



**JOINT STUDY ON BEHALF OF THE BLACK  
COUNTRY AUTHORITIES**

**BLACK COUNTRY CENTRES STUDY**

November 2009

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## 1. INTRODUCTION

- 1.1 The Black Country's town centres are the focus for retail, leisure, commercial and civic uses. They have a vital role in the economy of the Black Country, and their regeneration is a key component of the West Midlands Regional Spatial Strategy (RSS) and Regional Economic Strategy (RES). It is critical that they maintain and enhance their offer in order to underpin economic growth and sustainably deliver a vital and viable network of centres to meet the current and future needs of Black Country residents.
- 1.2 The strategic centres, and in particular the current and future role of Brierley Hill, have been the subject of extensive analysis. The role of the four defined strategic centres, Wolverhampton, Walsall, West Bromwich and Brierley Hill, was firmly established through the RSS Phase 1 Review (Black Country Study) and the RSS Phase 2 Preferred Options. Building on this collaborative approach, as part of the Local Development Frameworks (LDF), the four Black Country authorities are preparing a Joint Core Strategy (JCS) to co-ordinate the regeneration strategy for the area and to underpin their LDFs.
- 1.3 This study builds on the GVA Grimley and Roger Tym & Partners Study of the Black Country Centres published in August 2005, which informed the RSS Phase 1 review, and is intended to feed into the joint Core Strategy for the Black Country authorities as well as providing up-to-date evidence to assist in the determination of planning applications. This gives the opportunity to review and update the findings of the previous work, particularly having regard to current economic conditions, to test the RSS Phase 2 comparison retail figures and to extend the analysis to focus on the smaller town, district and local centres which perform a vital role in the Black Country, to 2026 and to undertake an assessment of convenience retail needs in the Black Country.

### Objectives and Scope of Work

- 1.4 The objectives of this study are to consider:
- (i) The quantitative and qualitative basis to establish the need for retail, office and commercial leisure development, in the context of the strategy for growth promoted through the RSS Phase 1 and Phase 2 Revisions;
  - (ii) The strategy for the distribution of such investment, focusing on the network/hierarchy of strategic centres, non-strategic centres (town, district centres) and local centres in the Black Country, bearing in mind their abilities to accommodate investment;
  - (iii) The policy mechanisms for securing and managing developments and to avoid adverse impacts both among centres in the Black Country and on centres in surrounding areas; and
  - (iv) The relevant issues that should be monitored, any circumstances in the future that would trigger the review of the strategy and the measures any review might be likely to involve.

1.5 To meet these objectives the analysis involves:

- An assessment to update and apply outputs of the RSS Revisions, for comparison shopping, office and commercial leisure development, not only to the strategic centres but also the other centres across the Black Country
- A critical appraisal and recommendations of the hierarchy of centres below the strategic level as outlined in PPS6, to determine their current and future roles as part of the process of informing the JCS.
- A comprehensive review of convenience shopping provision, and the scope for new foodstore development in the Black Country, to support policy formulation, the identification of sites, and consideration of proposals which come forward.
- A quantitative and qualitative assessment of the health of the large town and district centres identified in the Black Country Joint Core Strategy Options (March 2008) - hereafter referred to as the non-strategic centres, and local centres across the Black Country (including in relation to car parking).
- A review of alternative scenarios testing the baseline capacity for comparison and convenience goods floorspace to take into account commitments, policy allocations and pipeline developments; and
- Using our analysis and scenario testing to give advice on the appropriate policies for the Joint Core Strategy, and an implementation and monitoring of the strategy, as a basis for the individual authorities to develop more detailed strategies and Development Plan Documents (DPDs) for their centres.

## Report Structure

1.6 This report draws together the results of our research, incorporating the findings of the detailed survey-based technical analysis and healthcheck assessments. The views expressed are those of GVA Grimley and not the Black Country Authorities. The report is structured as follows:

- Section 2 sets out a strategic overview of the Black Country and its centres in the context of the wider West Midlands region, and their relationship with key competing centres.
- Section 3 reviews the previous studies which have informed strategic policy formulation across the Black Country, and provide a context for this study.
- Section 4 summarises the national, regional and local policy framework including the hierarchy of centres identified in the JCS Preferred Options report (POR) for each of the Black Country authorities.
- Section 5 considers the key socio-economic trends which are likely to influence the evolution of centres in the Black Country.

- Section 6 sets out our approach and methodology underpinning our qualitative and quantitative analysis, building on independent surveys, analysis of previous studies, and discussions with planning and regeneration officers and key stakeholders.
- Section 7 presents our qualitative review of the current role and performance of centres, critically appraising the hierarchy of centres, with a particular focus on the non-strategic tier of centres, and assessing out-of-centre retail provision, drawing on our healthcheck assessments and desk-based analysis.
- Section 8 sets out our assessment of the need for more convenience goods (i.e. food) retail shopping provision in the Black Country, and the scope for existing committed development, schemes emerging in the pipeline and policy allocations for retail floorspace and the important role played by the non-strategic centres to meet convenience shopping needs.
- Section 9 sets out the similar analysis for comparison goods (i.e. non-food) retail shopping provision, and the scope for more development in town centres, focusing on the key role of the strategic centres and to a the appropriate role played by the non-strategic centres to meet comparison shopping needs.
- Section 10 sets out our review of other town centre uses including leisure and entertainment uses and offices, which are a key component of vital and viable centres.
- Section 11 provides our policy recommendations for the Black Country to bring forward in the JCS, in terms of the hierarchy of centres and the policy mechanisms to deliver regeneration and a vital, viable and sustainable network of centres. This includes advice on implementation and monitoring and any circumstances in the future that would trigger a review of the centres strategy and the measures any review should entail.

## 2. THE BLACK COUNTRY CENTRES

- 2.1 The Black Country is located within the West Midlands region and comprises the City of Wolverhampton and the Metropolitan Boroughs of Walsall, Sandwell and Dudley. The Black Country label arose from the traditional heavy coal industry which dominated the area until its demise in the late 1960s.
- 2.2 The area's traditionally prominent industrial role has left a rich heritage across the Black Country. However, the decline of manufacturing has also created inherent problems including low skills and high unemployment. Today, the local economy continues to perform poorly compared to the UK average and although it retains a strong manufacturing sector, it has failed to attract sufficient new industries and investment to support economic growth.
- 2.3 The four authorities which make up the Black Country each contain a strategic centre: Wolverhampton (Wolverhampton), Walsall (Walsall), West Bromwich (Sandwell) and Brierley Hill (Dudley), which are illustrated on study context plan (Plan 1). Collectively, these centres are the main focus of 'higher order' retail, leisure, and civic functions. The smaller town centres, and network of district and local centres generally have a more localised convenience (i.e. food retail) and services offer, although each is distinct and unique, and many contain important local civic, cultural and community uses.
- 2.4 The Black Country contains a dense network of centres which have changed and in many cases declined. Wolverhampton has maintained a dominant position, while Walsall and West Bromwich have declined. Brierley Hill has emerged from its origins as an unplanned out-of-centre shopping centre, as a new strategic centre. Many of the smaller centres have declined dramatically since their heyday, in parallel with the growth of out-of-centre retailing.
- 2.5 As well as planning for economic growth, and growth in the retail and leisure sectors, there is a need to plan to 'rebalance' the network of centres in the Black Country, in particular to uplift the role of the West Bromwich; to curtail and where practicable reverse the growth of out-of-centre retailing in favour of the defined centres, and to plan for renewal and modernisation of outdated provision.

### Profile of the Strategic Centres

- 2.6 Previous studies have revealed that while the strategic centres play a key role in the Black Country, they are not achieving their full potential as hubs of retail, office and leisure activity and compete poorly with Birmingham and other surrounding centres. The findings of previous work are covered in more detail in the following section. However, in order to set the current context, Table 2.1 below presents the key indicators for the strategic centres (positioned by total floorspace).

**Table 2.1: Black Country Strategic Centres – Key Indicators**

Centre	Total Floorspace (Sqm) <sup>1</sup>	Total Number of Units <sup>1</sup>	2007 Prime Rent (£ per sqm) <sup>2</sup>	2008 Commercial Yield (%) <sup>3</sup>	Vacant Floorspace (sqm) <sup>1</sup>	Retailer Requirements (March 2009) <sup>*</sup>	Car Parking Ratio (sqm gross per space) <sup>a</sup>
Brierley Hill / Merry Hill	196,806	349	£2,906	-	11,120	11	1:17
Wolverhampton	167,578	722	£1,453	5.5%	20,216	36	1:28
Walsall	129,191	532	£1,076	5.75%	14,976	22	1:26
West Bromwich	83,650	342	£915	7%	20,216	16	1:28

Source: <sup>1</sup>Experian Goad Category Reports / <sup>2</sup>Colliers CRE (2007) / <sup>3</sup>VOA (2008) / <sup>\*</sup>Focus (2009) / <sup>a</sup> Black Country Councils

- 2.7 The key indicators reinforce findings that Brierley Hill is the dominant strategic centre in the Black Country. It has the largest floorspace at 196,806 sqm, the majority of which is located at the Merry Hill Shopping Centre. The centre also outperforms other strategic centres of terms of shopping rent, with prime rents reaching £2,906 per sqm in 2007 (an increase from £2,852 per sqm recorded in 2006). Vacant floorspace is the lowest recorded for the four centres. Whilst published retailer demand for new floorspace appears to low in Brierley Hill, (in March, 2009 we identified only 11 retailer requirements), this is likely to be because of a lack of opportunities for new representation in the shopping centre. There are for example, 18 vacant units in Merry Hill (identified by Goad) equating to a combined floorspace of 4,617 sqm gross, which offers little scope for new retailers.
- 2.8 Brierley Hill is evolving from its origins as an ‘out-of-centre’ regional shopping centre, and benefits from extensive (currently free) car parking. We estimate the centre has a ratio of circa 1 space per 17sqm gross, well in excess of the levels of off street provision in the other strategic centres at circa 1:28. This poses a particular challenge to the traditional strategic centres, and non-strategic centres. In parallel with planned measures to introduce car park pricing at Brierley Hill, this suggests it would be appropriate to support improvements to the level and quality of off street provision in the other centres to enable them to compete effectively (this issue is considered in more detail later).
- 2.9 The RSS Phase 2 allocates 65,000 sqm additional retail floorspace to be provided at Brierley Hill up to 2021, and Westfield’s plans to extend the Merry Hill shopping centre will offer considerable opportunity for new operators. The emerging Area Action Plan (AAP) for Brierley Hill also includes an option for refurbishing the Moor Centre, to create additional comparison and convenience goods floorspace alongside new housing, leisure and associated car parking, public transport infrastructure improvements and car parking charge arrangements at Merry Hill. As such, these are significant opportunities for new investment in retail, leisure and other key town centre uses.



- 2.10 Wolverhampton is the next largest retail centre, and the only City in the Black Country. The city centre has a total floorspace of 167,578 sqm distributed across 722 units. Rents have remained static at £1,453 since 2004 whilst commercial yields have fallen from 6% in 2006 to 5.5% in 2008 indicating increasing investor confidence. There is a high level of vacant floorspace but there is also the highest level of retailer demand, a total of 36 requirements, which is more than for any other strategic centres. The majority of these requirements are from comparison retailers (20).
- 2.11 RSS Phase 2 allocates 70,000 sqm additional retail floorspace to be provided in Wolverhampton up to 2021, and planning consent has been granted for the centre's retail core expansion scheme known as, 'Summer Row' which will significantly enhance the city's current retail offer. There are also proposals for The Interchange scheme which, as part of a redeveloped bus and railway station transport hub, will be accompanied by mixed-used development including retail, leisure, hotel and office uses. There is also the opportunity for a major foodstore and other mixed use development on the edge of the centre with planning permission at Raglan Street.
- 2.12 Walsall comprises 129,191 sqm in 532 units. The centre is out-performed by Wolverhampton in terms of rents, yields and retailer demand, although there are 22 requirements recorded for the centre. Consistent with the centres above, the majority of requirements are from comparison retailers (13) and includes interest from TJ Hughes. There are also 8 requirements from service operators, and restaurants etc.
- 2.13 RSS Phase 2 allocates 60,000 sqm additional retail floorspace to be provided in Walsall up to 2021. In addition to the development of a new Tesco on the former Walsall College of Arts & Technology site there are also aspirations for the re-development of Shannon's Mill with a retail-led mixed-use scheme. We are also aware that St Modwen are developing proposals for the redevelopment of Market Square and Walsall Regeneration Company are developing a strategy for the Primary Shopping Area (PSA) to include the enhancement of the Saddlers Centre.
- 2.14 West Bromwich is the smallest of the strategic centres, having declined significantly over the last 30 years with the growth of Birmingham retail offer and other competing centres. It also has the lowest prime retail rent and highest yield indicating less investor confidence than exists in the other three centres. The centre also has a high level of vacant floorspace, 20,216 sqm, which is equal to that in Wolverhampton. There are currently 16 retailer requirements for the centre, including interest from TK Maxx, T J Hughes, The Body Shop and service operators Costa Coffee and Greggs.
- 2.15 RSS Phase 2 allocates 45,000 sqm additional retail floorspace to be provided in West Bromwich up to 2021. Planning permission has already been granted for two significant schemes in the town centre involving an extension to Queens Square shopping centre which will create 20 new units comprising 9,090 sqm net retail floorspace. In addition to this, Tesco has consent for a new Tesco Extra and new retail units to link up with Queens Square shopping centre. A revised application for a larger scheme has also recently been approved (subject to S106) by Sandwell MBC.

- 2.16 The RSS supports the ‘four centres’ strategy, as the optimum approach to securing major investment in the Black Country Centres and achieving a more sustainable network of centres. Of the four, West Bromwich requires the most significant ‘step change’ to transform its comparison, convenience and leisure offer, and should be a key priority in the JCS and Sandwell’s LDF.

### Non-Strategic Centres

- 2.17 Below the strategic centres, the JCS POR suggests is a second tier of ‘Other Town/Large District Centres’ which are hereafter referred to as ‘non-strategic centres’. Table 2.2 shows the non-strategic centres by Black Country borough. A third tier of ‘Small District/Local Centres’ is suggested beneath the non-strategic centres. These are hereafter referred to as ‘Local Centres’ in this report.

**Table 2.2: Black Country Non-Strategic Centres identified in the JCS POR (March 2008)**

Wolverhampton (2)	Walsall (5)	Sandwell (7)	Dudley (6)
Bilston	Bloxwich	Blackheath	Dudley
Wednesfield	Brownhills	Cradley Heath	Stourbridge
	Aldridge	Great Bridge	Halesowen
	Willenhall	Oldbury	Kingswinford
	Darlaston	Wednesbury	Lye
		Cape Hill	Sedgley
		Bearwood	

*Source: Joint Core Strategy for the Black Country, Preferred Options Report (March 2008)*

- 2.18 These centres are considered in detail in Section 7. They range from Dudley, which is the largest centre comprising circa 72,000 sqm gross retail space, to Wednesfield comprising only 9,829 sqm gross. Dudley was formerly the strategic centre in the Borough and while its retail and leisure role has been overshadowed by Brierley Hill, it still serves an important cultural, heritage and administrative function.
- 2.19 Most of the non-strategic centres have witnessed decline, in line with national trends (notably polarisation of retail activity to fewer, larger centres) and local demographic and economic changes. Many are traditional linear centres, which have contracted and contain significant levels of outdated floorspace often not suited to modern retailer requirements. In most cases, the centres contain large foodstores, which effectively ‘anchor’ their retail function. However, there are opportunities to also develop their local diversity and character, and their independent retailer base.

### Key Competing Centres

- 2.20 The main competing centres which influence the Black Country Centres are Birmingham, Sutton Coldfield, Redditch, Cannock, Kidderminster, Telford, Lichfield, Stafford and Solihull. A summary of pipeline schemes in the competing centres is included in **Appendix 1**.

- 2.21 Of these, Birmingham is the most significant competing centre with a strong retail offer which is consistent with its role as a 'World City'. In addition to the enhanced retail offer in recent years associated with the Bullring, there are various schemes in the pipeline for Birmingham, which together will create an additional 121,328 sqm gross (approx) new retail floorspace. The largest scheme is Martineau Galleries Phase 2 - Priory Square, a major mixed use development that has outline planning consent for c.61,873 sqm gross of retail floorspace. In addition, Arena Central also has outline planning permission for a large leisure led development which will include c.23,226 sqm gross retail floorspace.
- 2.22 Based on the proximity of Birmingham to Sandwell, and to a lesser extent, Walsall, centres in these boroughs will experience significant competition from Birmingham. West Bromwich is particularly vulnerable to further trade leakage to Birmingham. While it is inevitable that West Bromwich will remain in the shadow of Birmingham, there continues to be a significant opportunity for the centre to claw back market share discussed in greater detail in later sections.
- 2.23 We have identified some substantial new floorspace coming forward in Telford which will apply some additional pressure on the Black Country, particularly on centres in Wolverhampton and Walsall. We also expect planned development in Lichfield (c.22,297 sqm as part of the Friarsgate shopping centre development which is currently on hold and a c.1,579 sqm Tesco Extra development) to have an impact on the Black Country centres.
- 2.24 In addition to competing town centres, the Black Country has seen the rapid expansion of out-of-centre retailing over the last 20 years, both in the convenience and comparison sector. Out-of-centre provision accounts for a significant share of available spending, and the Black Country Centres will face continued pressure for new and expanded large foodstores and the expansion and evolution of retail parks.

## Summary

- 2.25 The overview of the Black Country's strategic centres highlights the dominance of Brierley Hill which in terms of shopping floorspace, retail offer and comparison goods turnover is the strongest performing centre. Future planned development at Brierley Hill is likely to continue to strengthen its role and overall influence on shopping patterns in the Black Country.
- 2.26 Wolverhampton is also performing strongly relative to Walsall and West Bromwich. The city has experienced a growth in comparison goods turnover since 2004 and planned developments such as Summer Row will add to the existing retail offer and ensure continued growth. Collectively, development in the City Centre and/or the edge of the centre could accommodate a significant scale of new floorspace and materially enhance Wolverhampton's offer, although delivery of this development is influenced by market conditions.
- 2.27 Walsall has experienced further decline since the 2004 Black Country Study. The town centre is out-performed by both Wolverhampton and Brierley Hill in terms of retail floorspace, rents and yields. The

Tesco development will benefit the centre. However, potential other new developments in the centre that would further enhance the overall retail offer currently remain at the aspiration level with no concrete commitments to strengthen its role as a strategic centre.

- 2.28 West Bromwich is the smallest of the strategic centres and currently the weakest. The centre has experienced further significant decline since 2004, as the consequence of the failure to secure new development and wider national trends (considered later) which suggest polarisation of the trade towards the largest most successful centres. The centre will benefit from the Tesco development at West Bromwich Ringway and the extension to Queens Square shopping centre and major new development is critical to fulfil the centre's potential as the fourth strategic centre in the Black Country.
- 2.29 In terms of competing centres in the wider region, we have identified Birmingham as the strongest performing centre which will continue to be so with new developments coming forward. Other competing centres are considered less influential. However, a substantial amount of new floorspace planned in Telford and Lichfield is likely to have some influence on the Black Country centres.
- 2.30 At the sub-regional level, the key challenge is to maintain and enhance its network of strategic town centres which are able to meet the 'higher order' retail and leisure needs of the Black Country residents, and act as a focus for employment, cultural and civic uses. All four centres have significant potential for growth, and the authorities need to plan positively to facilitate and support their expansion in line with the RSS.
- 2.31 However, economic decline, and the legacy of its industrial past also poses challenges at the local level. The Black Country contains an extensive network of town, district and local centres. Many have seen significant decline since their heyday, and economic and social trends, different patterns of population growth and further pressure for more out-of-centre retailing will pose further challenges as these centres continue to change and evolve.

### 3. PREVIOUS TOWN CENTRE STUDIES

- 3.1 In this section we review the key studies relating to the Black Country centres and which have formed part of the evidence base for the RSS Revisions and preparation of the Black Country Joint Core Strategy (JCS). We have built on, and where necessary updated this analysis, which provides the context for our more detailed review of the network of the centres within the Black Country.

#### Study of Black Country Centres (August 2005)

- 3.2 In March 2004, GVA Grimley and Roger Tym & Partners were instructed by the Black Country Consortium to undertake the Study of Black Country Centres (SBCC) and identify a strategy for future development and regeneration of the Strategic Centres in the Black Country. This drew on a bespoke survey of 4,000 households, undertaken over 54 zones incorporating the Black Country and wider catchment area to examine the sphere of influence of the Black Country and competing centres.
- 3.3 The study highlighted Birmingham as the dominant retail centre followed by Solihull, Sutton Coldfield and Telford as the Black Country's main competing centres. Aside from the challenges posed by continued growth in Birmingham and some more localised impact from retail expansion in Telford, other centres were not considered a particular threat to the long term role of the Black Country centres. The study concluded that the Black Country centres had opportunities to improve their market shares based on suitable provision being made for new development of sufficient scale and quality to compete effectively.
- 3.4 The study identified global capacity of c.370,000 sqm gross comparison goods floorspace by 2031 under a trendline scenario based on Experian's population projections. An alternative growth scenario (incorporating Regional Planning Guidance (RPG) housing projections plus 5%), forecast capacity for c.578,000 sqm gross floorspace for comparison goods. After allowing for commitments, a residual capacity of c.136,000 sqm gross (trendline) and c.344,000 sqm gross (growth) remained. The latter was adopted for the purposes of defining a strategy to address the identified shortfall of provision and ensure adequate provision is made to prevent continued decline in the combined market share of the Black Country centres, although this was acknowledged to be optimistic.
- 3.5 In terms of the network of centres, the study identified Wolverhampton as the dominant centre with significant scope for further expansion. Potential was also identified for Walsall to maintain and enhance its position and develop its role as a strategic town centre. The study concluded that the current performance of West Bromwich would not warrant designation as a strategic centre, but the scale of proposed new retail, leisure and cultural development underway and schemes in the development pipeline have the potential for the centre to fulfil its role to function and operate at a strategic level. The study set out a clear aspiration to reverse the decline of the centre, and to 'rebalance' the network of strategic centres.
- 3.6 For Dudley, the ability to regain its former role as the strategic comparison retail, office or leisure destination for the Borough was considered to be overshadowed by the Brierley Hill area. Based on its dominant retail, commercial leisure and office function serving a sub-regional catchment, the study supported Brierley Hill's

designation as a strategic centre. The capacity projections highlighted that without the scale of new development planned at Brierley Hill, there would be a significant shortfall against forecast needs that would not be matched by opportunities in any other Black Country centre. However, Dudley was recognised as an important town centre, with potential to build on its distinctiveness and develop a complementary role.

