



Wyre Forest District Council

Wyre Forest Retail and Leisure Study Update

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1.0 Introduction

1.1 Scope

1.1.1 This study updates parts of the Wyre Forest Retail and Leisure Study (RLS) of December 2006, which is prepared by White Young Green.

1.1.2 The scope of the study update is as follows:

- (i) to reassess the need for additional comparison and convenience retail floorspace requirements for the period 2021 – 2026, building on the work carried out in the RLS;
- (ii) to appraise the draft boundaries of the primary and secondary retail frontages within Kidderminster and Stourport on Severn and to provide advice on the definition of a Primary Shopping Area within those centres;
- (iii) to review the implications of e-tailing, the current economic downturn and revisions to PPS6 on the prospects for the District; and
- (iv) provide a review of the Focus database which provides an indication of retailer demand within Kidderminster and Stourport on Severn.

1.1.3 In respect of task (i) above, the existing RLS forecasts the quantitative need for new retail floorspace to 2021. The West Midlands Regional Spatial Strategy (WMRSS) Revision plan period extends to 2026. To comply with the WMRSS, the Council's Local Development Framework (LDF) will also have to plan for development up to 2026. However, the RLS based the retail floorspace needs assessment on data (provided by MapInfo) relating to population growth and local expenditure growth available in 2006. That data base has evolved since then and it was therefore decided that the Update would review the quantitative need for new retail floorspace over the period 2009-2026, in order to provide a robust and up to date evidence base for the Council's emerging Local Development Documents. It was also mutually decided that no new household shopping survey would be required to underpin the floorspace needs assessment. While certain changes to retail composition have occurred since the previous RLS, these have not been so substantial that they would alter shopping patterns radically or such that would re-orientate shopping patterns between the main settlements of the district. In other words, the changes to retail provision that have taken place have tended to consolidate existing shopping patterns within the District.





1.2 Structure of Report

1.2.1 For the sake of consistency with the RLS we present the findings of the update study in the following order:

- Section 2 – reviews the implications of current and emerging retail trends.
- Section 3 – provides a re-assessment of retail floorspace needs.
- Section 4 – updates the Focus database information relating to retail operator demand for new floorspace.
- Section 5 – considers the boundaries of primary and secondary shopping frontage and Primary Shopping Areas within Kidderminster and Stourport on Severn.





2.0 Current and Emerging Retail Trends

2.1 Overview

- 2.1.1 UK retailing has been hit hard by the recent downturn in the economy. Consumer confidence has declined, like-for-like sales growth has diminished and has dipped into the negative for the 12-month periods to June 2009, and demand is weak across most retail sectors. Consumer spending is likely to shrink by around 3.5% during 2009 with a further drop in 2010 of around 0.6% and growth is only expected to begin in 2011¹.
- 2.1.2 The credit crunch, coupled with rising unemployment and falling house prices, has made the UK shopper increasingly conscious of price. Rising fuel and energy costs are also squeezing household budgets, leading to more cautious spending patterns. Set against this, consumer's potential spending power has been lifted by a large drop in mortgage rates and lower inflation, albeit many consumers have in practice continued to retrench in the light of ongoing concerns about the economy, unemployment and personal debt.
- 2.1.3 In this climate, discount retailers are coming to the fore, with the likes of Aldi and Lidl witnessing a growing share of the grocery market (prompting a 'price war' between the 'Big Four' UK grocery retailers) and low-price comparison goods retailers such as Peacock, Primark, TK Maxx and Wilkinson enjoying healthy sales. Mainstream comparison retailers are also being forced to introduce heavy discounts in order to maintain sales volumes.
- 2.1.4 Sales of 'big ticket' items such as furniture and expensive electrical goods have been affected the most, with the result that there have been a number of casualties amongst established bulky-goods retailers in the past 12-18 months, most recently Allied Carpets. Other durable goods and 'high street' retailers have succumbed to the crunch or are currently looking vulnerable.
- 2.1.5 In this weakened climate, demand for new retail space is poor across most comparison shopping sectors. Most retailers are concentrating on riding out the recession rather than expansion. Nevertheless, discount retailers are looking to expand, especially taking advantage of the glut in out-of-centre floorspace and resultant incentives offered by landlords anxious to fill vacant space.
- 2.1.6 In the grocery sector, there is undiminished demand for new floorspace. The big foodstore chains (and discounters especially) are continuously looking to expand their portfolios. Well-established

¹ Retail Planner Briefing Note 7.1 (Experian, August 2009)



'town centre first' planning policies have drawn the main grocers back into established centres, operating small- and medium-size formats and this trend is likely to continue with the proposed changes to national retail planning policy. However, demand for large-format edge-of-centre and out-of-centre stores will continue and opportunities may arise in circumstances where new foodstores can be shown to have acceptable impacts on established centres and wider economic benefits (subject to the sequential approach to site location).

2.1.7 The short-term consequences of the current economic climate are likely to be:

- Increased vacant floorspace in both town centres and out-of-centre retail parks;
- Increased pipeline supply of comparison goods floorspace as developers hold back on implementing approved schemes until market conditions improve;
- Continued centralisation of services whereby larger stores serving wider catchments replace a number of stores. Retailers dispose of under-performing stores and concentrate on key locations. Smaller centres are most vulnerable to this trend;
- Increased representation in the discount shopping sectors (food and non-food); and
- Unabated demand for new convenience goods floorspace, including demand for store extensions and new foodstores. Strong demand for new discount foodstores (Aldi and Lidl).

2.2 Comparison Goods

2.2.1 Growth in per-capita spending on comparison goods is unlikely to be sustained at recent levels and some adjustment is prudent, particularly as debt-based purchasing is likely to be subdued at least over the next few years. With the current economic climate, retail analysts such as Oxford Economics and Experian have made downward adjustments to retail spending forecasts.

2.2.2 Oxford Economics most recent growth forecasts² indicate that comparison goods spending per head will grow at around 1.6% per annum between 2008 and 2014. Experian's most recent forecasts³ put growth at 2.5% for the period 2012- 2016, following negative growth in 2010 and modest growth in 2011 (1.1%).

2.2.3 Activity in the bulky-goods sectors is likely to remain quiet over the next couple of years. Mature operators that have significantly expanded their portfolios in the past decade will increasingly focus on consolidation, shedding marginal stores and sub-optimal premises. The DIY and furniture sectors are likely to continue to face challenging conditions as a result of the credit crunch and downturn in

² Pitney Bowes Information Brief 09/02 (Pitney Bowes, September, 2009)
³ Retail Planner Briefing Note 7.1 (August 2009)



the housing market, albeit some experts are suggesting that there is potential for improvement in the DIY sector as owners seek to add value to their homes rather than move whilst house prices are deflated. The electrical goods sector is likely to be more resilient as consumers remain driven by new technology at more affordable prices (e.g. flat-screen TVs, blue-ray players) although consumers are now looking more and more to non-specialists (e.g. electrical goods sold in foodstores) and internet retailers.

2.2.4 Non-bulky comparison goods retailers have become increasingly prominent in out-of-centre locations and this trend is expected to continue where planning controls allow. M&S, Next, TK Maxx, and Argos are examples of retailers who have expanded their portfolios of out-of-centre stores in recent years, in many cases supplementing stores in town centres. Non-bulky operators are typically able to afford higher rents and accordingly they often displace bulky operators at the more prestigious retail parks. With out-of-centre floorspace being more difficult to fill in the economic downturn, it is likely that there will be increased pressure to relax goods restrictions so that landlords have greater flexibility in letting vacant units.

