

LOCAL DEVELOPMENT FRAMEWORK EVIDENCE BASE – STRATEGY FOR RETAIL, TOWN CENTRES AND COMMERCIAL LEISURE

1. EXECUTIVE SUMMARY

- 1.1 This report informs members of the findings of the Strategy for Retail, Town Centre and Commercial Leisure produced by Roger Tym and Partners on behalf of the Council as part of the evidence base for the Wirral Local Development Framework. This report summarises the main aspects of the study including the key recommendations to the Council. The report recommends that Cabinet recommends to Council that the Strategy for Town Centres, Retail and Commercial Leisure be approved as a material consideration for use by Planning Committee in the determination of planning applications; that the findings of the Study be used to inform the content of the emerging Core Strategy Development Plan Document and that the findings of the Strategy be used to inform the delivery of Investment Strategy priorities.

2. BACKGROUND

- 2.1 Cabinet on the 15th March 2007 resolved to commission a number of background studies to provide an up-to-date evidence base for the preparation of a Core Strategy Development Plan Document for Wirral. Cabinet resolved that the studies be commissioned through Request for Quotation from a list of identified providers (Minute 284 refers). These included a Town Centres, Retail and Commercial Leisure Study with an estimated budget of £35,000.
- 2.2 Cabinet on 7th February 2008 resolved to vary the scope of work and adjust the budgets and programming of a number of studies including the Town Centres Retail and Commercial Leisure Study and to carry over the commissioning process into the 2008/9 financial year (Minute 502 refers).
- 2.3 In summary, the brief for the commission required that the study:
- reviews developments in national and regional retail planning policy;
 - assesses the current patterns of food and non-food shopping and commercial leisure trips and identify deficiencies in provision, supported by a household survey;
 - reviews and updates the health check assessments of the Borough's 9 Key Town Centres and 14 Traditional Suburban Centres undertaken in 2003/04 as part of the previous retail study;
 - reviews the appropriateness of the retail hierarchy identified in the UDP;
 - assesses current and future challenges to Wirral's retail and commercial leisure offer from outside the Borough (for example, Liverpool One);
 - assesses the need and occupier demand for new retail and leisure uses;

- tests a range of scenarios reflecting alternative expenditure retention targets, population and housing growth strategies, and possible Growth Point status and regeneration projects such as Wirral Waters; and
- develops a vision and strategy for the town centres, and a strategy for reducing the leakage of expenditure out of the Borough

The study has a forward horizon to 2021, but provides indicative assessments of further need from 2021 to 2026.

- 2.4 Following a Request for Quotation process, Roger Tym & Partners (RTP) were subsequently appointed in March 2008 — for a fee of £44,946 excluding VAT but including expenses. Their appointment was subsequently reported to Regeneration and Planning Strategy Overview and Scrutiny Committee on 10th September 2008 in accordance with the Council’s Contract Procedure Rules (Item 5 refers).
- 2.5 On the 19th March 2009 Cabinet noted the action of the Deputy Chief Executive/Director of Corporate Services under delegated powers, in consultation with the Leader of the Council to approve an extension to the contract by Roger Tym and Partners to facilitate a second household survey to be undertaken to enable a robust “before and after” assessment of the impact of the Liverpool One development on the Borough. This entailed an additional fee of £22,475 excluding VAT (minute 396 refers).

3. SUMMARY OF STUDY CONTENTS

- 3.1 The overall study comprises three main volumes, structured as follows:

Volume 1 – Main Report which comprises:

- Section 1 summarises the requirements of the study and the structure of the remainder of the document;
- Section 2 summarises the requirements of the national and regional policy context insofar as it relates to town centres and the location of new retail and leisure developments. This includes PPS6, PPS1, the draft PPS4, PPS12, the requirements of the RSS and the Mersey Heartlands New Growth Point;
- Section 3 provides a qualitative analysis of the current performance of Birkenhead Town Centre, the other 8 Key Town Centres, and the 14 Traditional Suburban Centres in Wirral, as defined in the adopted UDP, based on assessments in the field, various published data sources, consultations with stakeholders and appraisal against key performance indicators. RTP then suggest possible amendments to the town centre hierarchy set out in the UDP.
- Section 4 provides RTP’s analysis of the current patterns of retail and leisure spending, drawing on the two telephone surveys of 1,500 households, undertaken twice, in April 2008 and March 2009.
- Section 5 provides RTP’s analysis of quantitative and qualitative needs in the retail and commercial leisure sectors in the period up to 2021 and, more tentatively, up to 2026.
- Section 6 identifies a range of alternative strategies for meeting the retail and leisure needs which RTP have identified (as required by paragraph 4.38 of PPS12), and sets out their initial evaluation of these potential strategies. RTP

then identify their recommendations for addressing the different issues facing each of the Borough's Key Town Centres.