- 3.7 The study examined a series of alternative policy options for the spatial distribution of forecast shopping and other strategic requirements, and recommended a balanced distribution of forecast growth between the four strategic centres (Wolverhampton, Walsall, Brierley Hill and West Bromwich). The study envisaged that each centre should offer comparable key components but with each having a distinct character, as follows:

*'Wolverhampton as a major heritage centre, the traditional capital of the Black Country, with its university and administrative functions; Walsall with its industrial heritage blend of historic architecture and new developments, vibrant evening economy and cultural offer; Brierley Hill as a major shopping and commercial leisure destination; and West Bromwich reborn as a new city centre with sub-regionally significant retail and commercial leisure provision and providing one of the major office and employment locations in the Black Country'*

- 3.8 The projections incorporate capacity for continued organic growth in the non-strategic centres where the retail function is underpinned by their convenience and everyday comparison offer and there is also anticipated capacity to support both the scale and quality of offer as their catchments grow. The report recommends opportunities for these centres to be explored as part of the preparation of detailed town centre strategies through the LDF process.

### West Midlands Regional Centres Study (March 2006)

- 3.9 The West Midlands Regional Centres Study (WMRCS) was produced by Roger Tym and Partners (RTP) in March 2006 to form part of the evidence base to the RSS Phase 2 Revision. The main purpose of the report was to provide a clear guide to the scale of retail, leisure and office development that should be accommodated in the region and how any identified growth in demand should be distributed across the region.
- 3.10 Drawing on the findings of a telephone survey of 11,000 households in the West Midlands region, the report sets out the hierarchy of centres based on comparison goods turnover, which as expected, places Birmingham at the top with a comparison goods turnover of almost £1,900m. A second tier comprising centres with a turnover between £580m and £700m includes both Merry Hill (£700m) and Wolverhampton (£582m). A third and fourth tier include centres with a turnover ranging from £300m-£500m and £150-£250m respectively and includes Walsall in the former. West Bromwich and Dudley are positioned in the fifth tier with respective comparison goods turnovers of £140m and £136m.
- 3.11 A qualitative review of centres suggested the strongest centres (Birmingham, Solihull and Merry Hill etc) were getting stronger, whereas smaller centres such as West Bromwich, were experiencing decline. A review of Local Planning Authority (LPA) aspirations for the centres also reflected this, with aspirations for

further significant expansion in the largest and strongest centres, and lower aspirations for smaller strategic centres limited to consolidation rather than expansion. Concern is raised over the polarisation of the larger, stronger centres which will continue if market forces are left unchecked.

- 3.12 For the retail sector, the study considers eleven strategic growth options for the distribution of comparison goods retail floorspace requirements across the region. The study sets out recommendations in relation to the range of comparison goods and office floorspace requirements for the region's strategic centres. The headline figures for the Black Country strategic centres and Dudley are outlined in Table 3.1 below. For comparative purposes the net floorspace figures have been converted to gross floorspace using the ratio of 75%, rounded to the nearest 5,000 sqm.

**Table 3.1: Retail Floorspace Requirements up to 2021**

Centre	Minimum Requirement	Maximum Requirement
<b>Brierley Hill / Merry Hill</b>	<b>22,000 sqm net</b> 30,000 sqm gross	<b>51,000 sqm net</b> 70,000 sqm gross
<b>Wolverhampton</b>	<b>20,000 sqm net</b> 25,000 sqm gross	<b>43,000 sqm net</b> 55,000 sqm gross
<b>Walsall</b>	<b>14,000 sqm net</b> 20,000 sqm gross	<b>32,000 sqm net</b> 40,000 sqm gross
<b>West Bromwich</b>	<b>5,000 sqm net</b> 5,000 sqm gross	<b>20,000 sqm net</b> 25,000 sqm gross

*Source: West Midlands Regional Centres Study, 2006*

### West Midlands Regional Centres Study – Update (November 2007)

- 3.13 The WMRCS was the subject of discussion at the Phase 1 RSS Revision EiP in January 2007. The panel report, published in March 2007, raised key issues including: the need for the Black Country centres' comparison goods floorspace figures to be calculated on the same basis as that for the rest of the region; the need to take account of population projections arising from Phase 2 housing proposals; and the need to take into account the most up-to-date information on e-tailing.
- 3.14 RTP were commissioned by the Regional Assembly to undertake an update of the WMRCS (relating to comparison goods floorspace needs) which was published in November 2007. The updated report utilises two population forecasts: i) ONS 2004-based population projections; and ii) RSS-based forecasts supplied by the Regional Assembly which take into account new housing proposals in the Phase 2 Revision. Baseline expenditure data was also updated to 2004 prices but assumed growth rates and changes in sales efficiency remained the same as the previous study. In line with the panel report, more up-to-date deductions for Special Forms of Trading (i.e. sales from the Internet, catalogue shopping, home shopping

channels etc) are applied. Reflecting the higher base year expenditure figures, higher rate of population growth and lower SFT assumptions, both scenarios indicate higher growth in retained expenditure than the previous study.

- 3.15 The study summarises comparison goods sales area requirements (before commitments) up to 2021, and 2026 for both population growth scenarios, for the purposes of comparison with previous studies and our analysis, we have focused on the RSS based projections, and converted the net figures into gross, again assuming a 75% net/gross ratio. The mid-point results for the Black Country Strategic Centres are outlined in Table 3.2.

**Table 3.2: Comparison Sales Area Requirements (RSS population estimates)**

CENTRE	2021 (sqm net)	2021 (sqm gross)	2026 (sqm net)	2026 (sqm gross)
Brierley Hill / Merry Hill	49,000	65,500	74,000	98,500
Wolverhampton	52,000	69,500	78,500	104,500
Walsall	43,000	57,500	65,500	87,500
West Bromwich	34,000	45,500	51,000	68,000

*Source: West Midlands Regional Centres Study Update, 2007*

- 3.16 Considering the level of growth for West Bromwich, RTP anticipate a case, over time for the centre to be promoted to level three in the regional hierarchy which will also reflect implementation of developments which are already committed in the centre.

### West Midlands Regional Centres Study – Further Update (May 2009)

- 3.17 A further update to the WMRCS was published in May 2009 to address matters raised at the RSS Phase Two Revision Preferred Options consultation in December 2008. Drawing on the results of the 2005 household survey, the report sets out a review of comparison floorspace requirements, taking into account the latest expenditure growth forecasts published by MapInfo and Experian and changes to other key data inputs in light of the economic downturn. It also provides an update on retail and office floorspace projections against the quantum and distribution of housing proposed by the GOWM.
- 3.18 The report continues to assess two population forecasts: i) ONS 2006-based population projections (an update to the 2004-based projections previously used); and ii) the same RSS-based forecasts supplied by the Regional Assembly which take into account new housing proposals in the Phase 2 Revision. We have looked at the more cautious RSS based forecasts, for consistency with previous analysis and our current analysis.
- 3.19 Baseline expenditure data has been updated to 2006 prices and a more cautious approach has been taken to expenditure growth, based on the most recent advice issued by Experian and MapInfo. Each population



growth scenario is tested against high, medium and low growth rates for the overall period between 2006 and 2026.

- 3.20 An update of the comparison goods sales area requirements (before commitments) for the Black Country centres up to 2021, and 2026 is outlined in Table 3.3.

**Table 3.3: Comparison Sales Area Requirements (RSS population estimates)**

CENTRE	2021 (sqm net)	2021 (sqm gross)	2026 (sqm net)	2026 (sqm gross)
Brierley Hill / Merry Hill	40,000	53,300	67,000	89,300
Wolverhampton	42,000	56,000	71,000	94,600
Walsall	35,000	46,600	59,000	78,600
West Bromwich	27,000	36,000	46,000	61,300

*Source: West Midlands Regional Centres Study Further Update, 2009*

- 3.21 As a consequence of the more cautious expenditure growth assumptions employed, the overall comparison retail floorspace requirements have fallen since the previous update. However, the update noted that even under the more conservative RSS population scenario the retail needs identified in RSS Phase 2 Preferred Options Report will arise by 2023 at the latest, and consequently recommended that it would be acceptable for the RSS to proceed with the preferred option figures (as indicated in Table 4.1 in the following section), which has been confirmed for the Strategic Centres in the Black Country in the RSS Panel Report), autumn 2009.

## Summary

- 3.22 Previous studies focusing on the Black Country and the wider West Midlands region identify a significant requirement for new retail growth in the Black Country. The need is highlighted for suitable provision to be made to accommodate these requirements in the Black Country's centres to prevent a shortfall and improve current market shares as well as to ensure they are able to compete more effectively and resist further decline.
- 3.23 The Black Country Centres Study sets out an aspirational vision for the future growth in the Black Country based on a 'four centres' approach focussing growth on Brierley Hill, Wolverhampton, Walsall and West Bromwich. This is carried forward in the recommended strategy for the West Midlands which favours growth in the strategic centres and acknowledges the particular needs within the Black Country.
- 3.24 The 2007 West Midlands Regional Centres Study identified a requirement for circa 65,000 sqm gross comparison shopping floorspace at Brierley Hill; 69,300 sqm gross at Wolverhampton; 57,300 sqm gross at Walsall; and 45,000 sqm gross at West Bromwich. These are based on RSS population projections and what now appear optimistic expenditure growth projections.

- 3.25 The 2009 update adopted more cautious growth projections. Again using the RSS based population forecasts, RTP revised their projections for the strategic centres by 2021 to circa 53,300 sqm gross for Brierley Hill; 56,000 sqm gross for Wolverhampton; 46,000 sqm gross for Walsall; and 36,000 sqm gross for West Bromwich. These increase significantly over the longer term, taking account of further growth between 2021 and 2026. Notwithstanding slight reductions, the RSS Panel Report published in autumn 2009 confirmed the recommendation to proceed with the RSS Phase 2 Preferred Options figures which are discussed in more detail in the following section.

## 4. POLICY CONTEXT

- 4.1 This section examines the key points of relevance from national, regional and local planning policy.

### National Policy Guidance

#### (i) General Principles

- 4.2 Government guidance makes clear that sustainable development is the core principle underpinning planning. Accordingly, PPS1 sets out a range of overarching policies aimed at facilitating sustainable patterns of urban and rural development through a number of initiatives, including the need to ensure that new developments provide good access to jobs and key services for all members of the community.
- 4.3 The Government continues to advocate a plan led system, and identifies the role of the LDF, supported by a sound evidence base, as a means of securing key stakeholder engagement in the preparation of a Core Strategy and other Development Plan Documents to build on the principles established in RSS.

#### (ii) PPS6 (2003)

- 4.4 PPS6 reaffirms the Government's commitment to protecting/sustaining town centres. The central objective of the guidance is to promote the vitality and viability of town centres by planning for the growth of existing centres and enhancing them by promoting them as the focus for new development. Where growth cannot be accommodated in identified existing centres, local planning authorities should plan for extensions to the PSA. It makes clear that where reversing the decline in centres is not possible, local authorities should consider reclassifying centres within their retail hierarchy.
- 4.5 In allocating sites and assessing proposed development, PPS6 requires local planning authorities to assess the need for the development; identify the appropriate scale, apply the sequential approach, assess the impact on existing centres; and ensure locations are accessible and well served by a choice of means of transport. After considering these factors, local planning authorities should consider the degree to which other considerations such as physical regeneration, employment, economic growth and social inclusion are relevant.
- 4.6 In 2007 the Planning White Paper, 'Planning for a Sustainable Future' announced the current approach in PPS6 to assessing the impact of proposals outside town centres would be reviewed. It announced that the need and impact tests would be replaced with a new test which has a strong focus on the Government's town centre first policy, and which promotes competition and improves consumer choice, avoiding the unintended effects of the current need test.
- 4.7 In July 2008 Proposed Changes to Planning Policy Statement 6: Planning for Town Centres was published for consultation. These sought to refine the policy approach rather than make significant policy changes,

and proposed to strengthen the Government's policy on positive planning for town centres. With regards to policy formulation, local authorities would still be expected to assess the need for new town centre development and to take account of scale, impact, accessibility and the sequential approach in selecting sites for development plans.

### (iii) Consultation draft PPS4 (2009)

- 4.8 The general principles of the proposed changes were subsequently incorporated into the more wide ranging consultation paper on the new PPS4, published in May 2009. This was accompanied by good practice guidance prepared by GVA Grimley. In its final form the PPS will replace *PPS4: Industrial, commercial development and small firms*; *PPS5: Simplified Planning Zones*; and *PPS6: Planning for Town Centres*.
- 4.9 The stated intentions of the proposed PPS4 are to support town centre investment, and to ensure that planning promotes competition and consumer choice and does not unduly or disproportionately constrain the market. The proposed changes include reinforcing the other government objectives identified in PPS6, to highlight the need to promote competition between retailers and enable consumer choice, by raising productivity growth rate in the UK and by supporting efficient, competitive and innovative retail sectors with improving productivity. The increased focus on productivity is consistent with the findings of the Barker review and the Government's wider policy objective to promote sustainable economic growth.
- 4.10 Plan Making Policies set out the required evidence base at the regional and local level. Policy EC1.4 highlights criteria for Local Planning Authorities to consider in assessing the need for retail and leisure development, including the need to take account of quantitative need for additional floorspace as well as any qualitative considerations. In terms of assessing the need for office floorspace at the local level, Policy EC5.2 highlights that this will need to be informed by an assessment at regional level and the physical capacity for centres to accommodate new development, giving consideration to the role of centres in the hierarchy.
- 4.11 Policy EC5 of the new draft sets out the approach the local planning authorities should take in their core strategy. This should set out a spatial vision and strategy for the management and growth of the centres in their area over the plan period. This should define, inter alia:
- A network and hierarchy of lower order centres (i.e. those not identified in the RSS) to meet local needs;
  - Make choices about which centres should accommodate identified growth, assessing deficiencies in the network by promoting centres to function at a higher level, or designating new centres;
  - Taking into account whether there is a need to avoid an over concentration of growth in higher order centres to ensure that any significant change in the role and function of centres is brought forward through the development plan;

- Set out how identified growth and change will be managed across the network of centres having regard to the need to promote investment and strength in existing centres;
  - Where existing centres are in decline, consider the scope for consolidating them and, where necessary, re-classifying them at a lower level than the hierarchy;
  - Define the extent of the PSA in the town centre on the proposal map and consider distinguishing primary and secondary frontages;
  - Consider setting floor space thresholds for the scale of edge and out-of-centre development which should be subject to impact assessments;
  - Where growth cannot be accommodated in existing centres, expand town centres and identify other opportunities by reviewing existing site allocations;
  - Have flexible town centre policies able to respond to changing economic circumstances; and
  - Encourage residential or office development as appropriate uses above ground floor retail, leisure or other facilities.
- 4.12 Policy EC6 sets out the approach to encouraging consumer choice and promoting competition. It supports diversification of uses; encourages planning for a strong retail mix, recognising the role for smaller shops to contribute to the character and vibrancy of the centre, retaining and enhancing the role of existing markets and new ones; and planning for tourism, leisure, cultural uses and other measures to enhance the character and diversity of town centres. These are key considerations which town centre strategies for individual centres should address.
- 4.13 Draft Policy EC7 refers to site selection and land assembly for town centre uses, and advises local authorities in selecting sites for development for town centre uses (including retail as well as a range of tourism, leisure and cultural activities) to have regard to the need for development; the appropriate scale of new development; to apply a sequential approach to site selection; to assess the impact of development on existing centres; and to consider accessibility of alternative sites. The Draft restates the general principles of the sequential approach which are largely unchanged from the current version and re-affirms the advice to focus on town centres or failing that well integrated edge of centre opportunities; to give preference to sites that best serve the needs of deprived areas when considering alternatives with similar characteristics; and to identify an appropriate range of sites to accommodate needs, ensuring that sites are capable of accommodating a range of business models in terms of scale, format, car parking provision and scope for dissagregation.
- 4.14 Policy EC10 of the Draft relates to car parking for non-residential development. This identifies the role for the local planning authorities through their LDF to set maximum parking standards. However, the draft suggests it is the role of local authorities to set maximum standards having regard to local circumstances. These may include, inter alia; the need to encourage access to development for those without use of a car and promote sustainable transport choices; and the need to reduce carbon emissions and tackle congestion. However, the policy also recognises the need to make provision for adequate levels of good

quality secure parking in town centres to encourage investment and maintain their vitality and viability, and to encourage the shared use of parking, particularly in town centres, as part of major proposals. This suggests a greater degree of autonomy to local planning authorities to set appropriate parking standards, having regard to the importance of car parking to the vitality and viability of different centres.

- 4.15 Consistent with the current PPS6, the draft PPS4 identifies separate provisions relating to decision making, although these take the form of a series of much clearer specific policies. These provide a helpful context for considering the relevant policy provisions for the Black Country's Joint Core Strategy. The specific policies relevant to town and local centres include Policy EC13, which advises local planning authorities to seek to protect and strengthen village and local shops, and Policy EC17 which relates to the application of car parking standards for non-residential developments. This sets out circumstances where proposals may come forward which include parking in excess of local parking standards where a case can be made, such as where parking will genuinely serve the centre as a whole, is in keeping with the size of the centre, and consistent with any town centre parking strategy.
- 4.16 The main "development control" policies within the Draft relating to retail and town centre uses are EC18, 19, 20 and 21. Policy EC18 sets out the supporting evidence required for planning applications for main town centre uses specifically. This states that where an application for main town centre use which is not in an existing centre or allocated in an up-to-date development plan is submitted, it should be accompanied by a sequential site assessment and an impact assessment. However, EC18.5 states that where the development plan does not set out specific floorspace thresholds for the scale of development which would be subject to an impact assessment, a comprehensive assessment would be needed for retail and leisure developments over 2,500 sqm gross. Policy EC20.1 refers to Impact Assessments which should focus in particular on the first five years after implementation of a proposal.
- 4.17 In the Black Country, there is a large network of centres which range in scale and function, and require consolidation, regeneration and growth. As the Core Strategy seeks to specifically focus development in centres, it is considered necessary to introduce policies to regulate the scale of development likely to be appropriate in defined centres within the hierarchy, which, following our analysis will be set out in our policy recommendations. It may also be relevant for the Black Country Authorities to test new proposals involving currently "allocated" or committed sites where the development plan is no longer up-to-date; and to ensure that the individual and cumulative effects of development below the suggested 2,500 sqm gross threshold can be properly assessed and monitored.
- 4.18 Policy EC19 relates to the sequential approach, which remains largely unaltered. This requires developers and operators to have demonstrated flexibility in terms of the scale of development, format, car parking and scope for disaggregation. Equally, local authorities are required to take into account any genuine difficulties which an applicant can demonstrate are likely to occur in operating the proposed business model from a sequentially preferable site. The guidance restates the principle that a single retailer or leisure operator should not be expected to split the proposed development onto separate sites where flexibility in terms of scale, format and parking provision and the scope for disaggregation has been demonstrated. Sites should be assessed over a five year time frame, testing suitability, availability and viability over this period.

- 4.19 The main changes in the Draft relate to the assessment of impact, considered in Policy EC20. The provisions apply in the case of proposals for development for any main town centre use which is not in an existing centre nor allocated for an up-to-date development plan. As such, it will be necessary for LDFs to identify clearly the role and scope for different scales of development in different defined centres, to provide a means of ensuring that development of an inappropriate scale in town, district or local centres are still subject to a proper impact test, which are reflected in our policy recommendations.
- 4.20 The consultation draft proposes a much broader based impact test, which identifies a series of “key” impacts. These include:
- Whether the proposal has been planned over the lifetime of the development to limit carbon dioxide emissions and minimise vulnerability and provide resilience to climate change;
  - Impact on the spatial planning strategy and the role of the centre in the hierarchy;
  - Impact on existing, committed and planned public and private investment in the centre or other centres;
  - Appropriateness of scale;
  - Accessibility;
  - Impact on in centre trade/turnover, having regard to future consumer expenditure capacity;
  - Impact on town centre vitality and viability, including consumer choice and range and quality of retail offer; and
  - Whether the proposal secures a high quality and inclusive design.
- 4.21 Policy EC20 also includes the provision for local planning authorities to identify 'locally important' impact considerations in their development plan which will be taken into account in the impact assessment. EC20 also indicates they should assess a number of wider impacts, including; impact on allocated sites outside town centres; impact on deprived areas and social inclusion; impact on local employment; and impact on the economic and physical regeneration of the area. It would be appropriate for these to be delivered in LDDs such as APPs.
- 4.22 Policy EC21 sets out a framework for assessing planning applications for development of town centre uses which are not within a centre or allocated in an up-to-date development plan. This suggests that any applications which have not demonstrated compliance with the sequential approach, or are likely to lead to significant adverse impacts should be refused, suggesting increased emphasis on the sequential approach and new impact test, and an enhanced role for the LDF to identify local impacts and inform judgements above the significance of different impacts, which again could be delivered in LDDs such as APPs.

#### (iv) PPS11

- 4.23 PPS11 covers Regional Spatial Strategies. It was published in September 2004 and explained how Regional Spatial Strategies (RSSs) were to replace Regional Planning Guidance (RPGs) in accordance with the
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Planning and Compulsory Purchase Act 2004. RSSs were introduced as statutory documents which are part of the development plan and with which Local Development Documents have to conform. The guidance indicates that RSSs are to provide a broad development strategy for a region for 15 to 20 years taking into account the scale and distribution of new housing; priorities for the environment; and transport, infrastructure, economic development, agriculture, mineral extraction and waste treatment and disposal.

4.24 A series of criteria that RSSs are to cover are specified in the guidance, these include the following:

- Articulate a spatial vision of what the region will look like at the end of the period of the strategy and show how this will contribute to achieving sustainable development objectives;
- Provide a concise spatial strategy for achieving that vision, defining its main aims and objectives, illustrated by a key diagram, with policies clearly highlighted;
- Address regional or sub-regional issues that will often cross county or unitary authorities and, on occasion, district boundaries, and take advantage of the range of development option that exist at that level. The RSS should not address local issues which should be the subject of a LDD;
- Be consistent with and supportive of other regional frameworks and strategies, including the RSDF and the regional cultural, economic and housing strategies;
- Be specific to the region: whilst it should have regard to national policies it should not simply repeat them nor resort to platitudes. It should provide spatially specific policies applying national policies to the circumstances of the region;
- Be locationally but not site specific, while not going into the level of detail more appropriate to a LDD;
- Be focused on delivery mechanisms which make clear what is to be done by whom and when;
- Provide a clear link between policy objectives and priorities, targets and indicators. It should be monitored annually against the delivery of its priorities and the realisation of its vision for the region, and reviewed as appropriate;
- Should apply the test of adding value to the overall planning process; and
- Contribute to the achievement of sustainable development.