2.2.5 Town Centres are likely to feel the repercussions of the economic downturn with vacant floorspace likely to increase and remain un-let for longer periods, changing composition with increased representation from discount retailers and development schemes put on hold. Larger centres are likely to be more resilient as key national multiple retailers consolidate at key locations and abandon marginal centres.

2.2.6 Key trends likely to be experienced in the coming years are:

- Greatest activity at the discount end of comparison goods sectors;
- Consolidation amongst national retailers leading to strengthening of major city/town centres and weakening of smaller town centres;
- Further out-of-centre expansion by traditional 'high street' retailers and pressure to relax goods restrictions affecting out-of-centre retail floorspace to allow non-bulky goods sales (e.g. sports goods, clothing and footwear);
- Higher vacancy rates in town centre and out-of-centre retail parks.

2.3 Convenience Goods

2.3.1 Growth in per-capita convenience goods expenditure has traditionally been much lower than comparison goods. Average growth since the mid-1990s is 0.9%. Pitney Bowes (Oxford Economics) forecast that convenience spending per head will shrink over the period 2008 to 2010 (by minus





0.8% per annum) but will then recover with growth over the period 2008 to 2014 averaging 0.5% per-annum⁴. Experian forecasts are similar, with convenience goods spending growth dipping into the negative for 2009 and 2010 followed by per-capita growth of 0.8% over the period 2012 to 2016⁵

2.3.2 The current recession is opening up opportunities for expansion with both land and building costs falling and owing to an increasing amount of vacant retail property (e.g. the collapse of Woolworths brought around 800 units on to the market and grocery retailers were quick to acquire those stores in the most attractive locations).

2.3.3 The leading national grocery retailers will continue to forge ahead with plans to expand their floorspace. This is mainly driven by the continuing desire to stock ever-increasing ranges of non-food goods in expanded non-central stores. Tesco is extending, or seeking to extend, many of its large foodstores to create 'Extra' format stores for this purpose. Sainsbury's is also currently looking to catch up on its main competitors by introducing greater ranges and choice of comparison goods. The credit crunch provides a clear opportunity for the main grocers to secure increased comparison goods sales by under-cutting their high street competitors.

2.3.4 The roll-out of smaller town centre-format stores is likely to continue to play an important role in increasing sales and market share for the big grocers. Tesco and Sainsbury's have taken a lead in this over the past few years, both through acquisition of competitors and establishment of new convenience outlets. A recognised consequence of this trend is that smaller store operators have had to enhance their stores to counteract increased competition for basket/top-up shopping, to the overall benefit of the consumer.

2.3.5 A key area of current activity is with the discount retailers Aldi and Lidl, and to a lesser extent, Netto. All are pursuing aggressive growth strategies in order to improve their market shares, particularly taking advantage of current economic conditions whereby UK consumers are warming to cheap own-branded goods that they are generally unaccustomed to. Nevertheless, current planning policies and a lack of suitable sites to accommodate normal operating formats will create challenges to growth. Both Aldi and Lidl sell modest ranges of comparison goods, mainly on an ad-hoc basis ('when it's gone it's gone'). Expansion in non-food sales is likely to be pursued.

⁴ Pitney Bowes Information Brief 09/02 (September, 2009)

⁵ Retail Planner Briefing Note 7.1 (Experian, August 2009)



2.3.6 Independent specialist convenience retailers continue to struggle. Nevertheless, those that offer high-quality products and levels of service are likely to remain viable, even in circumstances where there is direct competition from large foodstores. Furthermore, the increasing dominance of the main grocers is causing concern amongst the general public and there is a clear and growing 'anti-supermarket' lobby developing, particularly in more affluent areas where price competitiveness is not the driving factor in shopping choice. This, coupled with increasing awareness of issues of sustainability, ethics, and organics, is pulling certain consumers in the direction of local independent and specialist retailers. Other independents able to remain price-competitiveness and which are conveniently located will also remain viable, especially in areas of deprivation.

2.3.7 In summary, likely future trends will comprise:

- Continuing activity from the main grocers in terms of pursuing new large-format stores and store extensions, mainly in non-central locations, along with smaller-format acquisitions in town centres;
- Proposed extensions to large foodstores are likely to be for the purposes of expanding ranges of non-food items;
- The discounters seeking new store opportunities in edge-of-centre and out-of-centre locations, including representation in more affluent areas; and
- Continuing overall decline in small-scale independent convenience retailers but potential growth in niche markets such as high-quality, natural, and organic produce.

2.3.8 Regarding the first of the above points, there is potential for further regulatory scrutiny from the Competition Commission that may curtail certain operator's expansion plans in the future. The Competition Commission has proposed a new test of competition which planning authorities would have to take into consideration in deciding planning applications for new retail development. Whilst the recommended competition test was successfully challenged by Tesco at tribunal (on the basis that the Competition Commission had failed to properly assess the implications of such a test), the Commission is still pursuing the introduction of the test having recently recommended to the DCLG that the necessary steps be taken to introduce the test in planning decisions for large foodstores (after carrying out the further analysis required by the tribunal). In a note published on the DCLG website corresponding with the publication of PPS4, it is confirmed that while PPS4 does not incorporate the Competition Test, the Government intend to formally respond to the Competition Commission recommendations, including the Competition Test, "shortly".





2.4 E-Retail

- 2.4.1 The e-retail market continues to grow apace as more and more retailers operate transactional websites and with greater household access to broadband. This has been off-set to some extent by a decline in traditional catalogue retailing.
- 2.4.2 The percentage of expenditure attracted to special forms of trading (SFT) (non-store sales) varies considerably between sectors. For food, alcohol, and non-durable goods such as chemists' goods, the proportion of expenditure by SFT continues to be low (one or two percent). Some comparison goods sectors experience significant SFT, such as books, audio-visual equipment, and household/garden tools/equipment. Taking the convenience and comparison sectors as a whole, the 2007 SFT percentage of expenditure was 2.0% and 5.8% respectively⁶. Experian estimates put 2007 SFT at 3.1% and 6.6% respectively⁷
- 2.4.3 The e-retail market is expected to continue to grow in coming years, albeit there is a high degree of uncertainty and suggestion that the recent acceleration in e-commerce is a one-off surge due to the widespread introduction of broadband⁸. Experian suggest that a plausible estimate for the market share of non-store sales at 2016 would be around 5.3% for convenience goods and 9.6% for comparison goods. This may have further repercussions for town centres including reduced demand for premises, changing composition of town centres as some sectors decline, and the introduction of specialist internet retailers where goods are ordered electronically but collected from town centre premises.
- 2.4.4 As a pointer towards the future, it is notable that the success of internet shopping is already having an impact upon traditional high streets as a result of increased competition and lower prices. Research by the British Council of Shopping Centres indicates that the larger shopping centres are deemed almost immune from the impact of online shopping as they offer the complete day out. However, as the size of the shopping centres decreases, it is more likely that there will be evidence of adverse effects from e-retail. It is within small shopping centres sized between 5,000 – 20,000sqm where the greatest impact is expected to be felt according to that research.