3.2 The remainder of the study documents comprise:

Volume 2 – Figures and Spreadsheets, which relate to RTPs assessment of quantitative need in the retail and leisure sectors in section 5 of volume 1;

Volume 3 – Appendices (including more detailed performance analysis of the Borough's shopping centres); and

In addition a fourth volume comprises the report by NEMS Market Research, setting out the detailed results from the household survey.

4. KEY FINDINGS

Volume 1 – Main Report

Section 2 – Requirements of National and Regional Policy

- 4.1 Section 2 on the requirements of national and regional policy is intended to provide the framework for the rest of the study and is essentially factual. In relation to the draft PPS4, which is due to be published in final form before Christmas 2009, RTP consider that it brings little change compared to the proposed changes to PPS6, published in July 2008. Their view is that the draft PPS4 maintains and reinforces the Government's 'town centre first' approach and there is no wholesale re-drawing of policy and no radical change in direction. Particularly relevant in terms of the context and robustness of this study, RTP note that the draft PPS4 maintains many of the objectives already long established by PPS1 and PPS6 and there is little change in terms of the requirements for the evidence base in the forward planning process. Thus, although the draft PPS4 proposes the removal of the needs test in the development control process, and its replacement with a wider impact test, RTP consider it has limited implications for the purposes of formulating the retail and leisure aspects of the Core Strategy DPD.

Section 3 – The Current Performance of Wirral's Centres

- 4.2 RTP have undertaken a performance analysis (commonly known as a "health check" for each of the Key Town centres and the 14 Traditional Suburban Centres as defined in the adopted Wirral UDP. The appraisal of each centre involved:
- i) on-foot surveys;
 - ii) desk research, so as to benchmark the study centres against a range of comparator centres (Liverpool and eight town centres, all listed in Policy W5 of the RSS (and which are therefore similar in status to Birkenhead): Blackburn, Bolton, Bury, Chester, Southport, Stockport, Warrington and Wigan); and assess the centres against a range of key indicators based on those listed in paragraph 4.4 of PPS 6.

- iii) telephone and face-to-face consultations with key stakeholders (based on a list provided by officers), including developers, landowners, property market agents and retail/leisure operators.

As well as providing the base position for future monitoring of town centre vitality and viability, the exercise informs RTP's recommended centre hierarchy, and the assessment of 'need' in the retail and commercial leisure sectors, as detailed in Section 5 of the report. The most detailed information from published sources is generally only available for the larger centres. RTP scores each centre against a number of key indicators of a centre's "health" to arrive at an overall summary of performance which is presented in Table 3.1 in the main report.

- 4.3 RTP conclude that five centres can be described as 'very healthy' or 'healthy' and in their assessment the healthiest centres in the Borough are Heswall and West Kirby, closely followed by Moreton, Upton Village and Tranmere Urban Village. Nine of the Borough's centres – Birkenhead and Liscard Town Centres, Bromborough Village, Prenton (Woodchurch Road), Wallasey Village, Claughton Village, Lower Bebington, Dacre Hill and Irby Village – are exhibiting some signs of weakness. A further four centres - , Hoylake Town Centre, New Brighton (Victoria Road), Seacombe (Poulton Road) and Borough Road (Prenton Park) - are showing more significant signs of weakness or decline. The remaining five centres – New Ferry, New Brighton (Seabank Road), Birkenhead (Oxton Road), Birkenhead (Grange Road West) and Laird Street – score 5 or less in the Table; RTP's assessment is that these centres are in need of major intervention if they are to remain viable. (Section 6 of the report sets out a number of suggested interventions and actions for each of the centres in response to these findings).
- 4.4 Section 3 concludes with RTP's recommended changes to the hierarchy of centres in the Borough (as set out in the UDP) to better reflect their current role and performance. The hierarchy is a planning tool to assist with the assessment of planning applications, ensure an even distribution of town centre uses and also help with the planning for future growth. The RTP analysis is based on a range of indicators - comparison goods market share, quality of convenience offer; RTP's own survey evidence and performance analysis and the position of the centre in the Management Horizons Europe (MHE) 2008 shopping index. They recommend that the UDP categories of "Key Town Centre" and "Traditional Suburban Centre" be reclassified as follows:
 - Sub-Regional Centre (Birkenhead – currently Key Town Centre)
 - Town Centre (Liscard, Heswall, West Kirby and Moreton – all currently Key Town Centre);
 - District Centre (Bromborough Village, Hoylake and Prenton (Woodchurch Road) – all currently Key Town Centre)
 - Local Centres (these are the Traditional Suburban Centres from the UDP, with the addition of New Ferry – currently Key Town Centre - included here because of its poor performance against the indicators and decline in its status)
- 4.5 The existing UDP classification is based on superseded Government Guidance: the suggested changes to the classifications would ensure that the hierarchy of centres more closely fits to the classifications in Annex A of the current PPS6 and be more robust in planning terms. The classification of Birkenhead as a sub-regional centre will more properly reflect its status in the RSS. The other suggested changes to the