4.25 Following reforms announced by the Review of Sub National Economy and Regeneration, to streamline and refine the framework for sustainable sub-national economic growth in England, the Government has produced the Local Democracy, Economic Development and Construction Bill (January 2009). This takes forward the process of introducing single integrated regional strategies (RS) which will be the joint responsibility of the RDAs and a Local Authority Leaders Board. The RS will replace the existing regional economic strategy and regional spatial strategy. It will also integrate the substance of other regional strategies covering culture, sport, housing, biodiversity and transport. Subject to the new legislation receiving assent, regulations and guidance on the regional strategy will be published for consultation later in 2009 and will replace existing regulations in PPS11 and 2005 Guidance to RDAs.



## (v) PPS12

- 4.26 PPS12 sets out the Government's policies on the preparation of Local Development Documents, which are to compose the LDF. PPS12 indicates that the statutory Development Plan Documents (DPDs) will include a Core Strategy, site-specific allocations and Area Action Plans (AAPs).

## Regional Policy Context

### (i) Regional Spatial Strategy for the West Midlands (June, 2004)

- 4.27 The RSS was originally published in June 2004. However a number of further areas of work were identified which are now being dealt with in three partial and phased revisions:

- Phase 1 – The Black Country;
- Phase 2 – including housing and employment;
- Phase 3 – including environmental issues.

### (ii) West Midlands Regional Spatial Strategy - Phase 1 (January 2008)

- 4.28 This is the sub-regional revision covering the Black Country. Following the Examination in Public (EiP) in January 2007, the Secretary of State (SoS) published and consulted on the proposed changes in November 2007. The final RSS incorporating the Phase 1 revision was published on 15<sup>th</sup> January 2008. The Phase 1 revision only impacts upon a small part of the RSS and other policies or text not affected by the revision have not been updated to reflect changes since the original publication in 2004.

- 4.29 The RSS seeks to achieve a region made up of a dynamic network of places, with distinct characteristics, but with reinforcing economic, cultural and social functions. A balanced network of town and city centres will act as the focus for major investment in retail, leisure and office developments. Towards achieving this, the strategy sets out the key roles for each of the four Major Urban Areas (MUAs) defined as Birmingham/Solihull; the Black Country; Coventry; and North Staffordshire. The role ascribed to the Black Country is:

*'continuing its economic, physical and environmental renewal focused around improved infrastructure and the regeneration of town and city centres (including Walsall, West Bromwich and Wolverhampton) to create modern and sustainable communities'.*

- 4.30 The RSS objectives include the need to make the MUAs increasingly attractive places where people want to live, work and invest and to support the cities and towns to meet their local and sub-regional development needs. The specific objectives for the Black Country include the need to reverse out-migration; raise income levels; create an inclusive and cohesive society within the Black Country; and transform its environment.

- 4.31 Policy UR1A sets out the regeneration priorities for the Black Country which directs the focus for regeneration activity, development and investment towards the four strategic centres (Brierley Hill, Walsall, West Bromwich and Wolverhampton) and identified growth corridors. Development and environmental enhancement should also be planned for in other locations to support the network of local centres and communities, taking advantage of available suitable sites and those which are accessible by public transport.
- 4.32 The four strategic centres will be the main locations for major office (B1(a)) development. Policy UR1C allocates 845,000 sqm gross of B1(a) office space to be provided in the Black Country between 2004 and 2021; 745,000 sqm of which should be planned for each of the four strategic centres (up to 186,000 sqm each).
- 4.33 Policy UR1D sets out the gross retail floorspace allocations for the period 2004 to 2021:
- |                         |            |                 |            |
|-------------------------|------------|-----------------|------------|
| • Wolverhampton         | 54,000 sqm | • Brierley Hill | 51,000 sqm |
| • Walsall               | 45,000 sqm | • West Bromwich | 35,000 sqm |
| • Non-strategic centres | 51,000 sqm |                 |            |
- 4.34 RSS also recognises the need to support and enhance the role of city, town and district centres. Policy PA11 defines the network of 25 town and city centres which will be the focus for: major retail developments (10,000+ sqm gross comparison floorspace); major cultural, tourist, social and community uses; and large scale leisure and office developments (5,000+ sqm gross). Other centres that meet local needs should also be identified in Local Development Plans (LDPs) with policies for such centres to ensure they best meet local needs. Local Authorities are encouraged to take a proactive approach through town centre strategies to identify potential sites and premises within these centres to achieve balanced development of a wide range of town centre uses.
- 4.35 Specific to Brierley Hill (designated as a strategic town centre in place of Dudley), the RSS (under policy PA11A) requires development at Brierley Hill to be guided by an Area Action Plan (AAP) which should integrate Brierley Hill High Street, the Waterfront commercial complex and the Merry Hill shopping centre. Retail development at Brierley Hill will be carefully controlled so that no new comparison retail floorspace is brought into operation until the following three conditions are satisfied:
- Adoption of the AAP;
  - Implementation of improvements to public transport; and
  - Introduction of a car parking management regime including the use of parking charges compatible within those in the region's network of centres.
- 4.36 Dudley is re-defined as a non-strategic centre that will continue to perform an important role founded upon the town's unique tourism and cultural assets, major residential development, retail and other uses appropriate to this tier of centres.
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4.37 The RSS is clear that the role and regeneration of the network of centres in the region should not be undermined by large-scale out-of-centre retail development. This is supported by Policy PA13 which does not envisage any requirement for further large-scale out-of-centre retail development in the RSS plan period. Smaller-scale out-of-centre development proposals would have to take full account of government guidance including the requirement to demonstrate 'need' and the sequential test.

### West Midlands Regional Spatial Strategy – Phase 2 Revision Draft (December 2007)

4.38 The second phase of partial revisions to the RSS was launched in November 2005 and covers housing issues, employment, retail and centres, waste and certain elements of transport policy. The Phase 2 draft revision was formally submitted to the SoS in December 2007. In response, the SoS requested further work be undertaken looking at options which could deliver higher housing numbers.

4.39 The Phase 2 revision upholds the strategic stance of the previous Phase 1 document, focusing growth and investment in the MUAs, albeit with greater emphasis on the principles of sustainability. An alternative approach is taken towards the network of town and city centres set out in PA11, now arranged across 4-tiers:

- Tier 1: Birmingham.
- Tier 2: Brierley Hill, Coventry, Stoke-on-Trent, Wolverhampton.
- Tier 3: Burton, Hereford, Leamington Spa, Shrewsbury, Solihull, Telford, Walsall, Worcester.
- Tier 4: Cannock, Kidderminster, Lichfield, Newcastle-under-Lyme, Nuneaton, Redditch, Rugby, Stafford, Stratford-upon-Avon, Sutton Coldfield, Tamworth, West Bromwich.

4.40 As an alteration to the previous revision, Birmingham is newly-defined as a Global City and should continue to develop as a major Regional capital of European and Global standing.

4.41 Taking forward the allocations set out in the previous revision, Phase 2 identifies need for additional comparison retail floorspace over the plan period to 2026 in Policy PA12A. In terms of the Black Country's network of centres the RSS sets out the required provision for the periods 2006-2021 and 2021-2026, based on the West Midlands Regional Centres Study (March 2006) and Update (November 2007) undertaken by Roger Tym and Partners and illustrated in Table 4.1.

**Table 4.1: Policy PA12A Comparison Retail Floorspace Requirements 2006-2026 (sqm gross)**

	2006-2021	2021-2026
<b>Brierley Hill</b>	65,000	30,000
<b>Wolverhampton</b>	70,000	30,000
<b>Walsall</b>	60,000	25,000
<b>West Bromwich</b>	45,000	20,000

- 4.42 With respect to the non-strategic centres, Policy PA12B requires Local Authorities to identify such centres and to develop policies focussed towards meeting local needs and the encouragement of appropriate development, in particular: convenience shopping; local service and facility provision; and day-to-day comparison shopping.
- 4.43 In terms of office development, the following requirements are set out in the Phase 2 revision for development within or on the edge of each of the four strategic Black Country centres (Table 4.2).

*Table 4.2: Policy PA13A Office Development Requirements 2006-2026 (sqm gross)*

	2021-2026
<b>Brierley Hill</b>	220,000
<b>Wolverhampton</b>	220,000
<b>Walsall</b>	220,000
<b>West Bromwich</b>	220,000

- 4.44 The Phase 2 Revision underwent Examination in Public in summer 2009 and the Panel's report was published in the autumn of 2009, with proposed changes anticipated by the end of 2009.

## Local Policy Context

- 4.45 We have reviewed the policies and provisions of existing Unitary Development Plan (UDP) policies, which are summarised in **Appendix 2**. It should be noted that many of these policies, particularly site allocations, presented in the summary are increasingly out of date and have been included for reference only. We anticipate elements of these, including for example definitions of town centre boundaries and PSA may be carried forward into the Joint Core Strategy (JCS) and other DPDs and/or other supplementary guidance, which we consider later.
- 4.46 The Black Country JCS will be the key statutory plan setting out the vision, spatial objectives and detailed spatial strategy for future development in the Black Country up to 2026, and will replace the existing UDPs for each Borough. The initial Issues and Options paper was published for consultation in June 2007, followed by the Preferred Options report in March 2008. The Councils are now preparing for the publication of the Core Strategy in late 2009, before submission and Examination in Public in 2010.
- 4.47 The preferred spatial objectives set out in the plan are consistent with the broad spatial strategy set out in the RSS, concentrating growth in the most accessible locations, along a network of key corridors and within the four strategic centres – Brierley Hill, Walsall, West Bromwich and Wolverhampton. The role of the strategic centres is considered fundamentally important for the strategy to regenerate the Black Country and should be the focus for large-scale comparison retail, office and leisure investment involving circa 345,000 sqm gross new comparison shopping floorspace and 880,000 gross new office floorspace in the period up to 2026 identified in the RSS Phase 2. The common role of the strategic centres should be:

- To provide a balanced network of higher order centres;
- To act as a focus for and deliver significant growth in retail, offices and very high density housing;
- To be the principal locations for major cultural, leisure, entertainments and community facilities;
- To provide convenience shopping and local services for the increasing number of residents living within or close to each centre;
- To offer strong public transport hubs; and
- To provide the right mix of facilities, homes, jobs, set in a high quality built environment, to attract significantly more people to live and work in the Black Country.

4.48 The strategy also identifies a network of regeneration corridors which will collectively provide 1,402 ha of high quality employment land concentrated within easy reach of the motorway network; 32,735 new homes; and 1,139 ha of retained local employment land. This level of planned growth reinforces the need to expand the offer of the strategic centres (which themselves will provide an additional 7,560 new homes), and to promote the ongoing renewal and regeneration of the Black Country network of centres.

4.49 Below the strategic centres, the network of other Black Country centres are of crucial importance to the strategy, being identified as a preferred location for appropriate levels of investment in retail (in particular food shopping), leisure and entertainment, culture and offices to serve the needs of their local communities. In seeking a sustainable share of investment across all areas, the Councils suggested a three-tiered hierarchy in the JCS POR which will be critically assessed as part of this study. Table 4.3 presents the suggested hierarchy with the strategic centres; smaller town (including large district) centres (referred to in this study as the 'non-strategic centres'); and smaller district and local centres that cater towards meeting local needs. It is acknowledged that such a broad approach would need to recognise the different characteristics of individual centres within each level and their local roles and particularly Dudley which is unique as the former strategic centre for the borough.

**Table 4.3: Suggested Black Country Hierarchy of Centres**

Local Authority	Wolverhampton	Walsall	Sandwell	Dudley
RSS 'Strategic' Centres	Wolverhampton	Walsall	West Bromwich	Brierley Hill
Other Town / Large District Centres	Bilston Wednesfield	Bloxwich Brownhills Aldridge Willenhall Darlaston	Blackheath Cradley Heath Great Bridge Oldbury Wednesbury Cape Hill Bearwood	Dudley Stourbridge Halesowen Kingswinford Lye Sedgley
Small District / Local Centres	28 Centres	35 Centres	13 Centres	13 Centres

Source: Joint Core Strategy for the Black Country, Preferred Options (March 2008)

- 4.50 Where there is significant planned growth, the Black Country authorities are preparing Area Action Plans (AAPs) to guide development. Area Action Plans currently under preparation include Brierley Hill (a requirement set at the RSS level), Wolverhampton, West Bromwich and Bilston amongst others. The findings of this study will further assist in the preparation of Local Development Plan Documents, such as AAPs.

## Summary

- 4.51 National planning policy guidance provides the framework for developing policies which are tailored to the specific circumstances of the Black Country authorities. The overarching policy thrust is to sustain and enhance the vitality and viability of existing centres and to plan positively to meet current and future needs by making provision to accommodate key town centre uses within, or failing that, on the edge of existing centres wherever possible.
- 4.52 The new consultation draft PPS4 contains the same key objectives and principles. This promotes a plan led approach, and identifies the factors which local planning authorities are expected to take into account when developing their Core Strategies and other DPDs. In line with the current guidance, when identifying retail and other key town centre needs and allocating sites, local authorities are expected to have regard to considerations of need; the appropriateness of the scale of new development in different centres within the hierarchy or network of centres; the sequential approach to site selection; consideration of the impact of development in different centres; and the accessibility of sites and centres by alternative means of transport.
- 4.53 The most significant changes in the draft PPS4 relate to the development control process. While the “needs test” is to be dropped, the guidance suggests increased emphasis on the provisions of the sequential approach, and a new, wider impact test which includes the key provisions of the existing guidance, and a broader set of factors including, inter alia, local impact considerations which may be identified in the development plan. The new tests are only intended to apply to development involving key town centre uses which is not within an existing centre, or allocated in an up-to-date development plan, and assessments are only likely to be required for development above a threshold of 2,500 sqm gross.
- 4.54 In practical terms, this suggests it will be necessary for the Black County Authorities in the JCS and other DPDs to incorporate specific policies in order to regulate and control the appropriate scale and location of new development within existing centres within the defined hierarchy, and to incorporate policies to enable consideration of proposals below the suggested thresholds where these could individually or cumulatively have significant effects on district and local centres. It may also be appropriate to consider identifying specific ‘local impacts’ which may be of concern to the Black County Authorities beyond those identified in the draft PPS4.
- 4.55 Regional policies for the Black Country are set out in the West Midlands RSS which is undergoing revision in three phases. Phase 1 concentrates on the role of the Black Country and the need to facilitate economic, physical and environmental step change, with major new development directed towards the four strategic

centres and identified growth corridors. The strategy includes comparison floorspace requirements for each centre to be delivered in the period 2006-2021, which amounts to a total combined requirement of 240,000 sqm gross additional floorspace.

- 4.56 The strategic approach is carried through in Phase 2 of the RSS Review, which distributes a further 110,000 sqm gross of comparison retail floorspace across the four centres between 2021 and 2026. The strategy for the non-strategic centres is to develop polices focussed towards meeting local needs and encouraging development of an appropriate scale. Beyond 2021, the RSS Phase 2 sets out a clear framework and requirement for the individual Black Country authorities to adopt an aspirational and positive approach to promoting growth in their centres. This approach has been endorsed by the RSS Phase 2 Panel Report.
- 4.57 The current local policy context is set out in the respective UDPs for the individual Black Country authorities. The current individual UDPs for each Borough will soon be replaced by the Joint Core Strategy for the Black Country. The Joint Core Strategy presents a strategic approach to planning across the four Black Country authority areas and suggests a three-tiered retail hierarchy encompassing all centres. The preferred spatial objectives are consistent with the RSS, concentrating growth (in accordance with RSS comparison retail floorspace requirements) within the four strategic centres. In certain cases where significant growth is planned, this will be further guided by individual AAPs. This study will provide further advice on the appropriate scale and locations for new comparison goods floorspace and will provide the evidence base and policy recommendations for the Joint Core Strategy.

## 5. NATIONAL AND REGIONAL TRENDS

- 5.1 To put our assessment into context, it is relevant to consider the wider economic and social trends likely to influence the Black Country Centres. This section examines key trends and drivers for change in the retail industry and other sectors of particular relevance to the Black Country, drawing from a range of published data sources, including research by Verdict Analysis, Mintel and the New Economics Foundation.

### Demographics, Income and Retail Expenditure

- 5.2 Over the last 15 years the UK population has increased at a rate of c.0.4% pa<sup>1</sup>, whilst the number of households has increased by 0.5% pa, as average household size has decreased to 2.34 in 2006<sup>2</sup>, with smaller families, more divorces, people living longer etc. The population is also ageing. These trends are forecast to continue and will affect spending habits, how much we spend, on what and where. In parallel with these national trends, at the regional and local level population growth and demographics will have a key bearing on local spending power. These are reflected in our assessment of current and future consumer spending.
- 5.3 Nationally, incomes and expenditure have shown strong growth over the last 20 years, with retail expenditure growing faster than incomes. Overall retail expenditure has increased by about 3.9% pa in real terms over the last 20 years, with most of this growth on comparison goods rather than convenience goods, where growth has been less than 1% pa<sup>3</sup>. Comparison goods growth has been close to 5.3% pa over the last 30 years, over 6% pa over the last 20 years and even stronger over the last 10 years.
- 5.4 However, the rapid deterioration in the economic performance during the final months of 2008 and the continuing rise in unemployment levels are having far-reaching implications for available income and consequently expenditure. We have reviewed economic forecasts prepared by Mapinfo/Oxford Economic Forecasting and Experian Business Strategies which take into consideration current and future economic instability. Evidently, the growth rates used for our retail capacity forecasting have changed as a consequence, and have implications on the levels of floorspace town centres can sustain in the short-medium term, i.e. up to 2016. These are explained more fully in the next section.

### Retail Employment

- 5.5 Over the last 20 years retail expenditure has increased at about 4% pa, but retail employment has increased much more slowly. Over the same period total employees in retail employment have increased from 2.2 million to 3.0 million, an increase of 1.5% pa. However, this growth has been in part time employees. Full time equivalent (FTE) employment has hardly increased at all, from about 2.1 million to 2.2 million, a 0.4% pa increase.

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<sup>1</sup> Office of National Statistics (ONS) Update, August 2007

<sup>2</sup> General Household Survey, 2007

<sup>3</sup> Experian Business Strategies



- 5.6 Over the next 15 years Experian Business Strategies expect a marginal increase in FTE employment in the retail sector with a slightly higher increase in part time employment. Evidently, this needs to be monitored in the forthcoming years based on the slow down in the economy and corresponding growing levels of unemployment with significant consequences for available retail expenditure and retail sector employment positions.

## Retail Location

- 5.7 Strong income and expenditure growth has affected retailing in another important way – the rise in car ownership and mobility. In 1961 only 30% of households had a car (one or more cars) and only 2% had more than one car<sup>2</sup>. With public transport (and walking and cycling) the dominant mode of transport, shopping choices were limited and distances travelled were short. By 1970 car ownership had increased significantly so that nearly 50% of households had one or more cars and the number of households with two or more cars had quadrupled but was still under 10%. Currently about 77% of households have one or more cars and a third of households have two or more cars, a huge increase in mobility over the last 30-40 years.
- 5.8 Increased mobility has favoured larger centres over smaller centres. As a result larger centres have increased in size and importance relative to smaller centres which has further reinforced the attraction of larger centres to more mobile shoppers. Smaller centres have, therefore, lost market share and have seen much less new development than the overall rate of expenditure growth would imply. This is recognised by PPS6, which urges local authorities to be pro-active in trying to encourage development in smaller centres, and is a key issue in the Black Country, where the strategy to focus development in the strategic centres needs to be balanced with a complementary strategy for the other town, district and local centres.
- 5.9 Increased mobility has also stimulated out-of-centre development, which has grown much more rapidly than town centre development. Over the last 20 years the majority of retail development has been in edge or out-of-centre locations. This has led to increasingly restrictive planning policy in favour of town centres over the last 15 years, but only recently has the growth in out-of-centre development started to slow. This slow down is expected to continue, but Verdict still expect out-of-centre sales to increase at a faster rate than in-centre sales. This pressure will be evident in the Black Country, which already has a very extensive range of out-of-centre retailing.
- 5.10 Despite the current uncertainty in the retail sector, we expect to see continued pressure for the expansion of out-of-centre retail parks, and proposals to extend the range of goods sold to broaden the appeal of units to a wider range of retailers. In circumstances of reduced expenditure growth and more limited retailer demand, further out-of-centre provision would be likely to further dilute the demand for town centres and cause delay and uncertainty. This pressure will pose further challenges to existing centres.

## Size of Shop Units

- 5.11 The growth of multiple traders and increased competition between companies has meant that the retail structure is increasingly dominated by large companies requiring larger shop units. Shopping centres and out-of-centre developments that have been able to accommodate this demand for larger sized units (typically 500-2,000 sqm or larger) have grown in importance, reinforcing the dominance of higher order centres and out-of-centre retailing (i.e. polarisation in the retail hierarchy).
- 5.12 The growth in the size of stores has caused a contraction in the number of shops. This is particularly evident in the food sector, with a marked decline in the number of smaller and more specialist food retailers (greengrocers, butchers, fishmongers, bakers etc), and a large increase of superstores. This is indicated by Verdict Research which shows a 31% reduction in the total number of convenience stores over the last 10 years, as space is concentrated into larger stores. This in turn is likely to have contributed to the contraction of the traditional high street in some Black Country centres, and/or rising vacancies and expansion of non retail uses.
- 5.13 Whilst the number of superstores (>2,500 sqm) has increased by 37%, food specialists and off licences/tobacconists have declined by 35% and 57% respectively. This illustrates the dynamic nature of the sector, and the need to plan to accommodate retailers/consumer expectations. Even in a slowing market, where the scope for additional floorspace may be reduced, there is an ongoing need for modernisation/replacement of outdated space. This will be particularly evident in the Black Country Centres, which have a substantial stock of outdated space.

## Foodstores

- 5.14 A by-product of the restriction of new development of large foodstores is the growth in applications to extend existing stores and the changing composition of floorspace within existing foodstores. There is an increasing emphasis on the sale of comparison goods as expenditure growth rates for comparison goods are much higher than for convenience goods and margins are greater, although sales densities are often lower. According to Verdict, non-food floorspace in the larger format stores of the top four grocers now accounts for between 28% (Morrisons) and 50% (Asda) of sales floorspace.
- 5.15 In parallel with the growth of large foodstores, the main discounters and local convenience formats such as Tesco Express, continue to expand rapidly. These present opportunities for smaller stores to reinforce smaller 'in centre' town, district and local centres, and meet localised needs. However, care needs to be taken to ensure that in inappropriate locations they do not undermine existing centres.