⁶ Retail Expenditure Guide 2009/2010 (Pitney Bowes, September, 2009)

⁷ Retail Planner Briefing Note 7.1 (Experian, 2009)

⁸ Retail Planner Briefing Note 6.1 (Experian, 2008)



3.0 Update of Retail Floorspace Needs Assessment

3.1 Introduction

3.1.1 The study brief requires an assessment of need for additional retail floorspace for five-year periods extending to 2026. In view of historic fluctuations in per capita expenditure on convenience goods, it is unrealistic to predict with certainty floorspace needs beyond more than a five year period, and the longer-term projections outlined in this report should be used with caution and as a guide only. On this basis, and as advised in PPS4, it will be essential to carry out regular monitoring and updating of the needs assessment.

3.1.2 Identification of need is a prerequisite for seeking to allocate additional land to accommodate new retail development in the emerging Local Development Frameworks, using the sequential approach to site location. PPS4 paragraph EC1.4 states that in assessing the need for additional retail and leisure development, local planning authorities should take account of both quantitative and qualitative need for additional floorspace for different types of retail and leisure developments. The pre-eminence given to quantitative need in PPS6 has therefore been dropped. In fact, the paragraph goes on to state that there may be instances where greater weight should be placed on qualitative considerations (e.g. if specific communities are denied access to a range of services or facilities). Accordingly, we have sought to identify the need for new convenience floorspace on this basis.

3.2 Methodology for Assessing Quantitative Need

3.2.1 In the assessment of quantitative need/capacity for both convenience and comparison goods floorspace we have taken into account relevant guidance contained in PPS4 paragraph 1.4c and at paragraphs 3.4 to 3.9 of the Practice guidance on need, impact and the sequential approach.

3.2.2 We have used the results of the 2006 household shoppers' surveys which we consider remains robust as there have been no major developments that are likely to have significantly altered shopping patterns since the survey was undertaken. A copy of the household survey results and plan showing the survey zones is included at **Appendix A**. The survey results are combined with population and expenditure forecasting to determine the expenditure capacity to support new convenience and comparison floorspace based on the three main settlements in the study area: Kidderminster, Stourport, and Bewdley, along with the remainder of the district (i.e. the main villages and rural area). This is based on the market shares achieved by these locations across the whole study area (Zones 1 to 8).





3.2.3 We have also carried out an assessment of the overall capacity available to the district based on its Core Shopping Catchment Area (CSCA) only (Zones 1, 2, and 3). This will give a more conservative estimate of the expenditure available to support new retail floorspace since it does not take into account the inflow of expenditure originating from the wider area.

3.3 Quantitative need for convenience goods retail floorspace 2009-2026

3.3.1 To assess the quantitative need for convenience goods we have carried out the following steps:

- Calculation of the current (2009) population and expenditure available within the catchment area and forecast future population and expenditure growth over the study period.
- Calculation of the turnover of stores and centres within the catchment area using the shopping patterns identified in the 2006 household shopping survey.
- Assess the capacity for new retail floorspace using a constant market share approach. This involves calculating growth in turnover on the basis that the existing floorspace maintains a constant market share of the available expenditure within the catchment area as a whole, then subtracting the increase in turnover from the current (2009) turnover held as a constant and taking into account the likely turnover of committed floorspace within the catchment area.
- The model is adjusted to take account of levels of under-trading or overtrading at the main food shopping destinations by comparing survey-derived turnovers to benchmark turnovers based on company average sales performances. The residual "available" expenditure is then divided by an appropriate average floorspace sales density to derive the "headroom" for further retail floorspace.

3.3.2 In the quantitative assessment we have used the following data sources and assumptions:

- All monetary values are given at 2006 prices.
- Population information has been derived from Pitney Bowes (formerly MapInfo) AnySite reports for each survey zone. These give locally derived population figures based on ONS published data (census). This is projected forward using Pitney Bowes population projections up to 2018, and thereafter based on a basic continuation of growth trends in the absence of published projections.
- Market share of existing retail facilities are taken from the household shopping survey. "Don't know", "don't do" and "varies" responses have been excluded.
- It is assumed that there will be a 0.5% per annum improvement in the turnover efficiency of existing floorspace.





- 3.3.3 Per capita expenditure has been derived from Pitney Bowes (formerly MapInfo) AnySite reports (which provide local expenditure data). Special forms of trading have been excluded at a rate of 2% per annum (Pitney Bowes Retail Expenditure Guide 2009/10). Expenditure is projected forward using Oxford Economics' Forecasts (OEF) contained in Pitney Bowes Information Brief 09/02 entitled "Goods Based Retail Expenditure Estimates and Price Indices".
- 3.3.4 The projected growth rate for convenience goods adopted is 0.6%. This reflects the OEF growth rate for the period 2008-2019. We consider that this provides a suitable basis on which to plan for future convenience goods floorspace provision.
- 3.3.5 The tables referred to in this section of the report are contained at **Appendix B**.
- 3.3.6 Table 1 provides population forecasts between the years 2009 and 2026 for each of the household shopping survey zones. Table 2 sets out per capita convenience goods expenditure by zone. Table 3 multiplies the forecast population by the forecast per capita convenience goods expenditure to provide an estimate of the change in total convenience goods expenditure available by zone to 2026.
- 3.3.7 Table 4 sets out shopping patterns relating to main food and top-up shopping and identifies market shares relating to centres and stores in the study area. The shopping patterns derived from the household survey are analysed fully in Section 6 of this report. Table 5 translates the market share into turnover using the figures on availability of convenience goods expenditure within each zone from Table 3 using appropriate expenditure splits between main and top-up shopping calculated using the results of the household shopping survey.
- 3.3.8 The above assessment would ordinarily reflect a current state of equilibrium in the survey area as it assumes that the turnover of convenience shopping facilities is equal to the expenditure generated. Clearly therefore, this would not take account of situations of either under-trading or overtrading in the study area. In order to be consistent with the previous RLS we take into account overtrading/undertrading within convenience floorspace in this Update. While PPS4 does not explicitly recognise overtrading as a factor in assessing quantitative need, the accompanying practice guide does (paras 3.16 to 3.17). We therefore take this factor into account in Table 6. The household shopper survey derived figures of undertrading/overtrading have been sensitivity tested through observation of actual store activity at different times of the day.
- 3.3.9 Our observations suggest that several of the larger stores in Kidderminster are performing at higher than normal levels. For example, the Sainsbury's at Crossley Park and Tesco, Castle Road continue





to trade strongly based on observed levels of patronage. However, the new enlarged Morrisons store (the opening of which post dates the household shopping survey) is likely to have drawn trade from both these established stores, such that the level of overtrading shown at table 6 for Tesco and Sainsbury may well be too high in practice. Moreover, although a particular store may trade at higher levels of turnover than the particular operator's average sales density would indicate, this does not itself demonstrate overtrading. That term more appropriately refers to a situation where overcrowding/congestion within the store is noticeable and frequent, indicating that the store is unable to cope adequately with customer demand. We did not observe any sign of this in any of the three largest stores in Kidderminster, although we did not visit the stores at weekends.

