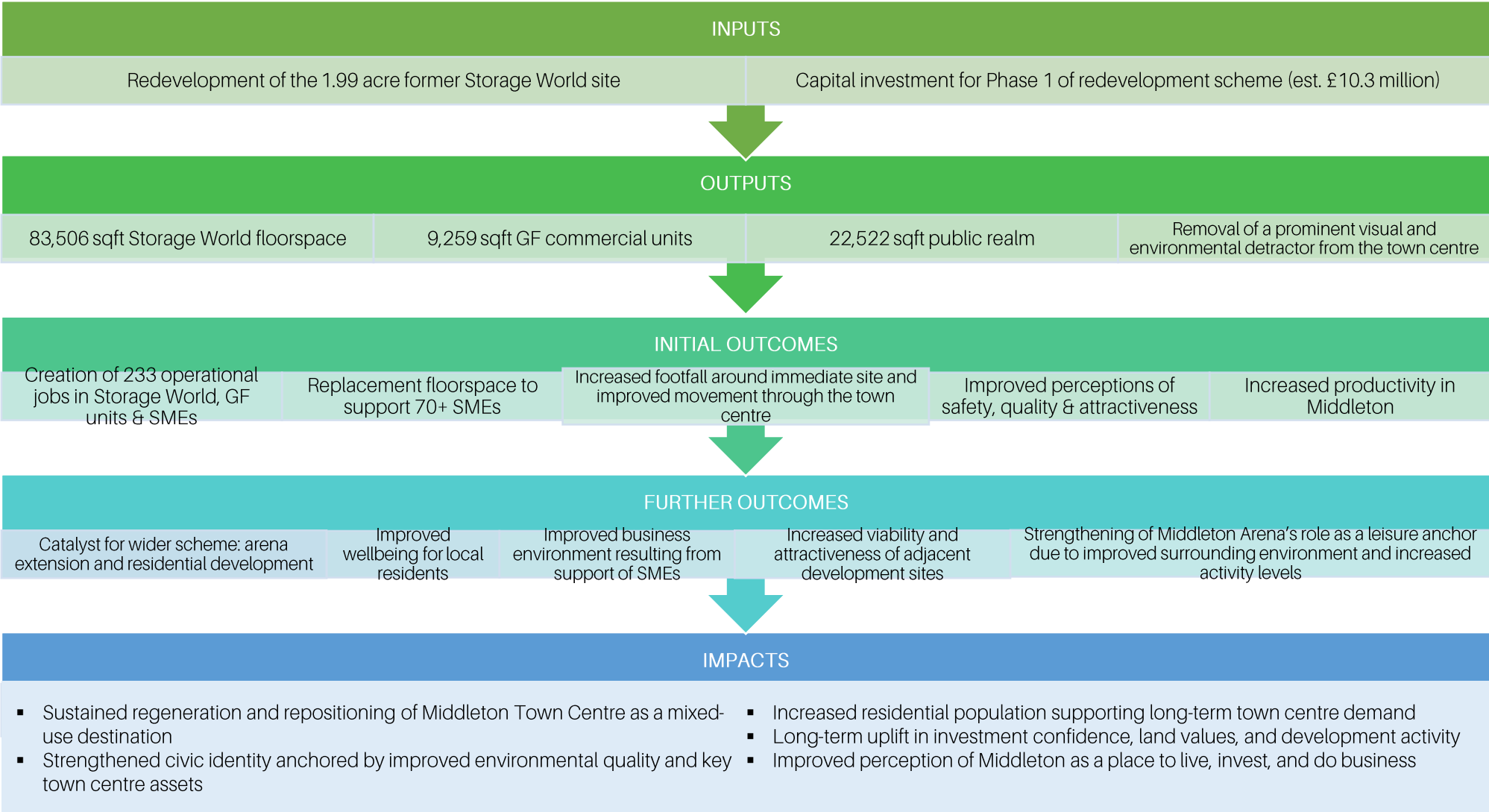
development within the town centre. Introducing residential uses at this location would increase activity throughout the day and evening, improve natural surveillance, and support the viability of surrounding services and amenities. In turn, this would contribute to a more balanced and sustainable town centre economy, reducing reliance on traditional retail and supporting a more diversified mix of uses.

Overall, the redevelopment of the former Storage World site should be viewed as a pivotal intervention within Middleton Town Centre. By removing a currently negative and underperforming site, the scheme has the potential to unlock a wider regeneration pathway, including improved public realm quality, stronger integration and potential expansion of Middleton Arena, and the introduction of residential development to support long-term town centre vitality.