## Shopping and Leisure

- 5.16 Due to increased affluence and mobility in recent years, and the rise of the internet, shoppers no longer merely shop to satisfy 'needs', they increasingly shop to satisfy 'wants' as well. Retailing in the higher order centres and the more attractive smaller centres is changing and arguably becoming more of a quasi leisure

experience. Restaurants, coffee shops, cafes and bars and multiplexes in larger centres are important to attract shoppers and encourage longer stays and higher spending. Better integration of retail and leisure facilities mutually benefits both sectors. Pedestrianised streets and covered retail areas are also important in attracting shoppers, as is the overall attractiveness of the town centre, along with good accessibility and car parking.

- 5.17 This is an important consideration for all the Black Country Centres. The strategic centres need to modernise and improve their leisure offer and their environment and ambience to compete with the attractions of Birmingham and other strategic centres. However, it is equally important that the non-strategic centres enhance their convenience and attractiveness to their local catchment. Quality local shops and services, coffee shops, and attractive, convenient local parking are all important to the vitality of smaller local centres.

## Leisure Expenditure

- 5.18 The Experian Micromarketer database calculates annual consumer leisure expenditure per person on leisure and recreation goods and services (2006 price base), based upon a demographic profile of the survey area. Leisure expenditure as defined by Experian includes recreation and sporting services, cultural services, games of chance, cafés/bars/restaurants, accommodation services and hairdressing salons and personal grooming establishments.
- 5.19 Table 5.1 shows available leisure expenditure per capita in the Black Country projected up to 2026. This is based on the population projections from the survey area and up-to-date growth rate figures derived from Experian.

**Table 5.1: Leisure Expenditure Growth Rates**

2008	2009	2010	2011	2012	2013	2014	2015	2016	2016+
0.6%	-3.4%	-1.2%	0.7%	1.6%	1.6%	1.6%	1.6%	1.6%	1.8%

Source: Experian Micromarketer, 2009

- 5.20 The annual average consumer expenditure per person on leisure goods in the survey area was estimated to be £1,641 (2007 prices) in 2008. Per capita expenditure is projected to decrease over the next few years and is not expected to attain 2008 levels until after 2011, after which it will continue to increase to £1,707 by 2026 (see Table 5.2). In 2008 per capita expenditure on leisure goods in the study area was well below the national average (£1,817).

**Table 5.2: Per Capita Leisure Goods Expenditure Adjustments – Total study area**

2008 (£)	2011 (£)	2016 (£)	2021 (£)	2026 (£)
1,641	1,577	1,707	1,866	2,041

Source: Experian Micromarketer, 2009

- 5.21 If we apply the per capita goods expenditure to the total population of the survey area, it highlights that there is currently £3,061m available leisure expenditure in the survey area. This figure is expected to show a downward trend over the next two years, before slowly rising back to current levels and then climb to over £4,045m by 2026 (Table 5.3).

**Table 5.3: Total Leisure Expenditure survey area**

	2009 (£000)	2011 (£000)	2016 (£000)	2021 (£000)	2026 (£000)
Total Catchment	3,061,819	3,046,070	3,297,264	3,648,154	4,045,366

Source: Experian Micromarketer, 2009

- 5.22 Despite continuing population growth in the Black Country during the period up to 2026, we do not anticipate a net increase in total leisure spend over the next five years due to economic conditions. After 2013 we expect a rise in leisure spend, past current levels, making additional leisure facilities more viable. However, there will be an ongoing need to maintain and enhance the existing offer, and in some sectors, to recapture spending 'lost' to centres outside the Black Country.

## Cinema, Bowling & Health & Fitness Clubs

- 5.23 According to Dodona Research (2006), the number of new cinema screen openings has slowed significantly over recent years, following a period of dramatic growth during the 1990s. During this period there was a significant increase in new multiplex cinema developments, primarily in out-of-centre locations, either as stand-alone schemes or as anchors to leisure parks.
- 5.24 The slowdown in development is partly explained by the Government's town centres first policy, which has effectively curbed new multiplex cinema and commercial leisure developments in out-of-centre locations. Although there has been a resultant increase in investment in smaller cinemas in town centre locations, multiplexes have maintained and increased their share of cinema screens to 73% (i.e. the number of cinemas has decreased but the number of screens has increased). Research indicates that there are now approximately 200 single screen cinemas in the UK and only 16% of all cinemas have less than four screens.
- 5.25 According to Dodona, the number of multiplex cinemas (and screens) opened in 2005 was the lowest since 1987. The latest research indicates an increase in openings in 2006, and confirmed plans for up to eight new multiplexes comprising 64 screens. Although Dodona forecast an increase in new investment and development over the short term, the growth will continue to be modest compared with previous trends due to the increase in sophisticated home entertainment systems, digital television and other technological advances.
- 5.26 According to Mintel's research report on UK Health and Fitness Clubs, the value of this sector increased by 62% between 1998 and 2002 (at current prices). In real terms the growth was a substantial 49%. The growth of this sector has been driven by a number of factors, including significant changes in lifestyles and a resultant shift away from competitive sports towards those focused on personal health and fitness

development. The expansion of this sector has continued in recent years, although growth has been characterised by significant consolidation in the industry. For example, Virgin Active recently took control of the Holmes Place leisure clubs.

- 5.27 Tenpin bowling has been established as a commercial leisure activity in the UK for over 40 years, but after a period of growth in the 1980s, decline set in during the early 1990s. Since then however, a spate of investment in new centres and refurbishments by recognised chain brands has revitalised the industry to a degree. Mintel research (2006) has identified an increase in development of high-end quality venues in central locations. However, long term attraction and viability of this sector of the commercial leisure market will depend on increasing its appeal to a wider demographic and providing a more sophisticated eating/drinking offer.
- 5.28 Our analysis of the existing provision in the Black Country, set out later in this report, highlights clear gaps in the provision of modern cinemas and other commercial leisure uses while current economic conditions are affecting leisure spend, it will be important to plan positively to address these deficiencies as part of the wider strategy to regenerate the Black Country.

## Internet Shopping/E-tailing

- 5.29 Online spending is growing at its fastest rate for six years, driven by convenience and low prices, and so far e-retailing is showing no signs of being affected by the recent economic downturn. According to Verdict (2008), the e-retail market grew by 35% between 2006 and 2007, which is considerably higher than the 3.6% growth in the total retail market, and e-retail is expected to continue outperforming the total retail sector over the next five years.
- 5.30 Worth £14.7bn in 2007, the online market is becoming an increasingly important contributor to retail, accounting for 5.2% of all retail sales, (up from 3.8% in 2006). Verdict's research found that almost 66% of UK households now have access to the Internet, with 55.5% having broadband access, which is making online shopping easier, faster and more reliable. As technology continues to improve, it will fuel further growth in the market. Overall the internet shopper population is forecast to grow by c.50% between 2007 and 2012.
- 5.31 As a consequence of this growth, there are pressures on retailers as the Internet has provided an attractive alternative for many consumers. Shoppers are selecting their own retail mix online and retailers on the high street need to compete with this choice, which is not only driven by price and range, but also service and expertise. Town centres will increasingly have to provide a retail experience that the Internet and supermarkets are unable to match, and the market will respond in some way to the varying impacts on different retail sectors.

## Offices

- 5.32 Previous research carried out by GVA Grimley in 2007 reviewed the West Midlands Office Market and identified several office sub markets typically characterised by centres often having a lack of available new, high quality space and an out-of-centre market having developed to fill the deficiencies and meet wider regional and regeneration needs. As a result of this, most smaller centres in the West Midlands have not developed an office market beyond what has existed in the past 10-20 years.
- 5.33 Within the West Midlands, Birmingham and Solihull are seen as the leading centres which have experienced a growing degree of speculative office development, highlighting the strength of the City Centre market. In contrast, the Black Country does not have strong 'in-centre' office accommodation to balance the strength of 'out-of-centre' development such as the Waterfront at Brierley Hill and Wolverhampton Business Park.
- 5.34 A more recent review undertaken by GVA Grimley, separate to this study, highlights little change in the Black Country office market since the previous study. The in-centre market continues to be predominately 1960s/70s buildings with limited new office development of significance in recent years. The out-of-centre market is characterised by post-1990 business parks, and continues to cater to a wide range of local, regional and national financial and business services occupiers.
- 5.35 The aspirations for the scale of office development in the strategic centres identified in the RSS are likely to be highly challenging to achieve. While the JCS should seek to identify suitable opportunities within centres and other highly accessible locations for new office development, we consider the majority of office development will be directed to sites on the edge of or outside the PSA given competing demands on key town centre sites. It may be appropriate for AAPs to identify sites for offices.

## Summary

- 5.36 Incomes and expenditure have shown strong growth over the last 20 years, with retail expenditure growing faster than incomes. This has seen corresponding increases in sales densities within existing retail floorspace, which has also been driven by factors such as high value space efficiency and longer opening hours. However, the current economic slow down will have significant impacts on the retail sector. In the Black Country, these problems may be pronounced as a consequence of rising unemployment, and below average incomes.
- 5.37 Heightened mobility and aspirations have favoured larger centres over smaller centres. Shoppers are more willing to travel further afield for 'higher order' centres which have a better retail and leisure offer, and have been the main focus of new retail and leisure development over the last 20 years. This pattern of polarisation is now becoming self enforcing as evidenced by the success of Birmingham and Brierley Hill and presents significant challenges to smaller centres in the Black Country.
- 5.38 The composition of town centres has changed through new development with retailers generally requiring larger shop units. This has again favoured the larger centres which are able to accommodate this demand.

This is particularly noticeable in the convenience sector, which has seen a 37% increase in food superstores, but a 31% fall in total number of convenience stores over the last 10 years. This has led to current concerns in respect of lack of competition and market dominance.

- 5.39 Leisure spending growth has continued to outstrip that of retail over recent years. Growth in spend in the Black Country is expected to slow in the short term before recovering back to current levels. Nevertheless, the mix of uses in a town centre is vital to offer choice to shoppers, and quality restaurants, coffee shops, cafes, bars and other leisure facilities are all important to encourage frequency of visit and longer stay times.
- 5.40 As competition from the internet increases, town centres need to offer a quality destination where people want to spend time and gain access to facilities not available on the web. There has been a continued polarisation towards larger centres and the provision of larger stores in these larger centres. Where smaller centres have been unable to diversify their offer or create niche markets and a mix of retail, leisure and service facilities they have suffered. In the Black Country, West Bromwich and many of the 'non-strategic' town centres have witnessed a prolonged decline as a consequence of this process.
- 5.41 The Black Country has a weak 'in-centre' office market which has been disadvantaged by a lack of available new, high quality space and an out-of-centre market which has developed to fill the 'in-centre' deficiencies and meet wider regional and regeneration needs. The policy aspiration for major office development in the four strategic centres will require a significant shift in the current focus of development activity in the West Midlands.
- 5.42 Generally, the economic outlook presents significant challenges to the Black Country Centres over the next few years. National and regional trends suggest a continued polarisation of activity. The Black Country authorities will need to take a highly proactive approach to encourage and facilitate appropriate development in their strategic centres, and to maintain and where possible enhance the network of smaller town, district and local centres.

## 6. METHODOLOGY AND DATA INPUTS

- 6.1 The previous sections identify the economic and policy context, and the issues which the JCS needs to resolve. To address these, our methodology builds on the substantial work undertaken to date; incorporates new household survey data and more detailed and up-to-date quantitative analysis; and includes extensive qualitative analysis of the current and potential role of different centres. We have also drawn on the expertise and knowledge of the local authorities, and discussions with a wide range of stakeholders with varied interests in the Black Country centres.
- 6.2 The Draft Good Practice Guidance prepared by GVA Grimley which accompanies PPS4 identifies the importance of developing effective town centre strategies to underpin the LDF. To do so, it is necessary to develop an understanding of the existing situation and the potential and opportunities for change. This is likely to require an audit of existing centres to identify their current role and vitality and viability, and their potential to accommodate new development and/or change; consideration of alternative centres and/or sites and opportunities to accommodate any new development which is required and the potential role of different centres; and an assessment and evaluation of alternative policy options.
- 6.3 The Good Practice Guide sets out detailed guidance on the approach to assessing the need for retail and other key town centre uses. In line with current and emerging guidance, it recognises the role of both qualitative and quantitative indicators of need, and that examination of the need for new development cannot be divorced from the audit of existing centres and the opportunities which exist to accommodate new development. The Guide recognises that retail and leisure sectors are highly dynamic, and it will rarely be appropriate to attempt to plan to identify needs in different centres based on the assumption that each simply maintains its current market share.
- 6.4 Our assessment builds on the approach advocated in Good Practice, and includes a number of key elements:
- Understanding the economic and policy context, and analysis undertaken to date.
  - A comprehensive assessment of all the Black Country centres, focusing in particular on the non-strategic town centres, including detailed health checks.
  - Stakeholder consultation with key developers, investors and occupiers active in the Black Country.
  - Detailed household surveys; to identify shopping and leisure patterns.
  - Detailed analysis of current and forecast population in the study area.
  - Assessment of current/future retail expenditure growth, and the quantitative and qualitative need for further convenience and comparison shopping development.
  - A detailed assessment of the quantitative and the qualitative need for other key town centre uses within the Black Country, and within individual authorities' town centres.



6.5 We expand on each element in turn.

## Economic/Policy Context

6.6 Our assessment has built on and extended the detailed analysis undertaken in the Black Country over the last five years by GVA Grimley and others, summarised in Section 2. We have also undertaken a review of national and regional economic trends, and current and emerging national policy guidance set out in Sections 4 and 5. This provides the context for the detailed analysis.

6.7 We have drawn on a variety of published data sources to reinforce our healthcheck analysis and understanding of how the centres are currently performing in the Black Country. We list below the range of data sources employed in this study.

- Experian Goad;
- Institute of Grocery Distribution;
- Focus Property Database;
- PROMIS;
- Estates Gazette;
- Trevor Wood Associates;
- Local Authority websites.

6.8 In addition to the above we have also drawn on a substantial amount of information provided by the Black Country authorities, and our own experience in the Black Country.

## Stakeholder Consultation

6.9 In order to achieve a realistic perspective of the potential opportunities for the Black Country centres, particularly in the context of the current market conditions, we have sought comments from key stakeholders identified by the Black Country authorities. We list below the key stakeholders who provided us with comments. Although not individually quoted in the study, we have taken the views provided into consideration in our analysis and towards developing the overall strategy for the Black Country centres.

- Westfield Group;
- New Heritage Regeneration Ltd;
- Walsall District Centres Manager;
- Stofords Ltd;
- London & Associated Properties PLC;

- Sandwell Traders Association;
- Urban Living;
- London & Cambridge Properties Ltd;
- Hortons' Estate;
- Tesco PLC;
- J Sainsbury PLC;
- Wolverhampton Development Company.

6.10 In addition, this report and its conclusions and recommendations were presented at a Black Country-wide stakeholder seminar. We are grateful for the insights which stakeholders have provided, which has supplemented our own empirical analysis and observations.

## Household Telephone Survey

6.11 In order to provide detailed factual baseline information on shopping patterns in the Black Country, we have commissioned a new household telephone survey covering 4,500 households over 54 Zones. GVA Grimley designed the survey questionnaire in consultation with the Black Country Authorities and Nems, our chosen research and marketing company, undertook the interviewing and data processing. The survey area and breakdown of zones was based on the earlier Black Country Centres Study area with minor changes to extend the level of coverage to the west of Wolverhampton to sensitivity test the extent of any inflow/outflow between the Black Country and adjoining areas. The survey area is illustrated on Plan 2, and the full results are set out in **Appendix 3**.

6.12 The survey results identify shopping habits of households for both convenience and comparison goods. Where necessary, survey results have been re-based to remove certain responses such as 'internet/mail order shopping', to ensure consistency with categories excluded in the expenditure projections. For convenience goods, the household telephone survey included questions on main food and top-up food shopping. The results for the two types of food expenditure were then merged through the application of a weight, which reflects the estimated proportion of expenditure accounted for by each type. For food we use a 75%/25% main food/top-up food weighting which is widely accepted and used in retail planning studies. This forms a composite pattern of convenience spending, expressed as a market share for each centre or foodstore, for each survey zone.

6.13 The survey also includes six questions on specific comparison goods types, which coincide with Experian Business Strategies definitions of comparison goods expenditure. The retail capacity modelling exercise uses the weighted averages of the household survey responses to each goods type based on the proportion of per capita expenditure on that goods type. This process establishes the pattern of spending for residents of each zone in terms of the following types of goods:

- Clothes and shoes;
- Furniture, floor coverings and household textiles;
- DIY and decorating goods;
- Domestic electrical appliances;
- TV, hi-fi, radio, etc; and
- Personal, luxury goods and recreational goods.

6.14 Our analysis of convenience and comparison retail needs is set out in Section 8 and 9.

## Healthchecks

6.15 In accordance with guidance set out in PPS6 we have undertaken detailed healthchecks of the non-strategic centres which measure the vitality and viability of the centres to determine the current status of health and highlight any qualitative deficiencies which need to be met in planning for the future of the centres.

6.16 For each of the non-strategic centres we have prepared a standardised proforma which considers their:-

- Retail composition including number, size and type of units/uses;
- Accessibility and car parking;
- Environmental quality;
- Development opportunities; and
- Overall role and position in the retail hierarchy

6.17 The results of this analysis are set out in **Appendix 4**, and our assessment of the role and network of centres is set out in Section 7.

## Current/Forecast Population in the Survey Area

6.18 The population estimates are drawn from data provided by Mott MacDonald and JMP (2009) which takes into account the RSS Phase 2 housing proposals down to the finer prism zone level. This provides a more accurate representation of expected growth in population across the Black Country over the RSS-based forecasts supplied by the West Midlands Regional Assembly for the WMRCS Update in November 2007.

6.19 The Mott MacDonald/JMP population figures provided by prism zone have been applied to the Black Country survey area to determine population estimates per zone. The figures forecast growth at 10 yearly intervals from 2006 up to 2026 and in order to establish the baseline at 2009 and interim estimates at 2011 and 2021 we determined total growth over 10 years and applied an average growth rate per annum.

6.20 This provides an estimated population of the Black Country survey area at 2009 of 1,931,748. This is forecast to fall to 1,931,389 by 2016. Following significant planned growth we forecast a subsequent rise in

population to 1,954,565 by 2021 and 1,977,521 by 2026. Overall, we have assumed the population will grow by 2.4% between 2009 and 2026 across the entire survey area.

## Available Expenditure in the Survey Area

- 6.21 The Experian e-marketer system provides estimates of per capita expenditure for convenience and comparison goods in 2007 prices. We have prepared individual per capita expenditure figures across each survey area zone to provide a more detailed understanding of expenditure in different parts of the catchment area, and have made appropriate adjustments for special forms of trading (SFT) such as internet sales, based on Experian's latest advice.
- 6.22 We have drawn on convenience and comparison goods growth rates provided by Experian Business Strategies. Reflecting the current economic downturn, Experian expect little expenditure growth for convenience and comparison goods between 2009 and 2010, following which, steady growth is anticipated up to 2016. Taking into account strong growth before the downturn, we have applied 3.7% growth for comparison goods and 0.3% growth for convenience goods between 2007 and 2008. After 2008 we have adopted high-growth projections advised by our in-house economic development team which assume 2.5% growth per annum between 2008 and 2016 and 5% growth per annum after 2016 for comparison goods. For convenience goods we assume 0.5% growth per annum in expenditure between 2008 and 2016 and 1% per annum beyond 2016. We have generated expenditure by zone to highlight variations across the survey area.
- 6.23 Over the next 2/3 years, based on Experian's latest forecasts, our assumption of 2.5% per annum growth may be optimistic. However, for the period 2009-2016 we consider this to be a reasonable assumption. As a consequence, our capacity projections up to 2016 are likely to arise towards the end of this period, and should be reviewed regularly in the light of changing economic conditions. Over the longer term, i.e. past 2016, the return to 5% per annum growth appears reasonable having regard to the ultra long term trends, but again should be reviewed at that time. This approach is consistent with the latest advice from Experian, which recognises the relevance of trends as opposed to short-term forecasts when preparing long-term planning projections.
- 6.24 We have applied per capita convenience goods expenditure within each zone to population forecasts. This shows that the total convenience goods expenditure within the survey area is currently £3,117m. This is forecast to grow to £3,193m by 2016, £3,397m by 2021 and £3,611m by 2026. This represents an overall growth of approximately £494m (15.8% between 2009 and 2026). In terms of comparison goods, the total available expenditure within the survey area is currently £4,782m, and is forecast to increase to £5,521m by 2016, £7,131m by 2021 and £9,204m by 2026. This equates to a significant overall increase of £4,432m (93% between 2009 and 2026).

## Special forms of Trading/Sales Efficiency

- 6.25 For the purposes of quantitative capacity forecasting, we have deducted special forms of trading 'SFT', which includes mail order and internet based sales from expenditure per capita figures for convenience and comparison goods. We consider that the proportion of expenditure accounted for by SFT will increase over the period 2007-2026, based on Experian Business Strategies research into internet sales. For convenience goods, they forecast a rise in this sector from 2.33% in 2007 to 4% by 2013, remaining at this level post-2016. For comparison goods, they forecast a rise from 8% in 2007 to 12.5% by 2013, remaining at this level beyond 2016.
- 6.26 We have made an allowance for growth in the turnover 'efficiency' (or 'productivity') of existing comparison retail floorspace which represents the ability of retailers to increase their productivity and absorb higher than inflation increases in their costs (such as rents, rates and service charges) by increasing their average sales densities. Evidently in the current economic climate many retailers have struggled to increase or even maintain sales density levels and, together with financial problems, have led retailers into closure. Having regard to the most recent advice from Experian, for the purposes of this study for comparison goods we have adopted a 1% efficiency rate for the period up to 2016, returning to 2.5% beyond 2016.
- 6.27 Convenience retail floorspace does, by its nature, not lend itself to growth in productivity in the same way therefore we have not allowed for any growth in efficiency over the plan period. Whilst we acknowledge that there are variations in sales densities depending on the format of the operators, in order to translate residual convenience goods expenditure into floorspace, we have assumed that mainstream foodstore operators would aim to achieve an average sales density of approximately £10,000 per sqm net, which is in line with conventional practice.

## Net/Gross Ratios

- 6.28 It is normal practice to prepare retail need and impact assessments using net sales floorspace data, i.e. excluding backroom/storage etc. The net/gross ratio of individual retailers and retail business models varies. Retail warehouses, for example, typically have a high proportion of their stock on the shop floor. Modern, more efficient shop units are also likely to achieve higher net/gross ratios than older units.
- 6.29 In the Black Country, policy in the RSS refers to gross floorspace figures, and it is common for applicants to refer to their proposals in gross terms. For the purposes of consistency, we express our conclusions on comparison need in net and gross terms. For convenience goods we express our conclusions and recommendations in net terms, as is our conventional practice. However, for comparison goods we have also included gross figures in order to allow direct comparison with RSS figures. For conversion, we have assumed a 75% net/gross ratio for comparison shopping to be consistent with the RSS. We have not separately assessed so called 'bulky goods' floorspace, for reasons set out in later sections, but we would typically expect existing bulky goods retail warehousing in the Black Country to achieve a higher net/gross ratio, of circa 85%.