- 3.3.10 Stores in Stourport generally appear to be trading at normal levels, with the possible exception of the Tesco at Lombard Street which continues to show evidence of genuine overtrading.
- 3.3.11 The model essentially assumes that when stores are collectively under-trading, capacity arising from expenditure growth is firstly soaked up by these stores in order to bring these up to a benchmark trading position (based on company average trading performances). Any expenditure headroom thereafter is available to support new floorspace. In reality, this is not always a realistic proposition, since a company average trading level is just that, and there will always be stores that under-trade with little prospect of any marked improvement in their trading performance (e.g. because of sub-optimal format or location). Nonetheless, it is an indication of the potential ability for existing facilities to meet, or part meet, any quantitative needs arising.
- 3.3.12 On the other hand, in a position where stores are collectively overtrading, the model assumes that there is latent demand for new floorspace; i.e. there is expenditure available if existing overtrading foodstores revert to usual company average trading conditions. In practice, this is again not always a realistic proposition, as retailers will undoubtedly respond to any significant downturn in turnover by adjusting their trading strategies. However, retailers will normally need to rectify significant overtrading resulting in uncomfortable shopping conditions through such measures as store refits and extensions which have the effect of reducing sales density.
- 3.3.13 It should be noted that household shopping survey responses usually inflate the popularity of the main foodstores in the area, with respondents often overlooking or underestimating their use of smaller stores for main food shopping on an infrequent basis, which may inflate calculated levels of overtrading at main foodstores. Furthermore, the (survey-derived) turnover of the main foodstores will have grown since the last retail study (owing to the greater amount of overall expenditure assessed to be available for capture) whilst the benchmark turnover of facilities has decreased in



most cases (based on more up to date published company average sales data). This will tend to exaggerate the assessed level of overtrading in individual stores compared with the previous RLS.

3.3.14 Assuming that the convenience retailers within the study area are able to retain their current market share, which we consider is a wholly reasonable proposition at least over the next five years, Tables 8-8E show the resulting expenditure capacity to support new convenience retail floorspace over the study period, making allowance for over/under-trading. Tables 8A to 8E assess the quantitative need for new convenience floorspace for the whole of the Study area (Zones 1 to 8), whereas Table 8 set out the convenience floorspace quantitative need for the Core Shopping Catchment Area (CSCA) consisting of Zones 1 to 3.

3.3.15 Since the completion of the 2006 Retail study, the following changes in convenience retail provision are noted:

- Replacement Morrisons store, Green Street, Kidderminster (around 400sqm net increase in convenience goods floorspace);
- Planning permission granted for a new Tesco store on the former Carpets of Worth site, Stourport (1,527sqm net convenience floorspace); and
- Closure of the Kwik Save store, Bridge Street, Stourport (loss of 406sqm net floorspace).

3.3.16 Adjustments to the capacity modelling are made to account for the above changes in Tables 8 to 8E.

3.3.17 The results of the capacity exercise are shown in the tables below:

Fig 3.1: Convenience Expenditure Capacity 2009-2026 (£m)

	2009	2011	2016	2021	2026
Kidderminster	34.4	37.5	43.1	49.5	56.0
Stourport	-5.6	-5.1	-4.2	-3.1	-2.0
Bewdley	0.0	0.1	0.3	0.6	0.8
Villages/Rural Area	0.0	0.1	0.3	0.5	0.7
TOTAL	28.8	32.6	39.5	47.5	55.5

3.3.18 By applying an average sales density for new floorspace (based on average sales densities for the main foodstore operators in the UK), an indication of the likely net floorspace requirements over the



period to 2026 can be given. Verdict⁹ provides convenience goods sales densities for the UK's main operators. A representative range is in the order of £6,000 per sqm (Co-op, Iceland, Somerfield) to £12,000 per sqm (Asda, Tesco) (convenience floorspace only and including VAT). This is shown on the tables below (allow for adjustments for overtrading and undertrading).

Fig 3.2: Convenience Floorspace Capacity 2009-2026 (at £6,000 per sqm)

	2009	2011	2016	2021	2026
Kidderminster	5,729	6,244	7,177	8,253	9,338
Stourport	-935	-849	-694	-515	-335
Bewdley	0	20	56	98	139
Villages/Rural Area	0	16	44	76	108
TOTAL	4,794	5,430	6,582	7,911	9,251

Fig 3.3: Convenience Floorspace Capacity 2009-2026 (at £12,000 per sqm)

	2009	2011	2016	2021	2026
Kidderminster	2864	3122	3588	4127	4669
Stourport	-468	-425	-347	-258	-167
Bewdley	0	10	28	49	70
Villages/Rural Area	0	8	22	38	54
TOTAL	2397	2715	3291	3956	4625

3.3.19 The analysis shows that:

- Kidderminster:** The current (2009) capacity for additional convenience goods floorspace is in the order to 2,800-5,700 sq m net (depending on the assumed sales density of new floorspace). However, it is important to note that the vast bulk of the forecast capacity derives from the assessed level of net overtrading in existing stores rather than through growth in population or per capita expenditure. As indicated above, a significant element of that surplus turnover will have been absorbed by the replacement, larger, Morrison foodstore in Kidderminster. Over the period to 2016, convenience floorspace capacity rises to between 3,291 and 6,582 sq m net (again depending on the assumed sales density for new floorspace). However, since current observations suggest that the main foodstores in Kidderminster are not significantly overtrading (in terms of the stores concerned not being able to cope with consumer demand resulting in frequent in-store congestion/overcrowding) it is not necessarily important to plan for the

⁹ Verdict Grocery Retailers, 2009



provision of the additional floorspace highlighted in the analysis.

- **Stourport:** the committed Tesco foodstore soaks up all potential expenditure capacity arising in the short- to medium-term. The scope for additional retail floorspace in Stourport will need to be re-assessed by a new survey of shopping patterns once the committed Tesco foodstore has reached settled trading conditions since the town is likely to significantly improve its market share of convenience expenditure, as a result of residents living in Zone 2 spending more of their convenience goods expenditure on that store rather than, as is currently the case, spending it in the main supermarkets in Kidderminster. This anticipated shift in market share will act to reduce the future level of expenditure available to support new convenience retail floorspace in Kidderminster.
- **Bewdley:** given the settlement’s low market share, capacity resulting from expenditure growth is very small, at only £0.3m up to 2011, and £0.6m up to 2016. At most, this equates to a need for an additional 50sqm net floorspace at 2016.
- **Villages/Rural Area:** the household survey results suggest that a small proportion of expenditure gets directed to convenience stores outside the three main settlements in the district. On the basis that these stores retain their current market share, a small proportion of expenditure growth will be directed to such facilities, in the order of £0.1m to 2011, and £0.3m to 2016, equivalent to a need for up to an additional 50sqm net floorspace over the period to 2016.

3.3.20 An alternative analysis considers the floorspace capacity within the CSCA of the District, consisting of zones 1 to 3 (Table 8). As indicated above, this will give a more conservative estimate of the expenditure available to support new convenience floorspace as no account is made for the inflow of expenditure from the wider survey area. On the basis of a continuation of the current market share of facilities in the CSCA (98%), and making no adjustment for overtrading/under-trading, expenditure capacity is in the order of £3.1m at 2011, rising to £8.2m by 2016. This equates to district-wide floorspace capacity of around 260-520sqm net over the next 5 years, and 680-1,360 over the next ten years.