Storage World, Middleton

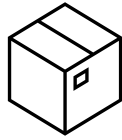
LOGIC MODEL

The following diagram outlines the anticipated logic model resulting from implementing Phase of the Storage World redevelopment:



STORAGE WORLD

Phase 1 - Economic Benefits Statement



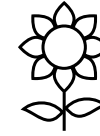
83,506 sqft

Storage World
floorspace



9,259 sqft

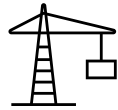
GF Commercial Units



23,522 sqft

Public Realm

CONSTRUCTION PHASE BENEFITS



£10.2 million

Estimated
construction cost inc.
30% contingency



48

Gross onsite construction jobs

59

Off-site construction jobs per annum

46

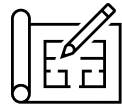
Net additional local construction
jobs per annum



£4.1 million

GVA per annum

BENEFITS OF SME'S USING STORAGE WORLD FACILITIES



62

SME businesses
supported using Storage
World as a business
facility (above GF)



12

Businesses
accommodated in GF
units



£10.1 million

GVA per annum generated in
Rochdale through Storage
World operations & SME
activity



209

Gross jobs supported
in Storage World

Including:



2.5

Storage World employees

43

Jobs in GF commercial units

164

Jobs supported by SMEs using
Storage World for business



161

Net additional jobs
supported for Rochdale
residents

FISCAL BENEFITS

£381,697

Business Rates generated for Rochdale
Borough Council per annum through
Storage World / GF units



£7.3 million

Business Rates income over 30 years
through Storage World / GF units

STORAGE WORLD

Phase 1 - Value for Money

LABOUR SUPPLY IMPACTS



16

Jobs to previously unemployed residents



£357,000

Annual labour supply impact



£2.9 million

NPV labour supply impact over 30 years

LAND VALUE UPLIFT



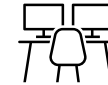
£1.1 million

Wider land value uplift on 1,298 residential properties within 0.5km over 10 years



£744,495

Wider land value uplift on retail & leisure floorspace within 0.5km over 10 years



£624,395

Wider land value uplift on commercial floorspace within 0.5km over 10 years

PRIDE IN PLACE BENEFITS



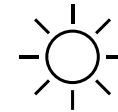
£15,000

Wellbeing impact of 1 point improvement in life satisfaction per person per year (MHCLG)



£3.7 million

Annual WELLBY benefit following a 0.01-point increase in life satisfaction score for Middleton population



£31.1 million

NPV WELLBY benefit over 10 years

VALUE FOR MONEY



£36.4 million

Total Benefits



£11.9 million

Estimated total private sector costs with optimism bias



123%

Redistributive effect through distribution & equalisation



3.95

Equivalised adjusted Benefit Cost Ratio (BCR)

'We estimate for every £1 of private sector investment spent on Phase 1 of the scheme, there will be an additional £3.95 generated in local societal benefits.'

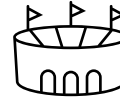
STORAGE WORLD

Wider Scheme - Economic Benefits Statement

In addition to Phase 1 benefits, implementation of the wider scheme would generate the following benefits:



up to 42
Residential Properties



Middleton Arena
Potential Middleton Arena Extension could be accommodated

NEW RESIDENTS



103
Residents in 42 households. 38 residents new to Rochdale



£4.6 million
Additional resident expenditure retained in Rochdale over 20 years, creating 1.1 local retail jobs.



£201,290
Additional Council Tax generated for Rochdale Borough Council over 10 years

NON-MONETISED BENEFITS

- Increased footfall and spend around Middleton Arena, resulting in creation of retail jobs and improved town centre vitality.
 - Potential for expansion or intensification of surrounding uses (such as the arena) contributing to ongoing evolution of the town centre.
 - Reduced crime.
 - Wider land value uplift on residential and commercial properties.
-

Appendix 1: Assumptions

PHASE 1 ECONOMIC BENEFIT ASSUMPTIONS

The economic benefit assumptions in this report have been conducted in accordance with the HMT Green Book (2026) and MHCLG Appraisal Guidance (2026).

Floorspace

The floorspace by sector is a high-level estimate based on the most recent floorplans of the scheme, including:

- 83,506 sqft Storage World floorspace
- 9,259 sqft GF commercial floorspace (12 units) – assumed to be retail at this stage but may include some commercial activities of businesses formerly operating out of Storage World

Construction Phase Benefits

Construction phase benefits are based on the following assumptions:

- Onsite Construction Jobs
 - Regional average turnover per construction employee of £212,604 (ONS; BRES)
 - Construction costs of £10.2 million based on industry benchmarks of £850 per sqm (PSL Safe Storage Experts, February 2026). Costs include 30% contingency.
- Offsite Construction Jobs
 - ONS Type I Employment Multiplier for Construction (2.2) applied to onsite construction jobs
- Local Construction Jobs
 - 52% leakage on construction employment in Rochdale based on 2011 Census distance travelled to work > 10km
 - 10% displacement on construction employment – high regional demand (CITB)