## Assessing Retail Floorspace Needs

- 6.30 Based on our detailed modelling of current and forecast expenditure which is founded on the results of the household survey, we have built up a picture of the current and forecast sales performance of existing convenience and comparison goods floorspace within the Black Country centres and in existing out-of-centre facilities. This provides the basis for our assessment of quantitative retail needs.
- 6.31 Reflecting the advice in the Good Practice Guide, we have used this as a starting point to assess quantitative retail needs, but we have not applied a 'deterministic' approach to identify specific needs in individual centres based on their current market share. We consider this approach is unlikely to be appropriate in the particular circumstances of the Black Country. Equally, we have not confined our assessment of needs solely to expenditure growth beyond the current i.e. 2009 base year for the study. Evidently in some areas and centres in the Black Country there may be 'latent' capacity based on spending growth in recent years, while the sales performance of other centres and facilities suggests that some may be underperforming.
- 6.32 Another important consideration is the need to provide policy consistency with the RSS, and through the policy framework of the JCS will provide the necessary measure of certainty for those planning major development in the strategic centres in accordance with the RSS strategy. We have also had regard to the current market share of individual centres, based on our new household survey, and assessed the extent to which market shares have improved or declined since the previous study, and the potential scope to increase the market share of certain centres through appropriate new development in order to maintain their vitality and viability. In the case of West Bromwich, for example, which has a low and declining market share, we have in our baseline forecasts assumed as a minimum that the strategy should seek to restore the centre's market share to the level identified in 2004. In practice given the long term decline of the centre, it would be appropriate to plan a more significant increase in this market share, and we test the effects of such a step change later in the report.
- 6.33 Another factor which we have taken into account is the need to identify where capacity/need has arisen as a consequence of the high levels of consumer spending growth over the last few years, and in particular since completion of the 2005 study. In this respect, while there are no generally recognised 'benchmarks' which may be applied to assess whether existing centres are under or over-trading, in the case of strategic centres we have applied benchmark sales levels related to their 2005 performance in order to identify additional or 'surplus' spending growth which has arisen since then. This is reflected in our capacity projections, in addition to the effects of further growth in the period up to 2021 and beyond.
- 6.34 Finally, in line with good practice, we have identified global capacity projections for convenience and comparison retail floorspace, based on the current performance and growth in forecast expenditure, but have not assumed that such identified needs should necessarily be met in centres where existing facilities are trading strongly, or where existing centres already enjoy strong market shares. To do so would be likely

to reinforce the national pattern of polarisation, and would tend to focus new development in those centres which are already performing the strongest, and potentially to focus new development in out-of-centre locations.

- 6.35 In line with Good Practice Guidance and current and emerging national policy, we have combined our global capacity projections with our qualitative review of existing centres and opportunities within them to identify where best to plan to accommodate such needs. To illustrate this principle, in the absence of a quality comparison retail offer, it is evident that a significant proportion of comparison expenditure generated in the core catchment of West Bromwich is drawn to Brierley Hill and Birmingham. We have examined the implications of redirecting some of this capacity back into West Bromwich. We expand on this later.

## Summary

- 6.36 We have developed a methodology for the study based on the objectives of the RSS, the JCS and the objectives of this study (previously outlined in Paragraph 1.4). This builds on and updates the substantial body of work undertaken to date which has focused particularly on the strategic centres and is based on a sound understanding of the social and economic context facing the Black Country.
- 6.37 In line with Good Practice Guidance, the study includes detailed health checks and an audit of all of the non-strategic centres within the Black Country, together with an update of the previous analysis of the strategic centres and more detailed analysis of the local centres based on the research undertaken by the individual authorities. This assessment considers, inter alia; the vitality and viability of existing centres; their accessibility/parking levels etc; and identifies key deficiencies and opportunities for new development involving key town centre uses.
- 6.38 The assessment has been undertaken in discussion with the local planning authorities, having regard to their existing and emerging development plan policies and other analysis undertaken to date. The assessment also draws on discussions with a number of key stakeholders involving occupiers, developers and investors active in the Black Country.
- 6.39 The qualitative analysis has been supplemented by a detailed quantitative assessment which updates and extends the analysis of the strategic centres, and includes capacity projections for comparison and convenience goods floorspace based on a new household interview survey and using the most up-to-date RSS population forecasts and the latest expenditure growth projections.
- 6.40 Reflecting good practice, the approach combines quantitative and qualitative considerations, and has taken into account, inter alia; the need to provide policy consistency with the RSS and the scale of development identified for the key strategic centres; the use of appropriate 'benchmarks' where relevant to assess the current performance of comparison and convenience goods floorspace; consideration of realistic expenditure growth projections, and the need to make appropriate provision for existing retailers and centres within the Black Country to improve their current sales performance; and the need to focus identified

capacity to centres where the need is strongest and/or development opportunities and potential exist to accommodate new development.

- 6.41 In parallel with the assessment of convenience and comparison retail needs, the methodology includes an assessment of the scope for additional leisure and other key town centre uses, including an assessment of office needs based largely on recent studies undertaken in the Black Country. The key components of these assessments are set out in the following sections.



## 7. THE ROLE & NETWORK OF CENTRES

- 7.1 This section sets out our qualitative review of the network of centres in the Black Country, assessing their current role and highlighting any key deficiencies. The role and needs of the strategic centres (Wolverhampton, Walsall, West Bromwich and Brierley Hill) have been defined by regional policy, and are considered in detail in previous studies. In this study, we focus predominantly on the network of non-strategic town and district centres, local centres and other out-of-centre facilities in the Black Country.

### Overview

- 7.2 Before considering the roles and performance of each centre, it is relevant to consider the inter-relationship between the Black Country centres and competing centres, and the complex inter-relationship between the Black Country centres themselves. This feature is further complicated by the extensive out-of-centre shopping provision, with retail parks and freestanding foodstores in some cases situated between centres and/or straddling the borough boundaries. While our later analysis considers capacity projections on a centre by centre basis, and for each borough, in practice neither the Black Country, nor the individual boroughs can be regarded as self contained systems.
- 7.3 Having regard to the household survey, it is evident that Wolverhampton city centre has a well defined core catchment, comprising the entire borough, and the rural hinterland to the west. Within its core catchment area, the city centre achieves market shares of between 60% and 76% and it is evident that the catchment extends a considerable way to the north and west. To the south it is more circumscribed by the dominance of Brierley Hill.
- 7.4 In Dudley, it is evident that Brierley Hill is the dominant centre. Even within the core zones, Brierley Hill's market share is less than that of Wolverhampton; the centre achieves no more than 55% market penetration in any single zone. However, its catchment area is wider and it penetrates the core catchments of competing centres. For example Brierley Hill draws just under 49% of available expenditure from the zone which includes Dudley (Zone 19) and attracts between 8% – 9% from zones 16 and 17 which comprise the core catchment of West Bromwich. This analysis suggests that within its core catchment area there is scope for Brierley Hill to reinforce its market share, but in the interests of achieving a balanced network of centres and more sustainable shopping patterns, it would be appropriate for centres like West Bromwich to secure significant development in order to recapture some of their core catchment spend being 'lost' to Brierley Hill.
- 7.5 In the eastern part of the Black Country, comparison shopping patterns are more complex. Clearly, Birmingham exerts a strong draw on this part of the Black Country. It is also evident that out-of-centre retail provision accounts for a more significant proportion of available expenditure. Against this competition, it is evident that Walsall and West Bromwich are unable to achieve the same levels of market penetration within their core catchment, or serve a more extensive catchment area. In the case of Walsall, even within its core catchment area comprising zones 30, 31, 36 and 37, the centre achieves no higher than 45% market share, although it is evident that Walsall is still able to draw trade from the core catchment of West Bromwich.

While the non-strategic centres in Walsall all serve discreet catchments and achieve low market shares, they reinforce the highly fragmented market shares in Walsall. This analysis points to the need to significantly reinforce the higher order role of Walsall town centre if it is to continue to function as a genuinely strategic centre for this area.

- 7.6 In Sandwell, a similar pattern emerges. West Bromwich serves a relatively small well defined core catchment area at present, comprising zones 13, 16 and 17 but only achieves a maximum of 28% market share in any zone. This reflects the lack of a quality comparison retailing, and the intense competition which West Bromwich faces from Birmingham, Brierley Hill, Walsall, a network of non-strategic centres (including Oldbury in particular), and out-of-centre facilities. This reinforces the need for a major development offering “critical mass” in the comparison retail sector if West Bromwich is to reverse its long term decline and genuinely function as a strategic centre for this part of the Black Country.

## Non-strategic Centres

- 7.7 Table 7.1 gives an overview of the centres in terms of retail floorspace and the total number of shop units, car parking and parking ratios. Detailed health checks for each centre are set out in **Appendix 4**. The location of the centres is shown on Plan 3, and plans showing the extent of each centre’s catchment are reproduced in **Appendix 5**.

*Table 7.1: Black Country Non-Strategic Centres*

Centre	Authority	Total number of shop units	Total Floorspace (sqm gross)	Car parking spaces (not including on-street)	Car parking ratio (1 space per sqm gross)
Dudley	Dudley	367	72,009	c1,700	1:42
Stourbridge	Dudley	286	66,443	c1,350	1:49
Bilston	Wolverhampton	199	44,250	c1,343	1:33
Bearwood	Sandwell	264	41,389	c120	1:344
Cape Hill	Sandwell	198	36,585	c680	1:54
Bloxwich	Walsall	149	31,225	c645	1:48
Blackheath	Sandwell	158	30,556	c678	1:45
Wednesbury	Sandwell	183	29,154	c836	1:35
Cradley Heath	Sandwell	134	29,008	c550	1:53
Great Bridge*	Sandwell	90	28,231	c779	1:36
Willenhall	Walsall	181	27,063	c820	1:33
Brownhills	Walsall	136	27,025	c904	1:29
Halesowen	Dudley	175	26,097	c850	1:31
Oldbury	Sandwell	78	22,594	c800	1:28
Aldridge	Walsall	114	21,554	c599	1:35
Darlaston	Walsall	81	15,375	c427	1:36
Sedgley**	Dudley	93	13,656	c680	1:20
Kingswinford	Dudley	88	12,783	c180	1:71
Lye**	Dudley	107	11,845	c170	1:70

Centre	Authority	Total number of shop units	Total Floorspace (sqm gross)	Car parking spaces (not including on-street)	Car parking ratio (1 space per sqm gross)
Wednesfield	Wolverhampton	74	9,829	c392	1:25

Source: Experian Goad / \*Sandwell MBC, 2009 / \*\*Dudley MBC, 2009 NB: Parking figures derived from Goad surveys / Dudley Council Surveys Maps, 2007/ Walsall Parking Strategy, April 2006 / Planning Applications / Wolverhampton City Council, 2009

7.8 It is evident even in this summary that the centres range in size and number of units, and in their parking provision. The centres generally have less off street parking relative to their size than the strategic centres, reflecting their more localised catchments and the absence of modern purpose built shopping centres in most. While each centre is unique, and has its own distinct characteristics, most are anchored by one or more large foodstores.

7.9 We summarise the key characteristics of each centre below. It should be noted that the 'town' and 'district' centre titles are derived from their designation in the currently adopted UDPs of the Black Country Authorities.

### Wolverhampton Centres

7.10 **Bilston Town Centre** is an attractive centre, with a good quality retail and service offer. Units are generally well-maintained with modern fascias. There is a variety of street furniture including several interesting sculptures contributing to the overall shopping environment. There are several vacant units which are unattractive but aside from this the centre is considered to be performing well and in good health. There are also several identified opportunities for future development which have potential to enhance overall vitality and viability in the future.

7.11 **Wednesfield Town Centre** is an attractive centre offering a diverse range of retail goods and services. The street market adds to the retail offer and is an attractive and popular feature of the centre. Restricted traffic along High Street supports good pedestrian permeability across the centre. However, whilst Wednesfield is currently performing adequately, it is small in size compared with other non-strategic centres and has a strong reliance on its convenience offer. It is also in close proximity to Bentley Bridge retail park which has recently secured permission for a new Aldi foodstore and bulky goods retail provision at the former Mecca Bingo unit. Consequently, any further growth at Bentley Bridge, edge-of-centre locations not identified as development opportunities, or in out-of-centre locations (particularly for convenience goods retail) could undermine the future vitality and viability of the centre.

### Walsall Centres

7.12 **Bloxwich District Centre** is a reasonably extensive centre with retail uses distributed along the length of High Street from the Asda in the south up to Wolverhampton Road in the north. The centre offers a diverse range of retail goods and services and appeared busy at the time of our site visit. The quality of the environment varies with a combination of some more attractive buildings and well-maintained shop frontages arranged with units that are of a poorer condition. The Asda is noticeably dated and in need of modernisation. The centre has good public transport accessibility and reasonable parking provision.

- 7.13 **Brownhills District Centre** has a diverse range of retail goods and services on offer anchored by a Focus, Aldi and a new Wilkinson store in addition to the Tesco foodstore situated just off High Street. The majority of shop fronts are well maintained although some would benefit from further improvement. The High Street is dominated by heavy traffic but overall the centre is considered to be in a reasonable condition. The new Wilkinson development contributes a more modern development and enhances the standard of the retail offer. At the time of our visit the centre appeared busy.
- 7.14 **Aldridge District Centre** largely comprises an outdated shopping precinct. Despite its age it boasts a reasonable range of retail shops and services, including some high quality independent retailers as well as several multiples. The restaurant offer is limited to Indian cuisine and there is just one public house. There is a good level of parking provision and accessibility by public transport. The fully pedestrianised precinct has good provision of street furniture and planting which add to create a generally pleasant shopping environment. Overall the centre appears to be performing well and is considered vital and viable.
- 7.15 **Willenhall District Centre** is considered a centre in decline. There is a reasonable range of shops and services on offer, but the overall quality of the centre is poor and in need of improvement. The few multiple retailers present occupy similarly run-down units and the only signs of investment appear to be from the bookmakers and amusement arcades. There are a high number of vacant units which contribute to the poor appearance. Currently, we consider the centre lacks vitality and viability. However, we expect that the development of a new Morrisons foodstore on the edge of the town centre boundary will help rejuvenate the centre and counteract ongoing decline. This is considered crucial for the centre to maintain its role as a non-strategic centre.
- 7.16 **Darlaston District Centre** is somewhat dominated by the busy Asda, which anchors the centre, in contrast to limited activity observed in other parts of the centre. Aside from the Asda the retail offer is limited and the environmental quality is generally poor. There are several vacant units which should be prioritised for investment to raise the vitality and viability of the centre.

### ***Sandwell Centres***

- 7.17 **Blackheath Town Centre** offers a reasonable range of retail goods and services, anchored by a large Sainsbury's foodstore to the south. There are several vacant units and many shop fronts look tired and would benefit from refurbishment. Similarly the public realm is lacking investment and could be further enhanced in conjunction with further traffic management and public transport improvements. The recently completed eastern bypass enables through traffic to avoid the centre. The centre is well served by public transport. There are several small scale opportunities for future retail development which could further enhance the overall retail offer and bring about environmental improvements in the wider public realm.
- 7.18 In **Cradley Heath Town Centre** the new Tesco Extra is considered a key anchor for the centre. The development has significantly enhanced the retail provision and brought about improvements to the adjacent public realm although this enhancement does not extend further along the High Street. The quality of the environment along High Street is in general quite poor but there is a good selection of shops and services on offer and the centre was busy at the time of our site visit suggesting that visitors do not just visit the

- Tesco at the north. We identified a high number of vacant units in the centre, particularly along Market Square which suggests there may be some opportunity to redevelop this area to provide an enhanced shopping facility or the reinstatement of the centre's historic market role.
- 7.19 **Great Bridge Town Centre** benefits from the Asda/Walmart complex which performs a key anchor role and provides the main convenience provision for the surrounding catchment area. The traditional centre, adjacent to this, is a linear development along a busy road. The buildings and shop frontages are in need of improvement but overall the centre appears popular. There is a good range of comparison goods on offer, including some more specialist retailers, and a plethora of service operators with a high number of fast food take-aways. The centre has good level of parking provision and accessibility by public transport. The overall environment could be improved with some investment in shop frontages and the public realm.
- 7.20 The traditional part of **Oldbury Town Centre** is generally service-dominated and the limited retail provision is fragmented along Birmingham Road with no central focus. The adjacent Sainsbury's development provides a wide range of convenience goods in addition to some comparison provision and is the main attractor to the centre. There are pedestrian linkages between the foodstore and the traditional centre although the level of linked trips between the two appears limited. Traffic flows along Birmingham Road were busy at the time of our site visit, but there appeared to be little pedestrian activity. There are proposals for a significant amount of additional retail floorspace to the north west of the Sainsbury's, known as Oldbury Junction, largely relating to A1 bulky goods retail floorspace.
- 7.21 **Wednesbury Town Centre** has good level of retail and service provision. There are several multiple operators albeit mainly budget/discount retailers. The new Morrisons development provides a high quality, modern environment and a contrast to other parts of the centre, which would benefit from further improvement to raise the overall standard. The new bus station has good links to Morrisons and the wider centre. We have not identified any further development opportunities but further investment is needed in parts of the centre which are looking tired and run-down.
- 7.22 **Cape Hill Town Centre** is an extensive centre with a good level of retail shops and services on offer. The centre is anchored by the Windmills Centre which comprises large format stores occupied by key multiple retailers. The surrounding retail areas are more secondary in nature with many specialist and ethnic stores and it appears very popular for this purpose. The environmental quality varies across the centre and in many areas could be improved with some additional maintenance and modernisation. Heavy traffic through the centre also detracts from the overall environment and hinders pedestrian movement. The centre appears to cater well to the needs of the immediate population.
- 7.23 **Bearwood Town Centre** is a linear centre developed along a busy traffic route, aside from congested traffic the centre is reasonably well-maintained with some modern shops frontages, a number of key multiple retailers supplemented by a range of independent stores offering a wide range of goods and services. More modern developments are well-integrated and provide larger format units more suitable to modern retailer requirements. Bearwood Road is well served by buses and there is good provision of parking relative to the size of the centre. At the time of our site visit the centre was busy both in terms of traffic and pedestrian activity. Overall we consider Bearwood to be performing well.
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### *Dudley Centres*

- 7.24 **Dudley Town Centre** has a distinctive market town character with strong leisure attractions around the Zoo and Castle area and the significance of the local market role could be enhanced as a further attraction to visitors. Those multiple retailers present tend to be at the discount end and there are development opportunities to enhance the overall retail offer and improve frontages. The centre has a limited convenience offer, but there is opportunity for future development in this respect and registered requirements from operators seeking representation in the centre. Generally the centre appears to be trading adequately, but it has experienced a prolonged period of significant decline both before and after Merry Hill, and is in need of significant regeneration.
- 7.25 **Stourbridge Town Centre** is a popular centre with an affluent catchment population. The centre has good provision of retail shops and services and was busy at the time of our site visit. There are a number of vacant units, including many in the Ryemarket Centre and the high street is narrow, cluttered and would generally benefit from some investment in the public realm. Cars dominate both in terms of traffic and parking. Notwithstanding these, the centre is considered vital and viable.
- 7.26 **Halesowen Town Centre** is a popular centre which has been greatly enhanced by the recent Cornbow re-development and associated improvements in the public realm. The Cornbow Centre has a good retail offer and few vacant units. Elsewhere the centre has some attractive elements along the pedestrianised high street and around the plaza. Other areas, particularly towards the north of high street have not been updated and appear unattractive in comparison. The centre is considered to be performing well, in-line with its position in the retail hierarchy.
- 7.27 **Kingswinford District Centre** offers a reasonable selection of shops and services, including several pubs and restaurants. The centre is amongst the smaller non-strategic centres but was busy at the time of our visit and demonstrates a level of vitality and viability. The centre is well maintained and appears to be in overall good health and functioning well as a district centre.
- 7.28 **Sedgley District Centre** has a relatively limited retail offer which is orientated towards meeting local community needs, although there is some specialist retail provision that may attract visitors from further a field. The parks and greenery around the centre are attractive but many of the buildings are dated and unattractive. The centre presently appears to be functioning adequately as a district centre.
- 7.29 **Lye District Centre** has a limited convenience offer and no main foodstore operator. Heavy traffic dominates the High Street and there are a number of vacancies which detract from the environment. Shop units are small and constrained and the centre is somewhat dated in parts, with a high number of service operators dominating the main retail core. The centre appears to function at a more local role.

## Local Centres

- 7.30 A network of local centres is essential to provide easily accessible shopping to meet people's day-to-day needs and the mix of uses in such centres should be carefully managed. There is presently a network of 89 defined 'Local Centres' in the Black Country as highlighted in Table 4.3 in Section 4 of this report. It is not within the remit of this study to assess the specific role and function of each individual centre. However, a comprehensive audit of all 89 local centres has been undertaken by the Black Country authorities and we have reviewed the information provided on a chosen sample, and give recommendations, including designating new local centres and removing local centres from the hierarchy. Detailed healthcheck proformas provided by the Black Country Councils are included in **Appendix 6** and our analysis of the chosen sample of local centres is set out below.

### *Wolverhampton Local Centres*

- 7.31 **Stafford Road (Three Tuns) District Centre** is situated approximately two miles to the north of Wolverhampton city centre. The centre offers a good range of shops and services consistent with its role as a small district centre. There is good accessibility with regular bus services, off-street parking provision and pedestrian links to surrounding residential areas. The number of vacant units has increased since 2006 and parts of the centre are outdated and could be improved. Opportunities to expand the centre are limited by the surrounding residential areas. There is a potential threat posed by the proposed development of a 'neighbourhood' centre nearby and the Council should support opportunities to strengthen the centre to improve the type and quality of retail accommodation on offer either through upgrading or reconfiguring existing buildings. The Council suggest revisions to current boundary which we consider sensible to better clarify the extent of the centre.
- 7.32 **Finchfield Local Centre** is situated to the west of Wolverhampton city centre. The centre comprises 20 units offering a range of shops and services consistent with its role as a local centre. There is a single vacant unit and the centre benefits from good accessibility. There is a new Lidl currently under construction which will enhance the overall retail offer, however it may also draw an element of trade from existing facilities. We consider it appropriate for the centre boundary to be altered to include the Lidl site. The quality of existing buildings and environmental surroundings varies and there are potential opportunities to improve both. There is a boarded up church adjacent to the Lidl site which presents a further opportunity for redevelopment. We agree with the Council that it would be sensible to incorporate the site within the centre boundary to assist future considerations to bring the building back into practical use.
- 7.33 **Stubby Lane Local Centre** is located approximately 1.5 miles to the east of Wednesfield town centre. The centre comprises 12 units which include a Costcutter convenience store and key services such as a post office, newsagent and pharmacy, consistent with its function as a local centre. Situated within a residential estate, public transport links and parking provision is limited, and it is likely that the centre is performing a key function serving the immediate surrounding residential population. The adjoining residential uses limited scope for expansion and two units have also been lost to residential uses (currently under construction).