3.4 Qualitative need for convenience goods floorspace

3.4.1 In respect of identifying any qualitative deficiencies, we have taken account of advice at EC1.4d of PPS4 and at 3.10 to 3.20 of the Practice Guidance. The results of the household shopping survey are helpful in identifying levels of convenience expenditure leakage from the study area and convenience expenditure flows between different parts of the study area, as described in Section 6 of the RLS. The choices that consumers make to meet their convenience shopping needs and the distances that they are prepared to travel to meet their needs are important indicators of the quality of existing retail provision in the District and in different parts of the District. The household shopping survey also sought the views of local consumers regarding the quality of the centres within the District, including information on the choice and quality of supermarkets located within them. We have also used relevant information derived from the health check audit of the various centres in the study area (undertaken as part of the RLS and also, in the form of a Retail Monitoring Report, by WFDC) to assess the quality and range of retailing available to the population in different areas of the District. We have considered the geographical disposition of supermarkets and the range of convenience retail facilities available in different parts of the District. Finally, we have taken into account more recent changes to convenience retail provision, the most significant being the development of a replacement Morrison store in Kidderminster.

3.4.2 In broad terms, our assessment shows that the District retains a very high level of locally generated convenience expenditure, suggesting *prima facie* that there are no glaring deficiencies in overall provision. There is a good provision of large foodstores in Kidderminster, with each of the UK's main supermarket operators represented except ASDA. Those stores collectively attract a high proportion of main food shopping trips made within the Study area as a whole and particularly within the CSCA. Within the two main settlements and centrally located are representatives of the "deep discount" retail sector, or Limited Assortment Discounters (LAD's) as referred to by the Competition Commission (eg Aldi, Lidl and Netto). Within both the larger centres and the various local centres there are a variety of smaller convenience outlets, including independent specialist convenience retailers, which account for a high proportion of top-up shopping trips. However, subsumed within that overall qualitative sufficiency in the CSCA, there are sub-areas of deficiency, the principal one being Stourport, for the reasons explained in detail below.

Kidderminster

3.4.3 The town is served by three main foodstores (Sainsbury's, Tesco, and Morrisons), the latter being a recently completed enlarged foodstore. All three foodstores are particularly suited to modern



customer expectations, having extensive food and non-food offers and attractive shopping environments. The town also has a range of smaller foodstores orientated more towards the discount market, including an Aldi and a Netto. Additionally, Marks & Spencer is represented at Weavers Wharf. Therefore, Kidderminster is considered to have a good range of food shopping facilities.

- 3.4.4 None of the main foodstores in Kidderminster exhibit significant conditions of overtrading, indicating that over the short-term, the introduction of the Tesco at Castle Street and, more recently, the new Morrisons, have had the effect of largely eliminating such conditions in Kidderminster stores through competition for market share. Whilst the balancing exercise contained in the quantitative analysis points to latent capacity on the basis of over-trading at the main foodstores, observations indicate that there is no pressing need to plan for additional convenience floorspace since shopping conditions at the main foodstores generally appear to be satisfactory. In addition, the development of a new foodstore in Stourport will compete with stores in Kidderminster (by clawing back turnover derived from residents living in Zone 2) and this will have the effect of reducing overtrading in Kidderminster's stores.
- 3.4.5 The vast majority of the local centres in Kidderminster contain a small convenience store, and it is considered that the urban area has a good coverage of such facilities.

Stourport

- 3.4.6 Stourport's catchment area for food shopping overlaps with Kidderminster's, with locally-generated expenditure being split more or less evenly between the two towns. As identified in Section 5, little food expenditure is drawn to Stourport from other zones, indicating that the town has a restricted food shopping catchment area, extending little beyond the urban area and its immediate surroundings.
- 3.4.7 The Household Shopping Survey reveals that a high level of locally-generated expenditure within Zone 2 is being spent at Kidderminster stores. This is due to a combination of the relatively small scale of foodstore provision in Stourport compared to that in Kidderminster and the consequent greater level of consumer choice available. The biggest store in Stourport at present, Co-op, Lombard Street (1,846sqm net) is not able to compete effectively for main food shopping expenditure with the Tesco, Morrison and Sainsbury's stores in Kidderminster, which are significantly larger and carry a much greater choice of goods in a better shopping environment.





3.4.8 It is clear that residents in Zone 2 increasingly look to Kidderminster to meet main food shopping needs, particularly since the opening of the Tesco store at Castle Street which was recorded in 2006 as the single most popular destination for main food shopping for residents in Zone 2. This suggests that the overall quality of existing convenience retail provision in Stourport falls short of the aspirations/expectations of Zone 2's residents and the result is the perpetuation (and potential growth) of unsustainable patterns of travel in meeting basic food needs. Since the household survey was undertaken, the Town Centre Kwik Save has also closed.

3.4.9 Therefore, we conclude that there is a qualitative need for improved foodstore provision in Stourport which would enhance market share retention in Zone 2. The committed Tesco foodstore at the Carpets of Worth site is likely to adequately address those qualitative needs and will, to a significant extent, reverse the high levels of expenditure leakage to Kidderminster. It is inevitable that some local expenditure will continue to leak to the much larger stores in Kidderminster (Sainsbury's and Tesco) in association with linked trips for comparison retailing or journey to/from work. Nevertheless, the new Tesco in Stourport is likely to result in a significant improvement in the retention of locally-generated expenditure and will adequately address the current "gap" in the existing provision.

Bewdley

3.4.10 Bewdley is not served by a large foodstore capable of meeting main bulk food shopping needs. Accordingly, local residents need to look to the large foodstores at Kidderminster to carry out main food shopping. Not surprisingly, the household shopping survey revealed a high level of discontent relating to the quality and choice of supermarkets available within the town centre. However, the addition of a large supermarket was not something which significant numbers of Zone 3 residents considered would entice them to visit the town centre more often. Whilst it may be desirable for Bewdley to have a foodstore suitable for main food shopping purposes in the interests of sustainability, it is not considered that there is an overriding need for such a facility, given the settlement's limited role in the shopping hierarchy and reasonably good accessibility to Kidderminster stores. Furthermore, the historic nature of the town centre, together with the configuration of its street pattern, means that the prospects for introducing a large-format foodstore are very limited. Given the strength of provision within Kidderminster, it is highly unlikely that major operators would consider Bewdley a viable location for such a store.





3.5 Quantitative need for comparison goods floorspace 2009-2026

- 3.5.1 This section of the report considers the need for additional comparison goods floorspace over the period to 2026. Again, we emphasise that it is unrealistic to predict with certainty floorspace needs beyond more than around a five year period, and the longer-term projections outlined in this report should be used with caution and be subjected to regular monitoring and updating.
- 3.5.2 The quantitative assessment of the capacity for additional comparison goods floorspace follows the same general methodology as that used for convenience goods, as set out in the preceding section of this report. The tables referred to in this part of the assessment are at **Appendix C**.
- 3.5.3 For the purposes of this study, up to 2019, we have tested on the basis of annual growth rates of 2.9%. This is the OEF growth rate for the period 2008-2019 (Pitney Bowes Information Brief 09/02 "Goods Based Retail Expenditure Estimates and Price Indices"). For the period 2020 to 2026 we have used our own forecast growth rate of 4.2% per annum. Also, for the purposes of sensitivity testing, we also carry out a quantitative assessment of need based on the application of Long Term Trends (1978-2008) between 2009 and 2026 (of 4.9% per annum) derived from Pitney Bowes Information Brief 09/02 (Table 3).
- 3.5.4 The assessment takes into account the proportion of expenditure by special forms of trading (SFT) (e.g. internet shopping, mail order, and other non-store purchases). Pitney Bowes estimates that the proportion of comparison goods expenditure taken up by SFT is currently in the order of 5.8%.
- 3.5.5 In the capacity assessment, comparison goods are split into four separate sectors. These comprise the three categories that historically are categorised as 'bulky goods' (consisting generally of electrical goods (audio visual equipment and other durable goods), furniture and floor coverings and hardware and DIY supplies) along with clothing/footwear which is used as a proxy for non-bulky comparison goods. This is in order to present information relating to the pattern of spending in the study area for different types of goods, and enables us to use market shares for different sectors as a basis for calculating expenditure capacity. In line with advice in PPS4 paragraph EC1.4, we have therefore forecast expenditure for specific classes of goods to be sold within the broad category of comparison goods.
- 3.5.6 Notwithstanding the above approach, the information presented in the tables regarding bulky comparison goods should not be used as a basis for assessing the surplus expenditure available to support retail warehousing outside town centres on the erroneous assumption that bulky



comparison goods are only sold from retail warehouses and cannot be sold from central locations. Such an approach would be contrary to retail policy at paragraph EC15.2 of PPS4.