other centres in the hierarchy will however, have to be brought forward and confirmed through the Core Strategy DPD process in line with advice in PPS6.

Section 4 – Current Patterns of Retail Spending

- 4.6 This section sets out the findings of the two surveys of 1500 households undertaken twice, in April 2008 and March 2009, to enable an assessment of the impact of Liverpool One.
- 4.7 Overall the survey results indicate that some 65 per cent of the comparison goods (non-food) expenditure of Wirral residents is retained by town centres, retail parks and freestanding stores in the Borough: the main destinations are Birkenhead Town Centre followed by the Croft Retail Park. The comparison role of other centres within the Borough is very limited with no centre achieving a market share in excess of 6 per cent. Short distance “leakage” to centres such as Liverpool and Chester City Centres account to 23 per cent of residents’ comparison expenditure; “special forms of trading” (internet and catalogue shopping) accounts for a further 10% of spend, while the remaining 2% is accounted for by longer distance trips such as the Trafford Centre and IKEA in Warrington.
- 4.8 In relation to Liverpool One, the RTP report indicates that the only centres which appear to have suffered a decline in their comparison market share are Birkenhead (including Grange Road West/Oxton Road) which is down from 29.1% to 26% and Prenton (Woodchurch Road down from 0.2 to 0.1%). At the same time Liverpool’s comparison market share of Wirral residents’ expenditure has risen by 0.5 percentage points according to the survey. The findings suggest that overall comparison shopping patterns in Wirral have not altered significantly since Liverpool One opened, according to the household survey, although they do suggest that a shift in shopping behaviour is beginning to occur. In addition to the overall decline in its market share, Birkenhead’s primary and secondary catchment areas have contracted and become more tightly focused around the Birkenhead urban area. It is now the dominant centre in only 4 of the 11 survey zones as compared with 7 in 2008. RTP suggest that as Liverpool One becomes more established, shifts in shopping patterns already observed may become more entrenched unless the retail offer within Wirral is enhanced to offset the competition.
- 4.9 In relation to convenience (day-to-day and food-related) spending, 96 per cent of expenditure is retained by town district and local centres and freestanding stores located in Wirral and leakage outside the Borough is minimal. This is similar to the retention level identified in the earlier 2004 study. However, the market share of the superstores in the Borough has increased from 61 per cent in 2003 to 64 per cent in 2009. The highest individual market shares are achieved by Asda in Liscard, Asda Bromborough, Tesco Extra Bidston, Sainsburys Upton and Asda Arrowe Park. There are no parts of the Borough where there is a particular localised deficiency in convenience goods provision.
- 4.10 In relation to leisure spending, Liverpool is the most important destination for spending at restaurants, but West Kirby, Liscard, Bromborough Village and Heswall are all popular in their local zones. Liverpool and Birkenhead are the top locations for spending in pubs and bars but again the pattern of spending is localised. In relation to cinemas, the most popular destinations are the Vue in Birkenhead and Odeon in Bromborough. Liverpool is the most important destination for visits to museums and art galleries as well as theatres and concerts. New Brighton and the Croft Leisure

park are the most popular destinations for leisure. In relation to health and fitness, there is no single dominant destination: however some 70 per cent of respondents claimed not to undertake health and fitness activities. Similarly over 89 per cent of respondents do not participate in gambling in bingo halls, casinos, bookmakers and so on, but for those which do Birkenhead Town Centre is the most important location.