We would advise the on-going protection of remaining units to maintain an adequate level of facilities to ensure the centre continues to fulfil its function serving the local catchment area.

### **Walsall Local Centres**

- 7.34 **Caldmore Local Centre** is situated less than a mile to the south of Walsall town centre and comprises a mix of shops, services and local community facilities which are generally orientated towards serving the needs of ethnic communities. The centre is accessible by a range of transport modes and has good parking provision. In parts, the pavements are narrow and the centre would benefit from additional pedestrian crossings to facilitate pedestrian movement. 'The Green' offers an attractive area of greenery, but elsewhere in the centre landscaping is limited and the, often congested, main road dominates. The Council suggest a slight revision to the current boundary to incorporate the car park bordered by Caldmore Road. We consider this sensible based on its use being linked to the centre.
- 7.35 **Turnberry Road Local Centre** is located approximately one mile to the north west of Bloxwich towards the edge of the existing urban envelope. The centre, built to serve a new housing estate, comprises just seven units, the majority of which are accommodated within a single building which is anchored by a Co-op foodstore. The buildings are modern and well-maintained, as are the wider physical surroundings. The centre is served by one half-hourly bus service (Mon-Sat) and offers ample parking provision which is under-used during the daytime despite the majority of visitors arriving by car. Based on its location, it is likely that centre serves a reasonably limited catchment area orientated towards serving the immediate surrounding residential areas. There is some scope for expansion however based on its local function we would not recommend an elevation above local centre status.
- 7.36 **Darlaston Green Local Centre** is located less than a mile to the north of Darlaston and comprises a handful of small retail premises. The centre's offer is limited to a local newsagent, a greengrocer, fast food takeaways and a public house. There is also a snooker club and an office building within the centre boundary. The centre is served by two bus services and there is ample parking provision relative to the size of the centre. However, the car park is situated some distance from the shop units which may affect the potential to attract passing trade. The centre is surrounded by industrial units and appears to experience minimal footfall. The row of shop units is disrupted by new residential units which have contributed to the contraction of the retail core of the centre. There are no identified opportunities for expansion and based on the current composition the centre no longer fulfils the PPS6 definition of a Local Centre<sup>4</sup>. We therefore recommend that 'local centre' status is removed.

### **Sandwell Local Centres**

- 7.37 **Stone Cross Local Centre** is located approximately 2.5 miles to the east of Wednesbury and a similar distance north of West Bromwich. The centre comprises 47 units and provides a good selection of shops and services consistent with its status as a local centre. Tesco Express and Spar are the main foodstores and there is some representation from other multiple retailers including Greggs, Firkins and Lloyds

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<sup>4</sup> This will be replaced by PPS4 and accompanying Good Practice Guide.



Pharmacy. The centre is accessible from a variety of transport modes although parking provision is limited to 20 on-street spaces. A gradual increase in the number of service uses is considered a potential threat to the centre's day-to-day shopping function. The Council should seek to maintain and enhance the number of units within A1 retail use class, and where viable, resist changes of use to those outside of A1. We do not recommend any changes to the current status or boundary of the centre.

### **Dudley Local Centres**

- 7.38 **Shell Corner Local Centre** is situated within the eastern part of Dudley borough, approximately 0.5 miles to the south of Blackheath, concentrated around Long Lane intersection with Nimmings Road, Maltmill Lane and Belgrave Road. The A1 retail offer is rather limited although there is a post office and a small general store amongst other uses including some specialist stores. There is a high level of vacancies, including a concentrated block within the Protected Frontage along Long Lane, which undermines the vitality of the centre. The centre is well-served by two bus routes, however parking for shoppers is limited to marked bays outside the shops and parades along Long Lane. The proximity of the centre to Blackheath is considered one contributing factor to the overall decline of the centre. In response, the centre has been identified as a priority for regeneration and a Regeneration Strategy was published by the Council in December 2008. Based on the Council's commitment to delivering improvements to the centre to maintain its role and function as a local centre we do not recommend any change to its status as such.
- 7.39 **Wordsley Local Centre** is one of the larger local centres in Dudley, located approximately 1.5 miles to the south of Kingswinford and over two miles north of Stourbridge. The centre comprises a good range of shops and services, including a small supermarket, with the majority of retail uses concentrated with the precinct at The Green. There is a low level of vacant units and although many of the buildings are out-dated, both along the more traditional high street and at the post-modern precinct, the centre has been maintained to a reasonable standard. The healthcheck survey highlights a reasonable level of footfall and high car park usage which suggest the centre is performing well in its current role. We therefore do not recommend any changes to the status or boundary of Wordsley local centre.
- 7.40 Based on the above it is evident that the majority of the local centres reviewed (unless otherwise stated) are broadly characteristic with the typology provided in PPS 6 (Table 1, Annex 1):

*'Local centres include a range of small shops of a local nature, serving a small catchment. Typically local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities might include a hot-food takeaway and launderette.'*

### **New Local Centres**

- 7.41 In addition to the above, we have also assessed the potential for two new local centres in Dudley, and the potential for future designation of local centres in Sandwell, which are considered in turn below.
- 7.42 **Oldswinford (Dudley)** is situated around the junction between Hagley Road, Heath Lane and Glasshouse Hill less than a mile to the south east of Stourbridge. The proposed centre comprises several retail

premises, including a Tesco Express, post office, newsagents and pharmacy amongst other key uses which are consistent with the characteristics of a local centre. The centre is accessible by bus and there is ample parking provision relative to the size of the centre. The offers a pleasant, village-like environment and buildings are well maintained apart from a small selection of tired looking shop fronts which could be enhanced. There are limited opportunities for expansion and any new development would be small-scale in-fill development. The centre appears to be performing well and offers a good choice of services to fulfil a range of day-to-day shopping needs to the local catchment area. Based on the information provided, and the analysis carried out, the centre should be designated as a new local centre.

- 7.43 **Hawne (Dudley)** is located approximately half a mile to the west of Halesowen comprising a range of shops and services distributed along Stourbridge Road at the intersection with Short Street and Atwood Street. The proposed centre is anchored by a Tesco Express foodstore accompanied by a mix of uses considered ideal for a small local centre. The environment is pleasant and buildings are in good repair although some facia enhancements would be beneficial. The centre is accessible by a range of transport modes and there is adequate parking with both on and off street provision. There are several identified development opportunities which present potential for enhancement of the current offer to further substantiate its role as a local centre. The survey highlights a high proportion of takeaways in the centre and the Council should consider resisting these types of uses using appropriate planning policies to avoid undermining the vitality of the centre in the future. Based on the current performance and identified potential we recommend that Hawne be designated as a new local centre.
- 7.44 We have also assessed the potential for new local centres in Sandwell which could be designated in future LDDs/DPPs such as AAPs. We have considered the potential of designating both a large cluster of shops (Crankhall Lane) and a small parade of shops (Yew Tree) as new local centres in the future, as detailed below.
- 7.45 **Crankhall Lane (Sandwell)** is spread over three dispersed zones along Crankhall Lane and Friar Park located approximately 1.5 miles to the east of Wednesbury. The centre comprises 23 units (including a Lidl) offering a range of shops and services, consistent with its proposed designation as a local centre. The area is accessible from a variety of transport modes and there are traffic calming and pedestrian crossings to facilitate safe pedestrian movement. There are no identified opportunities for future development which presents limited scope to improve the integration of shops and services and create a more defined centre. Crankhall Lane is within close proximity to Wednesbury town centre and the Morrisons at Wallows Lane in Walsall. However, we do not consider either to ultimately threaten the future vitality of the centre which already appears to operate well in a local function serving the day-to-day needs of the surrounding residential area. Based on the information provided, Crankhall Lane should be considered as a new local centre.
- 7.46 **Yew Tree (Sandwell)** is situated within the north-east of the borough approximately 2.5 miles to the south east of Walsall town centre and 3.5 miles to the east of Wednesbury. The centre comprises a linear parade of shops running parallel to Redwood Road. The parade is set back from the road with off-road parking provision situated in front. The shops are in of reasonable quality and there is a large area of green open space directly opposite. According to the information provided, the shops are well used, with just one

vacant unit, and overall the area is considered to be functioning well as a local centre and should be designated thus.

- 7.47 Having assessed these potential centres of different scale this provides a benchmark which will help Sandwell and the other Black Country Authorities in identifying new local centres in the future. In the future, over the length of the plan period it might be appropriate for other new local centres to be designated in the Black Country, which should be delivered through DPDs.

## Out-of-Centre Retail Provision

- 7.48 Outside the defined strategic and non-strategic centres, there is an extensive provision of main foodstores which are set out in Table 7.2 and illustrated on Plan 4. There is also an out-of-centre Asda store near the Molineux Stadium in Wolverhampton. However, in view of its proximity to the city centre we have, for the purposes of our quantitative analysis, included it within Wolverhampton strategic centre's convenience goods provision. It is therefore not listed in Table 7.2 below.

**Table 7.2 Foodstores outside the Strategic & Non-Strategic Centres**

Foodstore	District	Date of Opening	Net Convenience Floorspace (sqm)
Morrisons, Wallows Lane	Walsall	1992	4,515
Waitrose, Marston Road	W'hampton	1982	3,604
Tesco, Birmingham Road	Dudley	1992	3,094
Sainsbury's, Stephenson Avenue	Walsall	1997	2,680
Tesco, Neptune Industrial Estate	Walsall	2007	2,648*
Sainsbury's, Sandringham Way	Dudley	1984	2,560
Asda, Wolverhampton Road	Sandwell	2003	2,499
Asda, Wednesbury Oak Road	Sandwell	1972	2,171
Morrisons, Charterfield Shopping Centre	Dudley	1979	2,132
**Morrisons, Pendeford Park Shopping Centre	W'hampton	1985	1,632
<b>TOTAL</b>	-	-	<b>27,001</b>

Source: IGD / \*Walsall Council, 2009 \*\* Located in Pendeford Local Centre but considered out-of-centre for the purposes of the methodology.

- 7.49 It is evident that the majority of this provision is provided by large format stores operated by one of the 'Big 5' foodstore retailers. Asda and Morrisons have the greatest representation, followed by Sainsbury's and Tesco. Our analysis suggests that there is an extensive range of out-of-centre foodstores in the Black Country. Given the policy preference for such developments to be located within, or failing that, on the edge of existing town or district centres, and the range of deficiencies and opportunities identified in the existing network of centres, we do not consider there is a case for allocating any further sites for out-of-centre foodstores.

7.50 There is an extensive provision of out-of-centre retail warehousing with noticeable concentrations around the strategic centres. The major retail parks in the Black Country are outlined below, and shown on Plan 5:

- **Bentley Bridge Retail Park** (Argos, Laura Ashley, Burton/Dorothy Perkins, Sports World, Boots, Peacocks, Au Naturale, Home Bargains, Hobbycraft and Dreams)
- **Bilston Road Retail Park** (Dunelm Mill, Sleepmasters and Allied Carpets)
- **Mitre Retail Park** (Carpet Right and Harveys)
- **The Peel Centre Retail Park** (JJB Sports, Fabric Warehouse/Bensons, United Carpet Mill and Focus)
- **Broadwalk Retail Park** (Au Naturale, Carpetright, Comet, Halfords, Pets at Home and Matalan)
- **Junction 10 Retail Centre** (Boundary Mill / M&S Outlet)
- **Reedswood Retail Park** (Matalan, Focus, Dreams, Dunelm Mill and the Carphone Warehouse)
- **Key Way Retail Park** (Staples and Jollyes Pet Supplies)
- **Gallagher Retail Park** (B&Q, Furniture Village, Next, ScS, Currys, PC World and Ikea<sup>5</sup>)
- **Oak Retail Park** (Fabric Warehouse and Wickes)
- **Port West Retail Park** (Dreams, Bathstore.com and Floors-2-Go)
- **Towngate Retail Park** (Wickes and Dixons Warehouse)

7.51 There are also a number of free-standing stores in the sub-region, shown on Plan 5.

7.52 Overall we have identified approximately 111,656 sqm of retail warehousing in out-of-centre locations. In addition, there are substantial retail warehouse units situated in edge of centre locations such as St John's Retail Park in Wolverhampton, Crown Wharf Shopping Centre in Walsall and Oldbury Green Retail Park in Oldbury. Collectively there is a good range of goods on offer varying from the more traditional bulky goods such as DIY, furniture, textiles, carpets and flooring and electronics, alongside retailers offering sports clothing and equipment, clothing and footwear, pet products and toys serving the Black Country.

7.53 We have identified several vacant retail warehouse units, particularly at Broadwalk Retail Park in Walsall and Bentley Bridge Retail Park in Wednesfield, Wolverhampton which indicates that there is not currently an obvious qualitative need for additional retail warehouse floorspace in these locations within the northern area of the Black Country. Furthermore, we are aware that planning consent has been granted for additional retail warehouse floorspace in both Oldbury and Great Bridge in Sandwell borough, and more recently in Dudley.

7.54 Taking into account the current range and distribution of retail warehousing, planned new developments and the availability of existing vacant units, we do not consider there is any evident qualitative need for further provision of retail warehouse floorspace in the Black Country over the plan period to 2026. In addition, our review of existing centres suggest there are several commitments within and on the edge of the defined

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<sup>5</sup> We acknowledge that Ikea is a standalone store located in Walsall borough and adjacent to the Gallagher Retail Park which is located in Sandwell borough. The household survey does not distinguish between the Ikea and the retail park and we have therefore considered both as one retail destination. However, based on trade draw patterns highlighted by the survey we have assumed an equal split of the estimated turnover of the retail park across both boroughs.

centres which could contribute to meeting any genuine 'bulky goods' needs, should they arise. We have not identified any specific need for the JCS to plan to for additional out-of-centre retail provision, reflected by the recommendations set out in Section 11.

## Summary

- 7.55 Our assessment of the non-strategic centres indicates that the majority of centres are currently vital and viable and performing in line with their designated status in the emerging JCS for the Black Country. However, all the centres require further investment to improve the appearance and modernise their offer in particular Darlaston, Wednesbury, Cape Hill and Cradley Heath, amongst others. Willenhall requires more urgent attention, and the planned new Morrisons development will contribute towards this.
- 7.56 We have also identified development opportunities across several of the centres which would bring about further enhancement and potential to raise the overall retail offer. In Dudley in particular there is opportunity to build on the character and heritage of the centre, in addition to the need for a quality foodstore. There are also development opportunities which have the potential to raise the retail offer above the low-cost/discount offer presently available and support a food anchor store which is a key deficiency.
- 7.57 Lye is identified from our qualitative analysis as one of the centres not currently performing at the same level as other non-strategic centres. The centre has a limited convenience offer and whilst there has been interest from foodstore operators the centre is heavily constrained and development may not be viable. If this proves to be the long-term situation we would consider it appropriate for Lye to be re-designated to the lower tier of the retail hierarchy in line with its current function. The district centres of Sedgley and Kingswinford are also of a noticeably smaller scale and function compared to other non-strategic centres and may be better positioned along with Lye in the third tier of the retail hierarchy. This is discussed in more detail in our recommendations. For the purpose of our quantitative analysis however, we have continued to consider all three centres as non-strategic centres.
- 7.58 We have reviewed a sample of local centres in each of the Black Country boroughs and highlighted where there is potential for changes to existing centres or the designation of new centres which should be highlighted in the JCS and pursued through relevant DPDs for each borough. From the sample reviewed, we recommend the designation of two new centres in Dudley and the removal of one local centre in Walsall. We would also recommend that the Black Country authorities review the remaining local centres not addressed by this study to ensure that appropriate changes are delivered through the development planning process.
- 7.59 We have identified an extensive provision of out-of-centre foodstores, retail parks and freestanding retail warehouses in the Black Country. These provide an effective choice and distribution of facilities. Given the need to focus new retail development in the strategic and non-strategic centres, where significant opportunities exist, we do not consider there is any need to make provision for any further out-of-centre retail provision or to meet any loss, or to support expansion of the existing provision. This is particularly important due to the large number of centres in the Black Country which should be prioritised in policy.

- 7.60 The only exception is likely to be in the case of small-scale local convenience stores, (appropriate to the scale of the local walk-in catchment e.g. c.200 sqm net), where they are genuinely required to serve existing or future 'gaps' in day-to-day top-up shopping and appropriate in scale to the local population they are intended to serve. This will be reflected in our policy recommendations.

## 8. CONVENIENCE RETAIL NEEDS

- 8.1 In this section, we estimate the current performance of the convenience retail provision across the Black Country. This is used as a basis for forecasting the capacity for additional convenience retail floorspace for the period to 2026. The capacity tables accompanying this assessment are attached in **Appendix 7**.
- 8.2 Addressing each of the strategic and non-strategic centres and out-of-centre provision across the Black Country, we have reviewed shopping patterns and performance of existing convenience goods floorspace. Using the composite market shares derived from the household telephone survey and baseline expenditure estimates, we have calculated the convenience goods turnover of the main convenience provision in the sub-region.
- 8.3 The analysis reviews the performance of the main foodstores identified by the results of the household telephone survey, by comparing each with sales based upon estimates of company average. The survey results can underestimate the turnover of single stores on the basis that they may not be the regular destination for main food shopping but instead receive a large number of shoppers who visit infrequently which would not be identified by the survey. For example, M&S and Waitrose in particular, tend to be understated. In these circumstances individual forecasts should be treated with caution, and wherever possible should be corroborated by other sources where available.
- 8.4 Table 8.1 highlights the indicated trader performance of the convenience sector compared to estimated company average sales turnover. This is likely to be largely determined by the performance of the 'anchor' foodstore, and does not necessarily mirror the performance of small independent trades in each centre. A more detailed discussion of each individual centre is set out below which should be read in conjunction with town centre healthchecks and the catchment area plans provided in **Appendices 4** and **5**. The 'Other provision' refers to foodstores outside of the strategic and non-strategic centres; as per those listed in Table 7.2 in the previous section.

### (i) Strategic Centres

- 8.5 In total, we estimate that the convenience stores in the strategic centres have a turnover of **£392.2m** which is above estimates based on company average sales (£273.2m). It is evident however, that the stores in Wolverhampton and Brierley Hill are trading well above average level with an estimated turnover of **£150.3m** and **£143.1m** respectively, and stores in West Bromwich are trading at broadly company average turnover levels.
- 8.6 Whilst stores in Wolverhampton, Brierley Hill and West Bromwich appear to be trading well, those in Walsall are under performing. Estimated company average sales suggest the stores should be achieving a combined turnover of £90.9m, whereas our estimates suggest that the stores are currently turning over just **£74.2m**, a deficit of £17.7m. On closer analysis it is apparent that the Morrisons store is performing at above company average levels, but this is offset by the Tesco and Asda stores, which both appear to be

undertrading. It is possible that the layout and location of the stores respectively is one of the contributing factors to these stores not trading as well as would be expected.

**Table 8.1: Current Trading Performance of main foodstore provision in the Black Country**

Centre / Foodstore	2009 Turnover (£000s)	Company Average Sales (£000s)
Wolverhampton*	£150,276	£71,075
Brierley Hill	£143,089	£87,003
Walsall	£74,190	£90,921
West Bromwich	£24,607	£24,176
<b>Total Strategic Centres</b>	<b>£392,162</b>	<b>£273,175</b>
Bilston	£63,173	£38,114
Great Bridge	£60,731	£41,467
Oldbury	£54,049	£31,871
Blackheath	£52,092	£29,855
Wednesfield	£50,196	£31,420
Brownhills	£48,367	£21,592
Aldridge	£45,279	£20,418
Darlaston	£44,612	£28,460
Cape Hill	£44,276	£38,859
Bloxwich	£43,079	£19,070
Wednesbury	£36,443	£31,471
Cradley Heath	£30,589	£35,383
Halesowen	£25,141	£45,951
Sedgley	£18,681	£12,306
Dudley	£19,103	£16,957
Stourbridge	£16,338	£22,132
Willenhall	£12,752	£10,530
Bearwood	£9,790	£9,865
Kingswinford	£8,095	£9,314
Lye	£230	£1,241
<b>Total Non-Strategic Centres</b>	<b>£683,018</b>	<b>£496,276</b>
Dudley 'Other provision'	£112,737	£74,001
Walsall 'Other provision'	£75,147	£101,139
Sandwell 'Other provision'	£74,797	£52,061
Wolverhampton 'Other provision'	£43,675	£52,542
<b>Total 'Other provision'</b>	<b>£306,356</b>	<b>£279,743</b>
<b>TOTAL</b>	<b>£1,381,536</b>	<b>£1,322,369</b>

Source: GVA Grimley Convenience Modelling, Appendix 7

\*Includes Asda, Molineux Way

- 8.7 In terms of convenience goods turnover, it is evident that the majority of the non-strategic centres which are anchored by one of the 'Big 5' foodstores are all performing well, with the exception of Cradley Heath, Halesowen and Stourbridge. Non-strategic centres which are anchored by smaller foodstores such as Somerfield are performing below company average levels, (e.g. Kingswinford); with the exception of Willenhall which is performing better. Lacking a foodstore anchor, Lye is not performing well. We



summarise in greater detail below the performance of each of the non-strategic centres. The Plans included in **Appendix 5** demonstrate the influence of each centre in terms of market share across the survey zones.