3.5.7 As with our methodology for assessing convenience shopping capacity, the assessment is based on assessing comparison shopping needs in each of the three main settlements in the study area: Kidderminster, Stourport, and Bewdley. This should not be taken to mean that floorspace need will not arise outside these main urban areas or that no new floorspace should be located beyond the main urban areas, since other small centres in the district do have comparison shopping roles to play albeit very limited. The approach assumes that any significant proposals coming forward for new comparison goods retail floorspace are highly likely to be located within the built-up areas of Kidderminster and Stourport, and to a lesser extent, Bewdley, consistent with the general strategy for locating new retail development. This is based on the market shares achieved by these locations across the whole study area (Zones 1 to 8).

3.5.8 Additionally, an assessment of the overall capacity available to the district based on its Core Shopping Catchment Area (CSCA) only (Zones 1, 2, and 3) is provided. Again, it should be noted that this will give a more conservative estimate of the expenditure available to support new floorspace since it does not take into account the inflow of expenditure originating from the wider area (this is especially relevant in respect of Kidderminster owing to the wider attraction of this shopping destination).

3.5.9 In the quantitative assessment we have used the following data sources and assumptions:

- All monetary values are given at 2006 prices;
- Population information has been derived from Pitney Bowes AnySite reports for each survey zone. These give locally derived population figures based on ONS published data (census). This is projected forward using Pitney Bowes population projections up to 2018, and thereafter based on a basic continuation of growth trends in the absence of published projections;
- Per capita expenditure has been derived from Pitney Bowes AnySite reports (which provide local expenditure data). Special forms of trading have been excluded at the rates identified in the Pitney Bowes Retail Expenditure Guide 2009/10 (see table footnotes for specific figures);
- Expenditure is projected forward using Oxford Economics forecasts contained in the Pitney Bowes Information Brief 09/02. A further scenario is presented that uses the Long Term Trends (1978-2008) from that document ;
- Market share of existing retail facilities are taken from the household shopping survey. "Don't





know”, “don’t do” and “varies” responses have been excluded;

- It is assumed that there will be a 2.4% increase in the efficiency of existing and new floorspace over the period assessed. This is consistent with recent forecasts by Experian (Retail Planner Briefing Note 7.1).

3.6 Expenditure Capacity: Comparison Goods

3.6.1 Table 1 provides population forecasts between the years 2009 and 2026 for each of the household shopping survey zones. Table 2 sets out per capita comparison goods expenditure by zone, as a total, and Table 3 divides this into the four comparison categories outlined above. Table 4 multiplies the forecast population by the forecast per capita expenditure to provide an estimate of the growth in total comparison goods expenditure available by zone to 2026.

3.6.2 Tables 5 to 12 set out shopping patterns relating to the different goods categories, identifying market shares relating to locations in and outside the study area, calculated using the results of the household shopping survey. The market share information is converted into turnovers using the figures on availability of expenditure within each zone from Table 4.

3.6.3 Tables 14 to 16 then show that the resulting expenditure capacity to support new retail floorspace over the study period in Kidderminster, Stourport, and Bewdley respectively, along with the district as a whole (based on the CSCA area). This is set out for each of the four goods categories in turn.

3.6.4 This is then translated into a floorspace capacity figure by applying a reasonable average sales density for new floorspace having regard to the relative strength of the location and its position in the retail hierarchy.

3.6.5 The same process is used to assess the quantitative need for new comparison goods floorspace arising from the adoption of Long Term Trend growth rates (provided in Pitney Bowes Information Brief 09/02) in order to present an alternative scenario based on extrapolation of past trends over a very long period (1978-2008). That approach takes into account the effects of previous economic recessions on consumer expenditure and avoids the potential pitfalls of an unduly pessimistic short term outlook in the midst of a current economic downturn. The expenditure growth rate used in that scenario is 4.9% per annum.

3.6.6 For both scenarios, we consider that a constant market share approach is a suitable basis on which to plan for additional comparison goods floorspace over the next five years at least, given that there is unlikely to be any significant shift in shopping patterns in the sub region in the short-term. In the



medium- to long-term, it may be necessary to adopt a more cautious approach to capacity forecasting if there is to be any significant strengthening of the retail offer of competing centres, particularly at the Brierley Hill Strategic Centre in Dudley, which is planned to accommodate a substantial increase in additional retail floorspace in the period to 2026.

Kidderminster

3.6.7 The following amounts of floorspace capacity are identified for the Kidderminster urban area, based on the constant market share approach, and using a notional sales density of £5,000 per sq m (see Table 14):

Fig 3.4: Floorspace Capacity in Kidderminster to 2026 (Constant Market Share) (sq m net)

Floorspace Capacity	2009	2011	2016	2021	2026
	-3,387	-2,028	1,189	7,474	19,045

3.6.8 The analysis shows that there is no significant floorspace capacity until post-2016. By 2021 there is estimated to be capacity for over 7,000 sq m net of floorspace, rising to over 19,000 sq m net by 2026. The significant increase between 2021 and 2026 is accounted for mainly by the substantially higher per capita comparison expenditure growth rate adopted post 2019 (of 4.2%), on the assumption that over such a long period of slow predicted growth (to 2019) some semblance of historic growth rates are likely to resume.

3.6.9 Using the alternative scenario (set out in Tables 18-34 in Appendix C) based on Long Term growth rates over the whole of the period between 2009 and 2026, the table below summarises the floorspace capacity arising within Kidderminster, again based on the constant market share approach and using a notional sales density of £5,000 per sq m:

Fig 3.5: Floorspace Capacity in Kidderminster to 2026 (Constant Market Share) (sq m net) based on long term expenditure trends

Floorspace Capacity	2009	2011	2016	2021	2026
	-3,387	295	11,320	26,835	47,391

3.6.10 As can be seen, the implications of adopting long term growth rates (of 4.9% per annum) as the basis for forecasting comparison retail floorspace capacity beyond 2009 over a long period is to produce a very high requirement figure even in the relatively short term, to 2016. The





accommodation of such a high volume of additional comparison goods floorspace within Kidderminster would be almost impossible to achieve within the town centre or its edge, leading to substantial pressure for out of centre development, which in turn may have an adverse impact on the vitality and viability of the town centre. On the other hand, we also consider that it would be inappropriate to plan to meet such a high level of floorspace growth in Kidderminster based on likely limitations to future commercial demand, particularly given the good range of comparison retailer representation in the centre currently and the likely impact on future retailer investor decisions associated with the planned large scale expansion of the Brierley Hill Strategic Centre. Therefore the allocation of sites to meet this level of future floorspace capacity is unlikely to result in their take up. For these reasons we do not recommend using that growth scenario as the basis for planning to meet future comparison retail floorspace needs.