Section 5 – Quantitative and Qualitative Need in the Retail and Leisure sectors

- 4.11 RTP have assessed the quantitative and qualitative needs likely to arise in the retail and leisure sectors in the period to 2026, following the guidance in PPS6 and consistent with the approach in the draft PPS4.
- 4.12 In relation to the need for comparison retail floorspace, RTP considered 16 different scenarios to test a range of data inputs and assumptions, particularly in relation to securing an increase in the amount of expenditure retained in the Borough and factoring in the impact of the forecast population growth created by the Wirral Waters proposals. Account is also taken of existing unimplemented planning permissions, the likely future impact of internet shopping and the needs of existing retailers to grow their businesses. RTP's scenario 4D, which aims to achieve a significant increase in the retention level of 10 percentage points to 75% by 2026 (to respond to the significant competition from outside the Borough), and also factors in the impact of Wirral Waters' population growth, is the option which they propose be carried forward into the LDF. This gives rise to a comparison floorspace requirement of 85,270 sq metres net between 2009 and 2026. In the short term capacity is constrained by the effects of the recession on expenditure growth forecasts and the effects of existing planning permissions. Capacity for additional comparison floorspace does not begin to be generated until the period 2011-2014.
- 4.13 In relation to convenience goods, the residual need is negative up to 2026, even allowing for the population growth generated by Wirral Waters. This is due to the low forecast rate of expenditure growth in the convenience sector relative to the comparison sector and the substantial turnover requirements of the existing planning permissions such as the planned superstores in Birkenhead and New Brighton.
- 4.14 In relation to Leisure services, this sector is anticipated to grow by £64.1m in the period to 2021. On the basis of current spending levels, around 60% of this spending growth will go to eating and drinking establishments: there is therefore scope to accommodate additional food and drink outlets in the Borough's existing centres and Wirral Waters. The remainder of growth in expenditure on leisure services, it is anticipated by RTP, is likely to go to a range of activities with no single activity capturing any single market share.

Section 6 – Strategies for Meeting Retail and Leisure Needs

- 4.15 In formulating their strategies RTP have had regard to the findings of their work, together with the requirements of national policy in PPS6 and PPS12 including issues such as deliverability. RTP have developed six alternative strategic growth options for accommodating future retail and leisure growth in the Borough. RTP have carried out a broad assessment of each growth option against a number of policy objectives/assessment criteria which are influenced by the requirements of national, regional and local policy and by the Council's Sustainability Objectives:

- Managing travel demand – reduce the need to travel and increase accessibility;

- Marrying opportunity and need;
- Promote environmental quality;
- Retail development – consideration against retail policy;
- Deliverability; and
- Contribution to a wider spatial vision for Wirral.

4.16 Each option is rated as “good”, “moderate” or “poor” depending on the extent to which the option complies with the policy objective and an overall assessment rating is given. The options, together with their overall ratings are as below:

- Option 1:- Dispersal of Growth across all five town centres (Birkenhead, Liscard, Heswall, West Kirby and Moreton) - maintain the status quo. This receives a “poor” overall rating, mainly on the grounds of delivery, because it assumes a continuation of existing market shares, which in turn generates a theoretical floorspace requirement in all centres, something which the market is highly unlikely to deliver.
- Option 2:- Focus of Growth on Birkenhead Town Centre – This receives a “poor” overall rating because there are no major proposals for town centre redevelopment in the pipeline, the town centre is in complex multiple ownership and physical constraints restrict expansion of the centre
- Option 3:- Focus on Birkenhead and Liscard Town Centres – This receives an overall rating of “Poor” on the grounds that RTPs research suggests that there is unlikely to be a sufficient level of interest in either centre to support the scale of growth
- Option 4:- Birkenhead/Liscard Town Centres and Wirral Waters – This receives an overall rating of “moderate”: while scoring well in relation to most aspirations and policy objectives, the required scale of growth in Birkenhead and Liscard will be difficult to achieve. The option also looks to direct strategic growth to Wirral Waters which scores well and could enable at least partial implementation of the option.
- Option 5:- Birkenhead Town Centre and Wirral Waters Focus – this receives an overall rating of “good” because it strikes a balance between maintaining the role of the Borough’s largest centre while looking towards the future contribution of Wirral Waters. RTP note that this option will only be successful if a viable redevelopment scheme for the town centre can be brought forward.
- Option 6:- Wirral Waters Focus – this also receives an overall rating “good”, on the grounds that it is the most deliverable of all the potential strategies as all the land is in the ownership of the developer and the vision, planning and implementation strategy is already well advanced. Wirral Waters also contributes to the Mersey Heartlands Growth Point and objectives of RSS Policy LCR 2. The retail elements seen in this wider context and taken together with the residential and commercial elements will contribute positively to the wider spatial vision for Wirral

4.17 Options 5 and 6 are RTP’s two clear preferred options: in both cases they would expect Birkenhead’s RSS status as the Sub-Regional Centre to remain unchanged

and even under Option 6 – RTP would anticipate a range of smaller scale development opportunities coming forward in the town centre.