## (ii) Non-Strategic Centres

- 8.8 **Bilston Town Centre** (*Wolverhampton*) has a turnover of £63.2m which is above our estimate of company average turnover (£38.1m). This is almost entirely attributable to the **Morrisons** store on Market Street which is drawing a significant level of trade, particularly from Zones 47 and 49.
- 8.9 **Great Bridge Town Centre** (*Sandwell*) has a turnover of £60.7m which is above our estimate of company average turnover (£41.5m). The **Asda** store at Great Bridge Retail Park is the main foodstore in the centre and appears to be drawing a significant level of trade from Zones 23, 16 and 17. This reflects the weakness of the convenience provision in West Bromwich. **Oldbury Town Centre** (*Sandwell*) has a turnover of £54m which is above our estimate based on company average sales (£32.9m) suggesting that the **Sainsbury's** store is performing well. Again, this also reflects the centre's strong trade draw from the core West Bromwich catchment.
- 8.10 **Blackheath Town Centre** (*Sandwell*) has a turnover of £52.1m which is above estimates of company average turnover (£29.9m). This turnover is almost entirely attributable to the **Sainsbury's** store on Halesowen Street which is drawing a significant level of its trade from Zones 9, 10 and 12.
- 8.11 **Wednesfield Town Centre** (*Wolverhampton*) has a turnover of £50.2m which is above our estimate of company average turnover (£31.4m). The **Sainsbury's** on Rookery Street is drawing the bulk of this trade whilst the **Somerfield** on High Street is less influential. The centre has a 52.2% market share in its location zone; Zone 44.
- 8.12 **Brownhills District Centre** (*Walsall*) has a turnover of £48.4m which is above our estimate of company average turnover £21.6m. Our analysis shows that this is almost exclusively down to the **Tesco** store situated south of the High Street, suggesting that the store is trading well. On closer analysis it is evident that a substantial level of this trade is drawn from Zone 40, where the centre is located, attracting 70.9% of the market share. A reasonably high level of trade is also drawn from Zones 41 and 35 and to a lesser extent from other nearby surrounding zones.
- 8.13 **Aldridge District Centre** (*Walsall*) has a turnover of £45.3m which is above company average sales turnover estimated at £20.4m. The **Morrisons** store on Anchor Road attracts the majority of trade and is performing at above estimates of company average levels. Aldridge's catchment area is relatively limited to just the immediate surrounding zones, the largest market share is derived from its location zone, Zone 41.
- 8.14 **Darlaston District Centre** (*Walsall*) has a turnover of £44.6m which is above our estimate of company average turnover (£28.5m). The **Asda** store which dominates King Street is evidently overtrading with the majority of trade drawn from Zone 32.

- 8.15 **Cape Hill Town Centre** (*Sandwell*) is performing above our estimate of company average turnover (£38.9m), with a turnover of £44.3m. The **Asda** on Windmill Lane is the main foodstore, drawing the majority of its trade from its location zone, (Zone 13) where it has a 44.7% market share. The centre has a reasonable market share in Zone 14 (21.7%) but a more limited influence over other surrounding zones.
- 8.16 **Bloxwich District Centre** (*Walsall*) is performing well with a turnover of £43.1m which is above our estimate of company average turnover (£19.1m). The **Asda** store located to the south of the centre is trading at above average levels, drawing over 70% of its trade from Zone 35.
- 8.17 **Wednesbury Town Centre** (*Sandwell*) has a turnover of £37.4m which is above our estimates based on company average sales (£31.5m). This suggests that the new **Morrisons** store on Holyhead Road which opened in November 2007 is trading well. The centre draws the majority of trade from Zones 32 and 17.
- 8.18 **Cradley Heath Town Centre** (*Sandwell*) has a turnover of £30.6m which is below estimates based upon company average sales estimated at £35.4m. We estimate that the new **Tesco** is currently trading at company average levels, which suggests that the foodstore is dominating the centre and other convenience stores are not performing as well as expected.
- 8.19 **Halesowen Town Centre** (*Dudley*) has a turnover of £25.1m which is well below our estimate of company average sales (£46m). This suggests that the new **Asda** store is currently trading at below average levels. This store has however only been trading since November 2008 and it is possible that it is not yet fully established as a convenience goods destination.
- 8.20 **Sedgley District Centre** (*Dudley*) has a turnover of £18.7m in comparison with company average sales turnover (£12.3m). On closer analysis it is evident that the centre performs particularly well in terms of top-up shopping, with the large **Co-op** drawing slightly more than the **Somerfield** store. The centre draws most trade from its location zone; Zone 22.
- 8.21 **Dudley Town Centre** (*Dudley*) has a turnover of £19.1m which is above company average sales turnover estimated at £17m. The convenience offer in Dudley is rather limited with **Somerfield** and **Netto** being the main foodstore operators. A high proportion of the centre's overall market share is for top-up food shopping purposes. The centre draws the majority of trade from Zones 19 and 21, but even within this core catchment, the centres share of convenience spend is low, and is overshadowed by Brierley Hill. This suggests a clear deficiency in Dudley, and a need for a well located large foodstore to underpin the centres convenience retail offer.
- 8.22 **Stourbridge Town Centre** (*Dudley*) has a turnover of £17.3m which is below estimated company average sales at £22.1m. This suggests that the **Waitrose** store in the Ryemarket centre is not performing as well as it should be, although in our experience it is common for the methodology used to underestimate the turnover of Waitrose stores. The survey reveals that Stourbridge has a very limited catchment area with over 50% of its trade drawn from its location zone (Zone 37).

- 8.23 **Willenhall District Centre** (*Walsall*) has a turnover of £12.8m which is above our estimate of company average sales (£10.5m) and highlights that the **Somerfield** is currently performing well. A high proportion of the centre's overall market share is accounted for by top-up food shopping activity. The centre draws a high level of trade from Zones 46 and 45.
- 8.24 **Bearwood Town Centre** (*Sandwell*) has a turnover of £9.8m which is in line with company average sales estimated at £9.9m. The **Somerfield** on Bearwood Road is the main foodstore identified in the survey and is evidently trading to expectation. Closer analysis suggests that the centre is largely used for top-up food shopping purposes from a core catchment area comprising Zones 1, 13, 14, 16 and 17.
- 8.25 **Kingswinford District Centre** (*Dudley*) has a turnover of £8.1m which is less than the £9.3m we estimate in accordance with company average sales. The **Somerfield** on High Street is the main foodstore which is underperforming. The survey results reveal that Kingswinford is attracting the majority of its market share for top-up shopping purposes from a limited core catchment area comprising Zones 25, 26 and 52.
- 8.26 **Lye District Centre** (*Dudley*) has the lowest turnover of all the non-strategic centres amounting to £0.2m which is over £1m less than what it should be achieving compared to our estimate of company average sales (£1.2m). This is not entirely unexpected as foodstore provision in Lye is limited to a handful of small convenience stores, which are particularly difficult to model with any precision. However, the centre is not performing as a destination for main food shopping and appears to play only a limited role for top-up food shopping from the immediate location zone (Zone 28).

### (iii) Out-of-Centre Convenience Stores

- 8.27 The household telephone survey has identified the use of several out-of-centre foodstores in each of the local authority boroughs which have a collective turnover of **£307.4m**, compared with a company average turnover of **£279.7m**.
- 8.28 The survey has identified that the most trade is being drawn to stores in Dudley borough which have a combined turnover of, £112.7m compared to our estimate of company average sales at £74m. The **Tesco** on Birmingham Road (*Dudley*) and the **Morrisons** at Charterfield Shopping Centre (*Dudley*) draw the most trade. The Sainsbury's on Sandringham Way (*Dudley*) also draws a level of trade from the survey area. These reinforce the disparity between the out-of-centre provision and the offer of Dudley town centre.
- 8.29 The survey identifies two out-of-centre convenience stores within Sandwell's administrative boundary; the **Asda** on Wednesbury Oak Road, Tipton and the **Asda** on Wolverhampton Road in Oldbury. Both stores are performing well, drawing a combined turnover of £74.8m, compared with a company average sales turnover of £52.1m. Again, this highlights the scale of out-of-centre provision compared to the provision in West Bromwich town centre.
- 8.30 In Wolverhampton the survey identifies a reasonable level of trade draw to the **Morrisons** at Pendeford Park Shopping Centre and to a lesser extent to the **Waitrose** at Penn Road. The stores have a combined turnover of £43.7m, which suggests that both stores are performing at below estimates of company average

sales at £52.5m, although we have previously highlighted the margins of error inherent in this type of analysis.

- 8.31 In Walsall, the results of the survey suggest that the **Sainsbury's** at Reedswood Way is performing well with a turnover of £37.4m, well above company average sales estimated at £24.5m. However, both the **Morrisons** at Wallows Lane and the **Tesco** at Owen Road (just outside of Willenhall) appear to be performing at below company average levels. The three stores identified have a combined turnover of £75.1m compared to an expected turnover of £101.1m.

## Baseline Convenience Goods Capacity Forecasts

- 8.32 We have examined the capacity for further convenience goods floorspace at the global level for the Black Country from 2009 up to 2026 (incorporating the interim years of 2011, 2016 and 2021 in accordance with PPS6/4). Capacity forecasts become increasingly open to margins of error over time and should be updated over the LDF period (discussed in more detail in Section 12). It is also important to note that the analysis is largely predicated on the performance of large foodstores owned by multiple retailers, and in considering need and impact at the local level the role and performance of smaller independent retailers should be taken into account.
- 8.33 The forecasts for global capacity provide a basis to test alternative options for the spatial distribution of new development although the scope for redistribution is limited as convenience retail tends to have a tighter catchment area. By forecasting at the strategic level, the Black Country Councils can make informed policy choices about where the capacity should be met depending on a range of other considerations such as site availability and accessibility. Capacity inevitably arises in these centres which are trading very well; however, this does not necessarily imply that such capacity is best met within these particular centres. As highlighted in our policy recommendations, careful consideration should be given to opportunities where the capacity arising can better meet strategic priorities in more appropriate and sustainable ways. For example by ensuring there is an appropriate scale of convenience provision in West Bromwich Strategic Centre, Dudley Town Centre and Lye District Centre.
- 8.34 Table 8.2 illustrates the convenience goods capacity for the Black Country (before commitments) based on current market shares and turnover identified in Table 8.1.

**Table 8.2: Baseline Capacity Forecasts for Convenience Goods before Commitments**

	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>GLOBAL BLACK COUNTRY</b>	<b>33,892</b>	<b>37,612</b>	<b>46,681</b>	<b>57,252</b>
<b>Wolverhampton</b>				
Wolverhampton	7,992	8,504	9,498	10,767
Bilston	2,536	2,941	3,371	3,927
Wednesfield	1,901	2,045	2,375	2,812
Out-of-centre	-866	-734	-446	-98
<b>Total Wolverhampton Borough</b>	<b>11,563</b>	<b>12,756</b>	<b>14,798</b>	<b>17,408</b>

	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>Walsall</b>				
Walsall	-1,638	-1,453	-967	-331
Aldridge	2,508	2,659	2,958	3,344
Bloxwich	2,421	2,621	2,909	3,294
Brownhills	2,700	2,933	3,257	3,671
Darlaston	1,636	1,823	2,120	2,492
Willenhall	228	287	373	490
Out-of-centre	-2,563	-2,312	-1,815	-1,158
<b>Total Walsall Borough</b>	<b>5,292</b>	<b>6,558</b>	<b>8,835</b>	<b>11,802</b>
<b>Sandwell</b>				
West Bromwich	55	141	303	466
Bearwood	-3	-9	53	113
Blackheath	2,249	2,328	2,667	3,016
Cape Hill	563	508	788	1,060
Cradley Heath	-465	-412	-213	-4
Great Bridge	1,955	2,185	2,588	3,000
Oldbury	2,244	2,345	2,697	3,049
Wednesbury	515	632	872	1,132
Out-of-centre	2,309	2,513	3,004	3,520
<b>Total Sandwell Borough</b>	<b>9,422</b>	<b>10,231</b>	<b>12,759</b>	<b>15,352</b>
<b>Dudley</b>				
Brierley Hill	5,677	5,896	6,825	7,827
Dudley	224	264	388	526
Halesowen	-2,069	-2,060	-1,899	-1,726
Kingswinford	-118	-127	-75	-20
Lye	-101	-101	-100	-99
Sedgley	646	650	770	903
Stourbridge	-572	-575	-471	-361
Out-of-centre	3,927	4,118	4,851	5,639
<b>Total Dudley Borough</b>	<b>7,614</b>	<b>8,065</b>	<b>10,289</b>	<b>12,689</b>

Source: GVA Grimley, Convenience Capacity Modelling

8.35 In global terms we estimate capacity to support 33,892 sqm net additional convenience goods floorspace in the Black Country in 2011 which we expect to increase to 37,612 sqm net in 2016 and 46,681 sqm net in 2021. A significant proportion of this capacity (18,999 sqm net) arises in the non-strategic centres, particularly in Walsall (9,494 sqm net in 2011), Sandwell (7,057 sqm net) and Wolverhampton boroughs (4,437 sqm net).

8.36 We have not identified any capacity for additional convenience goods floorspace in the majority of non-strategic centres in Dudley up to 2026. This is a direct result of the current low-level trading or underperformance of certain centres highlighted by the household survey. Conversely, due to the strong

performance of out-of-centre convenience foodstores in Dudley we have identified capacity 3,927 sqm net floorspace in 2011, in addition to 5,677 sqm net at Brierley Hill. Combined, we estimate a reasonable level of short term capacity for 7,614 sqm net additional floorspace across the borough at 2011 which we expect will increase to 12,689 sqm net by 2026.

- 8.37 The breakdown of capacity arising in the non-strategic centres suggests the projected oversupply of floorspace in Dudley borough is largely attributable to negative capacity arising in Halesowen and to a lesser extent, Stourbridge, Kingswinford and Lye based on the underperformance of stores in these centres. For the reasons outlined previously, it would be appropriate to plan for new foodstores in underperforming centres which have been identified as a strategic priority; in Dudley and Lye, for example, these figures demonstrate the need to reinforce their convenience offer. Similarly we have identified negative capacity in other centres such as Bearwood and Cradley Heath in Sandwell where stores are not currently performing to expectation.

### Retail Commitments

- 8.38 In order to ensure our capacity forecasts are as up-to-date and robust as possible we have taken into account new convenience goods developments already coming forward in the future as a result of existing planning permissions. Table 8.3 presents the convenience commitments we have taken into consideration based on the information provided by the Black Country Authorities.

**Table 8.3: Retail Commitments for Convenience Goods Floorspace in the Black Country**

Retail Commitment	Additional Convenience Goods Floorspace (sqm net)
<b>Wolverhampton</b>	
Foodstore at Raglan Street, Wolverhampton	5,200
Summer Row development, Wolverhampton	2,913
Interchange, Phase One, Wolverhampton	81
Royal Hospital development, Wolverhampton	158
Springfield Brewery development, Wolverhampton	673
Low Level Station development, Wolverhampton	407
Bilston Urban Village/High Street Link	735
Former Mecca Bingo Unit, Bentley Bridge Retail Park, Wednesfield	1,125
New Lidl Store, Finchfield	632
<b>Sub-Total</b>	<b>11,924</b>
<b>Walsall</b>	
Tesco Extra and unit shops, Land at Walsall College of Arts & Technology	5,734
Waterfront North development, Land to the south of Wolverhampton Street	1,741
Waterfront South, Land between Charles Street and Canal	330
Gigaport development, Land north of Walsall town centre	146
Morrisons foodstore and unit shops development, Willenhall	2,308
Extension to Aldi, Burns Road, Wednesbury	91

Retail Commitment	Additional Convenience Goods Floorspace (sqm net)
<b>Sub-Total</b>	<b>10,350</b>
<b>Sandwell</b>	
Tesco redevelopment, West Bromwich Ringway	4,648
Sainsbury's extension, Halesowen Street, Blackheath	1,030
New Lidl Store, Cradley Heath	1,063
Mixed-use development at Great Bridge Business Park	363
Netto store development, Hagley Road West / Kings Highway	617
Tesco Express, Oldbury Road/Thorne Road	248
<b>Sub-Total</b>	<b>7,969</b>
<b>Dudley</b>	
Foodstore element in Crown Centre redevelopment, Stourbridge	3,043
New Aldi store at former B&Q, Stourbridge	1,486
New Aldi store at former Kwiksave, Netherton (net additional floorspace)	373
Tesco redevelopment, Town Gate Retail Park	1,743
<b>Sub-Total</b>	<b>6,645</b>
<b>TOTAL Floorspace</b>	<b>35,347</b>

Source: Black Country Authorities, 2009

- 8.39 Table 8.4 illustrates the global convenience goods capacity for the Black Country based on current market shares and taking account of the commitments outlined above. After factoring in commitments at 2016, it is evident that there will be global residual capacity arising over the plan period over and above consented developments. It should be noted that whilst there appears to be a reasonable level of capacity arising at 2011, this does not imply that there is immediate unmet convenience capacity up to 2011. It is evident that existing commitments will largely meet global convenience capacity across the Black Country where they have been factored in up to 2016. However, if we consider reasonable scope that some commitments may be delivered before 2016, and potentially by 2011, this will obviously absorb a proportion of capacity identified. In such instances, the capacity identified before 2016 in the table below is not a true reflection of available capacity and should therefore be treated with caution.

**Table 8.4: Capacity Forecasts for Convenience Goods including Commitments**

	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>BLACK COUNTRY</b>	<b>33,892</b>	<b>724</b>	<b>9,792</b>	<b>20,364</b>
<b>Wolverhampton</b>				
Wolverhampton	7,992	-928	66	1,335
Bilston	2,536	2,206	2,636	3,192
Wednesfield	1,901	920	1,250	1,687
Out-of-centre	-866	-1,366	-1,078	-730

	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>Total Wolverhampton Borough</b>	<b>11,563</b>	<b>833</b>	<b>2,874</b>	<b>5,484</b>
<b>Walsall</b>				
Walsall	-1,638	-9,404	-8,918	-8,282
Aldridge	2,508	2,659	2,958	3,344
Bloxwich	2,421	2,621	2,909	3,294
Brownhills	2,700	2,933	3,257	3,671
Darlaston	1,636	1,823	2,120	2,492
Willenhall	228	-2,021	-1,935	-1,818
Out-of-centre	-2,563	-2,403	-1,906	-1,249
<b>Total Walsall Borough</b>	<b>5,293</b>	<b>-3,792</b>	<b>-1,516</b>	<b>1,453</b>
<b>Sandwell</b>				
West Bromwich	55	-4,507	-4,344	-4,182
Bearwood	-3	-9	53	113
Blackheath	2,249	1,298	1,636	1,986
Cape Hill	563	508	788	1,060
Cradley Heath	-465	-1,475	-1,276	-1,067
Great Bridge	1,955	1,822	2,225	2,637
Oldbury	2,244	2,345	2,697	3,049
Wednesbury	515	632	872	1,132
Out-of-centre	2,309	1,648	2,139	2,656
<b>Total Sandwell Borough</b>	<b>9,421</b>	<b>2,263</b>	<b>4,791</b>	<b>7,384</b>
<b>Dudley</b>				
Brierley Hill	5,677	5,896	6,825	7,827
Dudley	224	264	388	526
Halesowen	-2,069	-2,060	-1,899	-1,726
Kingswinford	-118	-127	-75	-20
Lye	-101	-101	-100	-99
Sedgley	646	650	770	903
Stourbridge	-572	-5,105	-5,001	-4,891
Out-of-centre	3,927	2,002	2,735	3,523
<b>Total Dudley Borough</b>	<b>7,614</b>	<b>1,419</b>	<b>3,643</b>	<b>6,044</b>

Source: GVA Grimley, Convenience Capacity Modelling

- 8.40 As the table demonstrates, on a borough by borough basis at 2016 we project overall capacity arising in each borough after commitments with the exception of Walsall. This is largely a result of consented development coming forward in Walsall strategic centre and to a lesser extent the Morrisons development in Willenhall. If all commitments in the borough were to come forward by 2016, this would create an oversupply of -3,792 sqm net at 2016 and only falling to -1,516 sqm net at 2021. However, by 2026 we expect capacity to arise to support 1,453 sqm net additional convenience goods floorspace across the borough.



- 8.41 In Sandwell, while we project overall capacity for 2,263 sqm net convenience goods floorspace after commitments in 2016, there is still negative capacity arising in West Bromwich which is indicative of the current performance of existing provision and the level of additional floorspace coming forward as part of the Tesco scheme. Notwithstanding this oversupply, it is evident that there is sufficient capacity arising elsewhere in the borough which can support the level of permitted development. Furthermore, we would expect an enhanced foodstore offer to increase market share in the centre's core catchment zones (Zones 16 and 17) and clawback trade currently lost to other stores including the Morrisons in Wednesbury, the Asda at Great Bridge, the Sainsbury's at Oldbury and the Asda at Great Barr. We have projected negative capacity arising in other centres where we have identified a weaker turnover of existing provision such as Bearwood and Cradley Heath in Sandwell.
- 8.42 We have also projected negative capacity in Halesowen, Stourbridge, Kingswinford and Lye in Dudley borough. In the case of Stourbridge, the implied negative capacity at 2016 arises as a consequence of the foodstore permitted as part of the planned redevelopment of the Crown Centre. The Tesco Gate Retail Park also accounts for a significant proportion of identified capacity. Notwithstanding negative capacity arising in a number of Dudley's non-strategic centres, this is more than offset by capacity arising as a consequence of the strong performance of Brierley Hill and at out-of-centre foodstores.
- 8.43 In Wolverhampton, existing commitments will effectively meet capacity up to 2021, although there will be negative capacity in Wolverhampton Strategic Centre until 2016 and only a small residual surplus emerging at 2021.
- 8.44 Overall, we have identified a significant level of global convenience goods capacity across the Black Country before taking into account any current commitments. Factoring in commitments, we estimate residual capacity for 724 sqm net in 2016 is likely to increase to 9,792 sqm net in 2021 and 20,364 sqm net by 2026. The majority of this arises in Sandwell, Dudley and Wolverhampton and less in Walsall.

### Further opportunities/options

- 8.45 To examine alternative options for meeting the identified capacity, we have considered developments in the pipeline and allocated retail floorspace which includes extant allocations from existing UDP policy or proposed allocations coming forward in emerging policy. Drawing on estimates from GVA Grimley and information provided by the Black Country Authorities, Tables 8.5 and 8.6 summarise the level of potential new retail floorspace across the Black Country.

**Table 8.5: Pipeline schemes for Convenience Goods Floorspace in the Black Country**

Pipeline Scheme	Additional Convenience Goods Floorspace (sqm net)
<b>Wolverhampton</b>	
Interchange Phase Two, Wolverhampton	1,450
Piper's Row, Wolverhampton	233
New neighbourhood centre at former Goodyear tyre factory	265
Blakenhall Gardens	0
<b>Sandwell</b>	
Tesco, West Bromwich (2009)*	138
<b>TOTAL Floorspace</b>	<b>2,086</b>

Source: Black Country Authorities, 2009 \*Over and above 2006 consented scheme modelled as a commitment

**Table 8.6 Allocations for Convenience Goods Floorspace in the Black Country (sqm net)**

Site Allocation	Additional Convenience Goods Floorspace (sqm net)
<b>Wolverhampton</b>	
CC9(ii) Worcester Street/Church Street/Temple Street	114
CC9(iv) School Street	241
Policy B14 All Saints and Blakenhall CDA - Warehouse Quarter	130
<b>Sub-Total</b>	<b>485</b>
<b>Walsall</b>	
WA10 Lower Hall Lane / Digbeth / Old Square	-1,023
AL4 The Precinct & AL5 Land at High Street / Little Aston Road	302
BR8I & 8II Tesco Expansion	598
BX6II Asda extension	660
<b>Sub-Total</b>	<b>537</b>
<b>Sandwell</b>	
BHPr5, 11 & 14 Blackheath	195
GBPr1, 7 & 8 Great Bridge	347
OLPr3 & 4 Oldbury	273
<b>Sub-Total</b>	<b>815</b>
<b>Dudley</b>	
Brierley Hill Town Centre (inc. extension to Asda, Brierley Hill High St)*	11,400
Dudley Town Centre (King Street/Flood Street area)	5,200
Stourbridge Town Centre	4,550
Lye District Centre	650
<b>Sub-Total</b>	<b>21,800</b>
<b>TOTAL Floorspace</b>	<b>23,637</b>

Source: Black Country Authorities, 2009 \*Emerging policy allocations

- 8.46 On the basis of current market shares there is clearly limited capacity to support new floorspace in the short-term, after existing commitments. The tables above highlight a further 23,637 sqm net of allocated convenience goods floorspace and 2,086 sqm net floorspace in the pipeline. If we anticipate that all convenience retail floorspace allocations and pipeline development could also come forward by 2016, this would create oversupply of floorspace, at the global level, for the remainder of the plan period as highlighted in Table 8.7.