- Construction GVA
 - Local GVA per construction employees applied to number of jobs (£88,786) (ONS Regional GVA by Industry; BRES)

Operation Phase Benefits

Operation phase benefits are based on the following assumptions:

- The number of businesses supported using Storage World as a business facility has been estimated based on information provided on previous tenants of Storage World before the fire, assuming that the redeveloped building can attract the same level of businesses (excluding GF units). This data suggests:
 - Average of 2.6 employees per SME using Storage World as part of operations.
- Onsite operation jobs
 - HCA Employment Density Guide (2015) employment densities applied to commercial floorspace (20).
 - Assumed 2 FTE and 1 PTE in Storage World as informed by client.
- Net additional jobs for local residents
 - Leakage by sector in Rochdale based on 2011 Census distance travelled to work > 10km inc. Storage World & SMEs (34%) and Commercial GF (26%).
 - Low displacement (25%) – high occupancy in nearby retail units
 - ONS Type I Employment Multiplier applied by sectors inc. Storage World & SMEs (1.5) and GF commercial (1.2)
- Operational GVA
 - Local GVA per employee applied to number of jobs including Storage World & SMEs (£66,182) and GF commercial (£50,333) (ONS Regional GVA by Industry; BRES)

Appendix 1: Assumptions

PHASE 1 ECONOMIC BENEFIT ASSUMPTIONS

Fiscal Benefits

- Business Rates – based on rateable value of average local retail units (£154 per sqft) and average local industrial units (£73 per sqft), standard multiplier rate (51%) and 99% retention (GMCA pilot). NPV applied over 30 years using 3.5% discount factor.

Labour Supply Impacts

Based on earlier assumptions that there will be 179 net additional local jobs:

- Assumed that 10% of these jobs will be taken up by entrants/re-entrants to the labour market.
- GVA per worker of £55,589 in Rochdale (Subregional Productivity, ONS)
- 40% welfare impact of labour market entrants/re-entrants (HCA)

Land Value Uplift

It has been assumed the redevelopment of the derelict site in a prominent town centre location will have a transformational impact on values of properties within 500m of the site over a 10-year period, to bring values in line with wider Rochdale average values. A 20% attribution rate has been applied to uplift values. This includes:

- 0.1% pa uplift of residential values on 1,298 properties over 10 years based on current average prices of £239,289
- 0.2% pa uplift on retail / leisure rents on 506,000 sqft floorspace over 10 years based on current rents of £16.76 per sqft
- 0.9% pa uplift on commercial rents on 139,000 sqft floorspace based on current rents of £11.34 per sqft

Wellbeing Benefits

The redevelopment of the derelict Storage World site is likely to have significant wellbeing benefits to residents. It is a large, prominent site in a key town centre location and redevelopment will restore pride and change perceptions of the place, having real impacts on quality of life for the community.

The HMT supplementary guidance on wellbeing provides tools to assess, quantify and monetise the impact of schemes on community wellbeing. The “WELLBY” approach uses the results of Life Satisfaction surveys. A WELLBY equates to a 1-point change in life satisfaction on a scale of 0-10, per person, per year. A WELLBY is valued at £15k per individual per year.

- Rochdale currently has an ONS Life Satisfaction score of 7.15.
- It is estimated the scheme could have a small impact on life satisfaction of residents, increasing Life Satisfaction by a score of 0.01.
- A 50% attribution rate has been applied to the uplift.

Value for Money

Value for money benefits are Green Book compliant, identifying overall benefits to society of the plans for Phase 1 redevelopment of the site.

- Costs are based on estimated benchmarks and are subject to change.
- 16% optimism bias has been applied to costs.
- The equalised BCR includes a 123% distributive effect to account for net annual median income after housing costs in the local area being 18% lower than the national average.

Appendix 1: Assumptions

WIDER SCHEME ECONOMIC BENEFIT ASSUMPTIONS

Floorspace

The floorspace by sector is a high-level estimate based on the most recent floorplans of the scheme, including:

- Up to 42 residential properties across 42,000 sqft GEA (high-level max. estimate – more detailed work required)

New Residents

Benefits associated with new residents are based on the following assumptions:

- New residents to area
 - 2.45 residents per household (Rochdale; Census 2021)
 - 37% inward migration from outside of Rochdale (Origin Destination; Census 2021)
 - £119.39 average weekly household spend per person (ONS Family Spending Workbook by Region 2024)
 - 49.2% local retail expenditure retention (Rochdale Retail and Town Centres Study 2010)
 - £292,672 Retail turnover per employee (North West; BPE Tables 2025)
- Council Tax
 - £1,398 Council Tax per household (Rochdale Borough Council average Council Tax Band A-C)