- 4.18 The Strategy section also considers the case for the designation of new centres in the Borough, in the context of national advice in PPS6. RTP consider that there is likely to be a strong case for designating a new centre at Wirral Waters to support the new community there, but further work would be needed to identify the most appropriate location for a new centre, timescales and triggers for designation and the mix and scale of uses that would be appropriate in the centre.
- 4.19 Finally the Strategy section sets out a range of centre-specific interventions for the Borough's other shopping centres which could help to address the issues identified in the performance analyses as summarised in Section 3. These are set out in a series of tables which place each of the UDP Key Town Centres into one of three distinct intervention models – “minor intervention” (Bromborough Village, Heswall, Moreton and West Kirby) “moderate intervention” (Hoyle and Prenton (Woodchurch Road) and “major intervention” (Birkenhead, Liscard and New Ferry).
- 4.20 For Birkenhead and Liscard and New Ferry, actions such as widening the range of retailers, tackling vacancy and environmental improvements are highlighted. The recommendations are too detailed to reproduce here, but RTP are at pains to emphasise that more detail would be required to flesh out these early ideas. In addition in relation to New Ferry it is suggested that the key to a sustainable future may be to accept that the centre is physically too big and that consolidation around a core area might be the best way forward. In relation to centres where a lower level of intervention is identified, a range of smaller-scale measures is identified which could collectively have a marked effect in terms of maintaining and enhancing vitality and viability, such as traffic calming, public realm enhancement and so forth.

5. CONCLUSIONS

- 5.1 The RTP Strategy for Town Centres, Retail and Commercial Leisure provides a wide-ranging assessment of current retail and leisure provision in the Borough, spending patterns, forecasts of future floorspace capacity and a suggested strategy for accommodating growth. In addition to guiding the determination of planning applications for these uses, the RTP report will form part of the Local Development Framework evidence base alongside other studies, such as the Employment Land Study (reported to Cabinet on 15th October 2009, Minute 157 refers) and the Birkenhead and Wirral Waters Integrated Regeneration Study, which is due for completion early in 2010. This latter study will be particularly important in terms of examining some of the issues relating to the future role of Birkenhead Town Centre, in the context of RTPs recommendations on how Wirral should respond to increased competition from retail destinations outside the Borough where future retail growth should be accommodated and the key role identified by RTP for the Wirral Waters Proposals in meeting growth aspirations. Some of the emerging findings from the RTP report and the Birkenhead and Wirral Waters Integrated Regeneration Study were able to be incorporated in the LDF Core Strategy Spatial Options Report, which Cabinet approved for public consultation on the 26th November 2009 (Minute 200 refers) and the RTP reports will form part of the supporting documentation for this consultation.

6. FINANCIAL IMPLICATIONS

6.1 There are no implications arising directly from this report.

7. STAFFING IMPLICATIONS

7.1 There are no implications arising directly from this report.

8. EQUAL OPPORTUNITIES IMPLICATIONS

8.1 There are no implications arising directly from this report.

9. COMMUNITY SAFETY IMPLICATIONS

9.1 There are no implications arising directly from this report.

10. LOCAL AGENDA 21 IMPLICATIONS

10.1 There are no implications arising directly from this report.

11. PLANNING IMPLICATIONS

11.1 These are set out in the main body of the report:

12. ANTI-POVERTY IMPLICATIONS

12.1 The Strategy for Town Centres, Retail and Commercial Leisure will support the delivery of the Council's Investment Strategy which seeks a step change in the level of economic activity in the borough reducing increasing employment and reducing worklessness.

13. HUMAN RIGHTS IMPLICATIONS

13.1 There are no implications arising directly from this report.

14. SOCIAL INCLUSION IMPLICATIONS

14.1 Provision of a shopping offer across the Borough accessible to all sections of the community will support and promote social inclusion.

15. LOCAL MEMBER SUPPORT IMPLICATIONS

15.1 The report will have implications for all Ward Members.

16. BACKGROUND PAPERS

16.1 Background papers in connection with this report are kept with the Forward Planning Team. The Strategy for Town Centres, Retail and Commercial Leisure will be available on the Council's website.

17. RECOMMENDATIONS

- 17.1 That Cabinet recommends to Council that the Strategy for Town Centres, Retail and Commercial Leisure be approved as a material consideration for use by Planning Committee in the determination of planning applications.
- 17.2 That the findings of the Strategy be used to inform the content of the emerging Core Strategy Development Plan Document.
- 17.3 That the findings of the Strategy be used to inform the delivery of Investment Strategy priorities.

This report was written by John Entwistle in the Strategic Development Section of Corporate Services, who can be contacted on 0151 691 8221.

J. WILKIE

Deputy Chief Executive/Director of Corporate Services