

2022 F&B openings in Glasgow the strongest in five years – new Savills research reveals

3 years ago



The food and beverage (F&B) market in Glasgow continued to recover from the impact of Covid-19 in 2022, with 23 new openings marking the strongest activity for the sector in the city in the past five years, reports [Savills](#).

The firm's research shows activity is 15% ahead of 2021, with a total of 80,000 sq ft of new F&B space opening in the city centre. Independent operators continue to dominate, says Savills, with 65% of all transactions attributed to local entrepreneurs looking to add a point of difference to the city's dining and drinking offer. Notable openings including Fat Lobster, Gost, Devil of Brooklyn, August House and Bao. Savills reports the larger national operators were also active in 2022 including new names to Glasgow including Cosmo, Fat Hippo and Mowgli. In line with Savills 2022 forecasts, bars as opposed to restaurants, proved to be the most prevalent in their search for Glasgow premises as Innis & Gunn opened a new taphouse on West Nile Street (pictured) and The Alchemist launched a new cocktail bar on George Square.

John Menzies, retail director at Savills in Glasgow, comments: "The five year picture of transaction volumes illustrate the bounce back from Covid-19 and is a strong vote of confidence in the ability of our largest cities to evolve and recover. 2023 promises to be another busy year in Glasgow, with well-funded occupiers retaining their appetite for the best located properties in Scotland's largest city.

"These sentiments may sound surprising given the acutely challenging trading picture at present, and the F&B sectors exposure to rising utility costs, the cost of living crisis and the impact of train strikes on city centre visits. With many operators reporting trade down 25% on expectation over the Christmas period,

confidence to commit to new properties at the moment is predicated on an underlying optimism that the economic climate will improve as we move past the current year, into 2024 and beyond.”

Turning to 2023, Savills Top predictions for Glasgow F&B are:

1. Occupier demand will remain strong in 2023. Savills is presently tracking 15 unsatisfied F&B requirements for Glasgow city centre, typically requiring large properties of over 4000 sq ft.
2. The bulk of transactions will take place in the second half of the year as occupiers look to ride out challenging trading conditions with pipeline projects.
3. A lack of availability on the most sought after prime locations is expected to impact activity. Occupiers will choose to wait for the right site and be less inclined to compromise.
4. Glasgow has an outdated planning policy which still prohibits F&B uses on many key thoroughfares stifling inward investment at a key time for the city. A review is ongoing and much needed changes hoped for to reflect evolving consumer habits and the pressing need to embrace a mix of uses within our shopping areas.
5. Delays in obtaining a new liquor licence in Glasgow will remain. Operators should plan this year for a seven month turnaround from application, frustrating opening schedules.
6. Competition for the very best sites around Buchanan Street remains a feature and this could result in rents growing by 10% by the end of 2023, subject to the trends above coming to fruition. Current prime F&B rents in Glasgow are £40 per sq ft, which look cheap compared to Edinburgh, where they exceed £60 per sq ft.
7. The three fastest developing F&B districts in the city centre which will be:-
 - George Square, where Flight Club open their social darts bar in summer 2023, adjacent to The Alchemist.
 - St Enoch, where Level X has transformed the city`s largest mall with a new 30,000 sq ft leisure experience, adjacent to a new restaurant quarter and aided by four new hotel openings outside the centre.

Merchant City, which promises to dominate the growth of city living over the next five years, many of which will include F&B accommodation.