- 3.6.11 Having regard to the existing pattern of spending on comparison goods in the survey area, we consider that there is unlikely to be potential for Kidderminster to increase its market share of comparison goods expenditure by any significant amount over the next five years, especially as there are no immediate proposals or commitments for significant retail development in the town that would result in a step change in the quality of the town's retail offer and represent a marked increase in the town centre's competitiveness. In reaching that conclusion we take into account the completion of the final phases of Weavers Wharf and the introduction of a new department store (Debenhams) is likely to have an immediate positive impact on spending in the town.
- 3.6.12 We also consider that there are no significant threats to the town's competitiveness in the short term to 2016. The planned growth of Brierley Hill as part of an RSS-led strategy to designate the area as a Strategic Town Centre (around 50,000 sq m gross new comparison floorspace is envisaged over the period 2009-2016) may have some influence on shopping patterns in the medium-term and the potential implications will need to be considered as part of the next review of the Council's retail study when future growth at Brierley Hill is likely to have been agreed as part of an adopted Area Action Plan.
- 3.6.13 Accordingly, we have not tested alternative scenarios that adjust market share for the town, notwithstanding that adjustment may be necessary post 2016 to reflect any major retail development coming forward in Kidderminster or competing centres.
- 3.6.14 It should be noted that figures in the tables above are net sales area rather than gross floor area. In order to be consistent with the WMRSS Phase 2 revision comparison retail floorspace targets,





those net figures are converted to gross floorspace using a ratio of 75% gross – net, in the table below.

Fig 3.6: Future Comparison Goods Requirements (Capacity) (gross floor area)

Floorspace Capacity	2011	2016	2021	2026
Scenario 1	-2,535	1,486	9,343	23,806
Scenario 2	369	14,150	33,544	59,239

Notes: Both scenarios based on Table 5.2 but figures scaled up to give gross floorspace using a factor of 125% (i.e. adopting an assumed gross to net ratio of 75%).

Stourport

- 3.6.15 The analysis shows that over the next five years at least, there is no need for additional comparison goods floorspace in Stourport. Current commitments, principally comparison goods floorspace coming forward as part of the new Tesco store, are sufficient to meet short-term quantitative needs.
- 3.6.16 There is potential capacity arising from increased tourist spending (ie. expenditure originating from outside the survey area), which could be significant in the context of Stourport. However, this is difficult to quantify and generally any proposals for new comparison goods floorspace which are aimed at tourism/visitor spending are likely to be small-scale in nature and supportable in principle.

Bewdley

- 3.6.17 Given that Bewdley has a very limited comparison shopping role (and market share), very little capacity arises as a result of the additional expenditure likely to be directed to the centre as a result of local expenditure growth (see Table 16). As with Stourport, this is not to say that proposals for new non-food shopping facilities should not be supported on the basis of lack of expenditure capacity, given the town's importance as a tourist destination and corresponding inflow of expenditure originating from beyond the survey area. In any event, the prospects for introducing significant new retail floorspace (food or non-food) are severely curtailed by the historic nature of the town and lack of unconstrained development sites.

District Total (Based on CSCA)

- 3.6.18 The alternative analysis considers the district as a whole and only looks at the CSCA. As indicated above, this will give a more conservative estimate of the expenditure available to support new floorspace as no account is made for the inflow of expenditure from the wider survey area.



3.6.19 The following amounts of floorspace capacity are identified for the District, based on the constant market share approach, and using a notional sales density of £5,000 per sq m (see Table 17):

Fig 3.7: Floorspace Capacity in the District to 2026 (Constant Market Share) (sq m net)

Floorspace Capacity	2009	2011	2016	2021	2026
	-5,648	-4,883	-3,355	-29	6,339

3.6.20 The analysis shows that there is no short- to medium-term capacity for additional comparison goods floorspace based on a continuation of the shopping patterns observed in the 2006 household survey.



4.0 Update of Focus Information

4.1 Introduction

- 4.1.1 In order to form a view of latent demand for new retail representation in Kidderminster and Stourport on Severn we have reviewed the Focus database.
- 4.1.2 Focus is the UK's most comprehensive database of commercial property information. It provides access to data on available UK retail space either to let or for sale. The database incorporates details of retailer and agent requirements for new floorspace by location preference. That information is provided by retailers and /or their retained commercial agents.
- 4.1.3 The main advantage of the retail requirement database is that it provides comprehensive information which is set out in a consistent basis for each location within the UK. The main disadvantage is that it relies on the retailer/ agents updating the database and this sometimes results in expressed requirements for particular retailer representation remaining on the database after those requirements have been met 'on the ground'. In those circumstances, the analyst must make a judgement as to whether the expressed retailer requirement on the database is for an additional outlet.

4.2 Results of latest database review

- 4.2.1 At **Appendix D** is a summary table of the expressed requirements broken down by use class, scale and location (prime, secondary or out of centre) for Kidderminster and Stourport on Severn.
- 4.2.2 For Kidderminster, the assessment shows that there is the following level of latent retail demand for A class uses:
- A1 floorspace– expressed requirement by 17 operators seeking between 6683 sq m and 16,425 sq m
 - A2 floorspace- expressed requirement by 1 operator, seeking between 37 sq m to 93 sq m
 - A3 floorspace- expressed requirement by two operators seeking between 325 sq m and 604 sq m
 - A4 floorspace- expressed requirement by 1 operator seeking between 2033 sq m and 2183 sq m
 - A5 floorspace – no expressed requirements
 - Other floorspace- Vets4 Pets seeking between 186 sq m and 223 sq m.





4.2.3 From the information supplied in the Focus database, it can be determined that between 6,235 sq m and 10,851 sq m of the floorspace requirement seeks a prime location as a preference. Also noticeable from the data relating to A1 requirements is the number of charity shops seeking representation. It should be noted that relatively recently a Debenhams store has opened as part of the Weavers Wharf development. This will have satisfied the expressed need for A “Desire by Debenhams” outlet.

4.2.4 Turning to Stourport on Severn the overall level of demand for A- class floorspace is considerably lower than for Kidderminster, as would be expected. The breakdown of that requirement by use class is as follows:

- A1 floorspace – expressed requirement for between 358 sq m to 650 sq m
- A2 –A5 floorspace – no expressed requirements

4.2.5 The expressed demand for new floorspace in Stourport on Severn is for a mix of convenience and comparison retailers predominantly seeking prime locations.



5.0 Review of Primary and Secondary Shopping Frontage

5.1 Introduction

5.1.1 This section of the study provides an update of the Primary Shopping Areas (PSA) of Kidderminster and Stourport town centre. Since the adoption of Kidderminster and Stourports' Primary Shopping Area boundaries and primary and secondary frontages in 2004, the retail environment of both towns has changed markedly. The Retail study Update therefore incorporates a review of the adopted PSAs and primary and secondary shopping frontages for both Kidderminster and Stourport in order to accurately reflect the current retail environment of both town centres.

5.1.2 In carrying out the review we take into account the definitions provided in Annex B of PPS4 and we consider the proposed extent of the PSA and primary and secondary frontages contained in both the draft Kidderminster Central Area Action Plan and the draft Site Allocation and Policies DPD prepared by the Council for public consultation. We also review the advice on these matters provided (in Section 10) of the original Retail and Leisure Study.

5.2 Methodology

5.2.1 In order to accurately update the boundaries and frontages in Kidderminster and Stourport a series of extensive walkabouts have been carried out around each town. This has enabled us to assess, inter alia, the following:

- Pedestrian movement and flows within and around different parts of the centre, at different times of the day;
- The composition and use of units within the centre and on its edge;
- The character of each part of the centre eg quality of building frontage, street furniture, pedestrianisation, observed traffic flows;
- Barriers to accessibility and linkages between different parts of the centre.

5.2.2 By considering the above characteristics and creating an extensive photographic record of each town centre we have been able to critically review whether a change to the existing retail area demarcations as set out in the Wyre Forest Local Plan (Adopted Jan 2004) is merited. This has been carried out in the context of the relevant PPS4 definitions described in the following paragraph.





- Primary Shopping Area - is described as the 'defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage)';
- Primary Frontage – 'Primary frontages are likely to include a high proportion of retail uses'; and
- Secondary Frontage – 'Secondary frontages provide greater opportunities for a diversity of uses.'

5.2.3 Based on our findings we have amended the existing Primary Retail Areas and frontages shown on the adopted Local Plan for both towns as set out on the plans attached at **Appendix E**. We provide an explanation for the suggested amendments below.

5.3 Kidderminster Primary Shopping Area

5.3.1 Simply put, the Primary Shopping area as set out on Plan A at Appendix E shows the area within Kidderminster where retail development within the town is now concentrated. The most significant change to the since the 2004 adopted 'Primary Retail Area' is the inclusion of the majority of Weaver's Wharf retail park which represents a significant extension of Kidderminster's retail centre. Those units that are occupied by retail uses and closely related to the traditional shopping area have been duly included in the PSA to reflect this.

5.3.2 To the north of the town centre the PSA is considered to extend to the Swan Centre car park and units opposite fronting Blackwell Street. Beyond this location the retail composition of the units and character of the street diminishes to the point where units further north of this point do not warrant inclusion into the PSA. This remains largely consistent with the 2004 adopted Primary Retail Area. The proposed PSA also encompasses Coventry Street to the east. This street displays a good mix of small, commercial units, many of which are currently in use for retail purposes or are currently vacant, but lend themselves to retail occupation. These units are in close proximity and well linked to the pedestrianised centre.

5.3.3 To the south the proposed PSA includes units along Worcester Street, Oxford Street, Market Street and New Road. Market Street is part-pedestrianised and is fronted by two large retail units (opposite Kidderminster College). Oxford Street and Worcester Road allow vehicular access, but are fronted by numerous commercial units, the majority of which are in retail use, and contiguous with the pedestrianised centre along Vicar Street and Worcester Street (north). New retail units and street improvements have been implemented on New Road recently which have enhanced its retail character.





5.3.4 The proposed PSA extends at its southern extent to include the former Morrisons unit and multi storey car park (Morrisons has since relocated to Green Street). This unit, despite being vacant, is still available and suitable for an A1 user requiring substantial floorspace, benefits from dedicated car parking, is in close proximity to the traditional retail centre and has good pedestrian linkages. Until recently this unit generated a significant amount of town centre footfall and is likely to again following reoccupation.

Primary Frontage

5.3.5 Kidderminster’s primary frontage consists of those streets displaying the highest proportion of retail uses. These streets are also predominantly pedestrianised and are contiguous and/or benefit from good linkages. This includes High Street; Vicar Street; Worcester Street (north); Weaver’s Wharf and the Rowland Hill Shopping Centre. This primary frontage is largely consistent with the adopted 2004 Primary Retail Area, with the exclusion of the Swan centre and the Market street units.

5.3.6 It is considered the retail character of the Swan Centre has diminished since 2004. The development of Weaver’s Wharf has caused a ‘shift’ in the focus of retailing in the town centre which has, in turn, caused a reduction in the market attractiveness of the Swan Centre for accommodating retail uses. A high proportion of the Swan centre units now accommodate service based uses and the centre provides opportunities for an increased diversity of uses.

5.3.7 The Market Street units currently in use for Class A1 purposes are set apart from the highest concentration of retail uses in the town and are also considered to offer greater opportunities for a diversity of uses.

Secondary Frontage

5.3.8 Kidderminster’s secondary frontage consists of those units that are contiguous/ or within close proximity to the primary frontage; display good linkages to the primary frontage but are occupied by a lower proportion of retail uses and provide greater opportunities for a diversity of uses. This comprises the units along Market Street; New Road; Oxford Street; Worcester Street (south); Blackwell Street; and Coventry Street.

5.3.9 These streets currently provide less of a focus for retail development. For example, along Worcester Street (south) and New Road the units are occupied with a high proportion of service based uses, such as estate agents, interspersed with small, independent retail occupants. The secondary frontage ostensibly allows vehicular access and whilst being contiguous and benefitting from good linkages with the streets providing a ‘core’ of retail uses, these streets are less retail in character.





The secondary frontage allows a more varied complement of uses to be maintained in close proximity to the primary frontage.

5.4 Stourport Primary Shopping Area

- 5.4.1 Similar to Kidderminster, the proposed Primary Shopping Area for Stourport set out on Plan B at Appendix E shows the extent of town centre where retail development is concentrated. The most significant difference to the adopted 2004 'Primary Retail Area' is the extension of the PSA north to include the town's Co-op on Lombard Street. This large unit is a purpose built retail foodstore that benefits from dedicated car parking and is an important attractor of custom to the town. The store is considered to generate a significant amount of linked trips on foot to the High Street, which is the traditional focus of the town centre. The store is considered to represent the northern limit of the PSA which wraps closely around High Street; part of Lombard Street, Bridge Street and York Street.
- 5.4.2 Generally there has been little change observed to the town centre retail environment in Stourport since 2004 and the highest proportion of retail uses are still found along High Street. Accordingly, the PSA is centred around High Street but also extends south to include the closest units along Bridge Street and east along York Street, where there are a high proportion of retail units in close proximity to High Street.

Primary Frontage

- 5.4.3 As mentioned above, the High Street remains the traditional retail core of Stourport town centre and represents the town's Primary Frontage. The highest proportion of retail units within Stourport is located along High Street. In addition, despite High Street being a vehicular thoroughfare, the regular road paving and lowered pavements lining the street denote pedestrian priority and enhance the street's retail character. The Primary Frontage also includes the retail units directly adjacent to High Street along Lickhill Road.

Secondary Frontage

- 5.4.4 Stourport's secondary frontage consists of those units in close proximity and displaying good linkages to the primary frontage. However the units are more varied in composition and comprise a lower proportion of retail uses.
- 5.4.5 The secondary frontage includes units along Bridge Street; York Street; Lombard Street and Tan Lane. The secondary frontage includes a number of retailers including a small Tesco store at Lombard Street, however the units making up the secondary frontage are located at the north and



southern limits of the town centre, and are situated along vehicular roads that are residential or more generally commercial in character. Furthermore, the majority of these units, whilst benefitting from the close proximity of the primary frontage, lie detached from it by intersecting roads e.g. the defined secondary frontage along Tan Lane and Lombard Street.

- 5.4.6 Despite much of the secondary frontage sitting outside the defined PSA, which is wrapped closely around the town centre to reflect Stourport's modest scale, these units allow greater opportunities to accommodate a diversity of complementary uses.





Appendices