**Table 8.7: Global Capacity Forecasts for Convenience Goods in the Black Country**

<b>GLOBAL BLACK COUNTRY</b>	<b>2011 (sqm net)</b>	<b>2016 (sqm net)</b>	<b>2021 (sqm net)</b>	<b>2026 (sqm net)</b>
Baseline before Commitments	33,892	37,612	46,681	57,252
Baseline including Commitments	33,892	724	9,792	20,364
Baseline including Commitments, Allocations & Pipeline Development (at 2016)	33,892	-24,998	-15,930	-5,359

Source: GVA Grimley Convenience Capacity Modelling

- 8.47 The 'global' capacity forecasts indicated that in broad terms there is likely to be capacity in the period up to 2026 to accommodate all the identified convenience commitments, expanded/proposed development plan allocations and pipeline schemes. However, it is evident that there would be a significant shortfall by 2021, and in particular by 2016 if all the proposals and commitments were to come forward within this timescale, addressed later in the policy recommendations. Table 8.8 provides a more detailed breakdown of capacity in each centre, after commitments and potential developments in the form of pipeline proposals and allocated floorspace.

**Table 8.8: Capacity Forecasts for Convenience Goods including Commitments, Pipeline and Allocations**

	<b>2011 (sqm net)</b>	<b>2016 (sqm net)</b>	<b>2021 (sqm net)</b>	<b>2026 (sqm net)</b>
<b>BLACK COUNTRY</b>	<b>33,892</b>	<b>-24,998</b>	<b>-15,930</b>	<b>-5,359</b>
<b>Wolverhampton</b>				
Wolverhampton	7,992	-3,231	-2,238	-968
Bilston	2,536	2,206	2,636	3,192
Wednesfield	1,901	920	1,250	1,687
Out-of-centre	-866	-1,496	-1,208	-860
<b>Total Wolverhampton Borough</b>	<b>11,563</b>	<b>-1,600</b>	<b>441</b>	<b>3,051</b>
<b>Walsall</b>				
Walsall	-1,638	-8,381	-7,895	-7,259
Aldridge	2,508	2,357	2,656	3,042
Bloxwich	2,421	2,023	2,311	2,696
Brownhills	2,700	2,273	2,597	3,011
Darlaston	1,636	1,823	2,120	2,492
Willenhall	228	-2,021	-1,935	-1,818

	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
Out-of-centre	-2,563	-2,403	-1,906	-1,249
<b>Total Walsall Borough</b>	<b>5,293</b>	<b>-4,328</b>	<b>-2,052</b>	<b>916</b>
<b>Sandwell</b>				
West Bromwich	55	-4,644	-4,482	-4,319
Bearwood	-3	-9	53	113
Blackheath	2,249	1,103	1,441	1,791
Cape Hill	563	508	788	1,060
Cradley Heath	-465	-1,475	-1,276	-1,067
Great Bridge	1,955	1,475	1,878	2,290
Oldbury	2,244	2,072	2,424	2,776
Wednesbury	515	632	872	1,132
Out-of-centre	2,309	1,648	2,139	2,656
<b>Total Sandwell Borough</b>	<b>9,421</b>	<b>1,310</b>	<b>3,838</b>	<b>6,431</b>
<b>Dudley</b>				
Brierley Hill	5,677	-5,504	-4,575	-3,573
Dudley	224	-4,936	-4,812	-4,674
Halesowen	-2,069	-2,060	-1,899	-1,726
Kingswinford	-118	-127	-75	-20
Lye	-101	-751	-750	-749
Sedgley	646	650	770	903
Stourbridge	-572	-9,655	-9,551	-9,441
Out-of-centre	3,927	2,002	2,735	3,523
<b>Total Dudley Borough</b>	<b>7,614</b>	<b>-20,381</b>	<b>-18,157</b>	<b>-15,756</b>

Source: GVA Grimley Convenience Capacity Modelling

- 8.48 Clearly these capacity figures are indicated as a guide, and do not represent an absolute ceiling on the scale of additional convenience floorspace value to be supported in the Black Country. In particular, some 'clawback' of expenditure currently lost to centres and out-of-centre stores outside the study area, is considered feasible to be achieved. However, the projections are based on forecast population and spending growth, and assumptions about the growth of e-tailing, and it is equally possible that the projections will prove optimistic. A further important factor is that the capacity projections are based largely on the identified performance of main foodstores, and do not take into account the need to sustain and enhance the role of local shopping and independent retailers.
- 8.49 The prospect of a significant oversupply of 'main foodstore' provision within the Black Country will place increased pressure in the non-strategic town centres, district and local centres. It is also likely that further proposals will come forward which have not been identified in the commitment/allocations and pipeline figures, for example for appropriately sized local convenience shops serving very localised catchments. Again these are likely to erode the scale of identified capacity, suggesting a cautious approach should be

taken and it will be relevant to set guideline floorspace thresholds, and consider the phasing of new development within the JCS. This will be examined in more detail in section 11.

- 8.50 Looking at each borough in turn, in Wolverhampton the analysis suggests that the significant commitments for new foodstores at Raglan Street, the potential to incorporate additional convenience floorspace in Summer Row and the other identified opportunities within and on the edge of the centre will exceed identified convenience shopping needs up to 2016. We have identified further opportunities within the City Centre which can further contribute to meeting any future identified need, suggesting it would not be appropriate to plan for any further significant increase in convenience goods floorspace within Wolverhampton over the JCS period.
- 8.51 While the capacity analysis suggests a reasonable 'fit' between the scale of committed and proposed convenience floorspace in Wolverhampton borough and identified needs, it is also relevant to note the significant concentration of committed/proposed floorspace in and around Wolverhampton City Centre. In qualitative terms, the city is already served by large foodstores and will be further enhanced by the committed proposals. We consider the Council should take a cautious view to any further proposals for large foodstores in and around Wolverhampton; it should avoid over-concentration of convenience shopping facilities in the centre, and continue to support and enhance the important role convenience retail offer plays in the non-strategic centres of Bilston and Wednesfield and the network of district and local centres (especially as comparison shopping is likely to play a more limited role in securing their regeneration). It will be important to consider the potential cumulative impact of such a significant scale of additional convenience shopping floorspace in Wolverhampton on these centres.
- 8.52 In Dudley, it is evident that significant capacity is generated by the strong performance of foodstores at Brierley Hill and out-of-centre stores. A proportion of this capacity will be accounted for by committed floorspace in Stourbridge and the Tesco at Town Gate Retail Park. While our allowances suggested there will still be additional capacity arising within the Dudley area even after these commitments by 2016, which will increase further in the period up to 2021, this would not be sufficient to accommodate all the current/proposed allocations and pipeline developments.
- 8.53 It is evident that a significant proportion of the capacity generated in Dudley is as a consequence of the performance of Brierley Hill, but for reasons outlined previously, this reflects the fact that large dominant foodstores in Brierley Hill are achieving a significant market share from the core catchments of neighbouring centres, in particular Dudley town centre. While it is appropriate that Brierley Hill remains the key focus for 'higher order' comparison shopping within the borough, we consider there is a need to rebalance current convenience shopping patterns, and to seek as far as possible to retain main food shopping expenditure within the catchments where it is generated.
- 8.54 In these circumstances, we consider the JCS should prioritise the need for a new convenience foodstore in Dudley town centre on the King Street/Flood Street site, which will in effect bring about a redistribution of trade away from Brierley Hill and out-of-centre foodstores back into Dudley town centre. Given the need for a large foodstores capable of competing effectively with other stores in the area, we consider the JCS

- should make provision for up to circa 5,000 sqm net of additional convenience goods floorspace in Dudley town centre as a priority in the period up to 2016.
- 8.55 The other significant priority we have identified in Dudley is for a new appropriately sized foodstore to underpin the role of Lye as a town centre. There is an extant allocation for circa 650 sqm net of convenience floorspace, based on figures provided by the Council. In practice we consider it would be appropriate to plan positively to accommodate a new modern foodstore of up to circa 1,500 sqm net convenience goods floorspace within this centre in order to reinforce its role. Again we consider this should be a priority in the period up to 2016.
- 8.56 This analysis suggests that it may be appropriate to take a more cautious approach to the scale of additional convenience shopping floorspace supported at Brierley Hill. This centre is already demonstrably well served by large foodstores, as evidenced by its turnover and market share and ability to draw trade from an extensive area. The implied capacity at Brierley Hill reflects this extensive trade draw, including significant trade drawn from zones 19 and 21 which may be more sustainably met by a new quality foodstore in Dudley town centre. We would be concerned that over provision of large foodstores in and around Brierley Hill may reinforce the current pattern of polarisation, and could impact on neighbouring non-strategic town centres, district and local centres.
- 8.57 In these circumstances, we consider it may be more appropriate to plan for not more than circa 5,000 sqm net of additional convenience goods floorspace at Brierley Hill, to be delivered over the period up to 2016, and to ensure that further convenience shopping floorspace within the centre is appropriately assessed in terms of its impact on neighbouring town, district and local centres, and the situation is monitored carefully in the period up to 2016 and beyond.
- 8.58 In Sandwell, the analysis suggests there is sufficient capacity to accommodate all the identified commitments, existing/proposed allocations and pipeline schemes. These include the clear quantitative and qualitative need for a large modern foodstore to anchor West Bromwich town centre, and include capacity for further convenience shopping floorspace at Blackheath, Cradley Heath and Great Bridge. While in global terms there is sufficient capacity to accommodate all these developments in the period up to 2016, in practice the consequence of these developments is likely to be a redistribution of main foodstore sales from the strong over trading stores in Oldbury and Great Bridge to underpin new development in West Bromwich. We have not specifically examined the impact of the West Bromwich proposals, on these centres. However, this approach is likely to contribute to more sustainable convenience shopping patterns, and any potential impact on the main foodstore provision in these centres is likely to be sustainable and justified based on the urgent need to regenerate West Bromwich town centre.
- 8.59 While the capacity projections for Sandwell indicate some additional capacity beyond identified commitments and allocations up to 2016 and beyond, we do not consider it is necessary to make any further specific provisions within the JCS. In practice, any additional capacity arising should support the position of the other non-strategic centres and district and local centres, and may where appropriate warrant provision of additional local convenience shopping centres where needed to serve purely local needs.
-

- 8.60 Finally, in Walsall, it is evident that the commitments are focused in two centres – Walsall and Willenhall. While the global capacity analysis suggests these commitments will be largely supported by identified capacity in the period up to 2021, they indicate a significant shortfall in the period up to 2016. Furthermore, the scale of commitments identified in Walsall suggests a significant redistribution of convenience shopping activity within the borough, with implications for the turnover of main foodstores within the non-strategic centres of Aldridge, Bloxwich, Brownhills and Darlaston.
- 8.61 While we would support an appropriate scale of additional convenience shopping provision in Walsall, in order to address the evident deficiencies in the existing main foodstores serving the centre, and to underpin regeneration of the strategic centre, we consider the Council should take a cautious approach to any further proposals for main food shopping provision. In common with Wolverhampton and Brierley Hill, where we have expressed our concerns about the over concentration of convenience shopping floorspace and their implications for the non-strategic centres and district and local centres, we consider the Council should carefully monitor the impact of these commitments on smaller centres within the borough. This analysis also suggests that the Council should take a very cautious approach to proposals for further convenience shopping floorspace outside its defined centres. In accordance with the sequential approach new development should be directed towards existing centres and further out-of-centre development should be restricted.
- 8.62 Based on the above recommendations we have undertaken some additional sensitivity analysis to demonstrate residual capacity after current commitments and identified priorities in Dudley and Lye at 2021 and 2026. Table 8.9 highlights that there will be an oversupply of floorspace in Dudley borough at 2021 as a result of new floorspace coming forward in Dudley and Lye. If we also take into account an additional 5,000 sqm net at Brierley Hill this will have the effect of creating a more significant over supply at 2021 and create negative capacity at 2026. This reinforces our view that a more cautious approach should be taken to the scale of additional convenience shopping floorspace proposed at Brierley Hill.

**Table 8.9: Residual Capacity for Convenience Goods (after commitments & priority developments (Dudley & Lye))\***

	2021 (sqm net)	2026 (sqm net)
<b>GLOBAL BLACK COUNTRY</b>	<b>4,142</b>	<b>14,713</b>
Wolverhampton	2,874	5,484
Walsall	-1,516	1,452
Sandwell	4,790	7,383
Dudley	-2,007	393

Source: GVA Grimley Convenience Capacity Modelling \*assumes 5,000 sqm net in Dudley and 650 sqm net in Lye

## Summary

- 8.63 We have identified a significant level of capacity for convenience goods floorspace in the Black Country up to 2026. Factoring in commitments at 2016 we estimate residual capacity for 724 at 2016, increasing to 9,792 in 2021 and 20,364 sqm net by 2026. However, when we take into consideration additional pipeline

and extant allocations for additional convenience goods floorspace we estimate an oversupply of floorspace across the plan period to 2026.

- 8.64 This is on the basis of current market shares and does not take into consideration the ability for centres to increase their market share. This is particularly pertinent with regard to the planned enhancement of the current Tesco store in West Bromwich which is likely to claw back a substantial element of trade currently lost to competing foodstores elsewhere in the Black Country and beyond. However, it suggests a cautious approach should be taken when considering proposals for more convenience shopping provision outside defined centres.
- 8.65 In Wolverhampton, we have identified sufficient capacity to accommodate the major commitments within and on the edge of the city centre. We do not consider it will be appropriate to plan for any further major convenience shopping provision within the city centre, and believe the Council should take a cautious approach about the impact of further large foodstores in and around the strategic centre on the role of convenience retailing within the non-strategic town and district and local centres. This is crucial particularly as the NSCs are more reliant on their convenience retail offer for their vitality and viability whilst their comparison shopping function is more limited. We are concerned about the potential effects of an over-concentration of convenience shopping facilities in the city centre on the balanced network of centres.
- 8.66 In Dudley, after commitments in Stourbridge and the Tesco on Town Gate Retail Park there is limited additional capacity arising up to 2016 and insufficient capacity to accommodate all the identified allocation/pipeline proposals. On this basis, we consider our priority should be afforded to Dudley town centre, where we would support up to circa 5,000 sqm net of additional convenience shopping floorspace to address a clear quantitative and qualitative deficiency. We also consider priority should be attached to supporting an appropriately sized store of circa 650 sqm net in Lye in order to reinforce its role as a town centre.
- 8.67 We have tested these priorities against capacity after commitments and on this basis consider it appropriate to take a more cautious approach to the scale of additional convenience shopping at Brierley Hill, which is already well served by convenience stores and draws trade from a wide catchment including Dudley town centre. We consider it would be appropriate to plan for no more than circa 5,000 sqm net additional convenience floorspace at Brierley Hill, and consider carefully the impact of this provision on neighbouring centres.
- 8.68 In Sandwell, we consider there is capacity to support current commitments and pipeline proposals in West Bromwich, Black Heath, Cradley Heath and Great Bridge. In particular, the analysis supports the clear quantitative and qualitative need for a large foodstore in West Bromwich of up to circa 5,000 sqm net. We consider there is no need to make further provision within Sandwell beyond commitments, allocations and pipeline schemes.
- 8.69 In Walsall our analysis suggest commitments which are focused in Walsall and Willenhall town centres will more than meet identified capacity in the period up to 2016 and beyond. We anticipate these developments will result in a significant redistribution of activity, and have an impact on main foodstores in the other non-



strategic centres within Walsall. On this basis we do not identify scope for further significant convenience shopping facilities over the JCS period, and consider the Council should take a cautious approach to the further concentration of convenience shopping in Walsall.

## 9. COMPARISON RETAIL NEEDS

9.1 This section presents our assessment of the current performance of the comparison retail provision across the Black Country. We have assessed each of the main comparison goods shopping destinations by reviewing shopping patterns and performance of existing floorspace. Using the market shares derived from the survey and baseline expenditure estimates, we have calculated the comparison goods turnover of the strategic and non-strategic centres and 'other' locations.

9.2 The tables are set out in **Appendix 8**.

### (i) Strategic Centres

9.3 We have used the household telephone interview survey to estimate the respective market shares of the strategic centres. Applying these to the baseline expenditure estimates we have calculated the comparison goods turnover of the strategic centres. Table 9.1 demonstrates the current turnover for comparison goods (before inflow) compared to the previous turnover identified in the 2004 study. For the purposes of comparing like for like, we have re-based the 2004 figures to 2007 prices (the most up-to-date price-base).

**Table 9.1 Comparison Goods Turnover in the Strategic Centres (2007 Prices)**

Centre	2004 Turnover (£000s)	2004 Market Share (%)	2009 Turnover (£000s)	2009 Market Share (%)
Brierley Hill	£558,486	14.2%	£705,027	14.7%
Wolverhampton	£445,878	11.3%	£552,211	11.5%
Walsall	£299,781	7.6%	£292,767	7.1%
West Bromwich	£118,116	3.0%	£68,787	1.4%
<b>Total Strategic Centres</b>	<b>£1,422,261</b>	<b>37.0%</b>	<b>£1,618,792</b>	<b>33.9%</b>

Source: GVA Grimley Comparison Capacity Modelling

9.4 It is evident from the table above that whilst the overall turnover for the strategic centres has increased; the overall market share has fallen since 2004. In terms of individual centres, Walsall and, to a greater extent West Bromwich, have both experienced a decline in market share. Wolverhampton and Brierley Hill have seen a marginal increase in their respective market shares since 2004.

9.5 Based on current shopping patterns, we estimate **Brierley Hill** has a comparison goods turnover from the survey area of £705m. With an inflow of 15% from beyond the survey area this equates to a total centre comparison turnover of £829m.

9.6 **Wolverhampton City Centre** has a turnover of £552m for comparison goods from the survey area. With an inflow of 8% we estimate the total City Centre comparison turnover is £600m. **Walsall Town Centre** has a turnover of £293m, increasing to £308m with a 5% inflow. This equates to a sales density of £5,602 per

sqm. **West Bromwich Town Centre** has a much lower turnover than the other strategic centres. We estimate the centre's turnover for comparison goods is £69m, increasing to £75m with an 8% inflow. This supports the current three tier designation in the RSS Phase 2 review.

## (ii) Non-Strategic Centres

- 9.7 The current turnover for the non-strategic centres identified by the household survey is set out in Table 9.2 below, shown against the total comparison goods floorspace in the centre and the respective performance in terms of sales density.

**Table 9.2 Comparison Goods Turnover in the Non-Strategic Centres (2007 Prices)**

Centre	2009 Turnover With Inflow (£000s)	Floorspace (sqm net)	2009 Sales Density (£ per sqm)
Oldbury	£74,780	13,328	£5,611
Dudley	£67,601	24,791	£2,727
Wednesbury	£43,445	7,259	£5,985
Stourbridge	£40,139	17,701	£2,268
Bilston	£37,654	9,689	£3,886
Halesowen	£35,333	12,138	£2,911
Bearwood	£32,273	8,689	£3,714
Aldridge	£12,741	4,545	£2,803
Great Bridge	£12,124	10,722	£1,131
Cradley Heath	£11,504	6,090	£1,889
Blackheath	£10,700	5,205	£2,056
Willenhall	£9,884	5,197	£1,902
Kingswinford	£9,162	3,059	£2,996
Bloxwich	£8,069	8,475	£952
Brownhills	£7,913	6,283	£1,260
Cape Hill	£6,824	12,242	£557
Wednesfield	£6,250	2,530	£2,471
Darlaston	£5,584	2,745	£2,034
Sedgley*	£5,083	1,694	£3,000
Lye	£506	2,118	£239
<b>Total Non-Strategic Centres</b>	<b>£437,570</b>	<b>164,497</b>	<b>£2,660</b>

Source: GVA Grimley Comparison Capacity Modelling \*based on bench-mark sales density £3,000/sqm net

- 9.8 This illustrates the position of Dudley and Oldbury, which both arguably occupy a distinct level within the non-strategic centres 'tier'. Both have similar comparison turnovers to West Bromwich, although the scale of development proposed in West Bromwich will clearly differentiate its convenience and comparison offer, and

reinforce its definition as a strategic centre. The significant comparison turnover of Oldbury is attributable largely to the major retail parks, and will increase further as a consequence of committed development.

9.9 Dudley occupies a unique position, as a former strategic centre and as 'primus inter pares' of the non-strategic centre, based on its retail, civic and heritage/cultural role. Dudley also has the potential to enhance its convenience and comparison offer, which is needed to regenerate the centre and reverse its long-term decline. The appropriate scale and form of new development in the centre requires careful consideration, and needs to be considered in parallel with the planned expansion of Brierley Hill as the new strategic centre for the borough.

9.10 Below this level, most of the non-strategic centres have a more modest comparison retail offer, mainly focused on 'everyday' comparison goods complementing their convenience goods and services offer. We consider each centre in turn.

**a) Wolverhampton**

9.11 In Wolverhampton, Bilston and Wednesfield appear to be performing well. Bilston has a turnover of £38m which equates to a sales density of £3,866 per sqm net. Although the turnover of Wednesfield is much lower, at £7.3m it has much less floorspace and consequently has a reasonable sales density of £2,471 per sqm net. As illustrated on the plan in **Appendix 5**, Bilston draws some trade from a large number of the Black Country survey zones, reflecting the strong comparison offer and high levels of accessibility. Wednesfield has a more localised trade draw, mainly focusing on survey Zone 44 where it is situated. Due to its modest size, Wednesfield could be susceptible to any out-of-centre growth, e.g. at the nearby Bentley Bridge Retail Park.

**b) Walsall**

9.12 The non-strategic centres in Walsall have a much weaker comparison goods shopping function. Aldridge has the largest turnover at £13m. The remaining centres, of Willenhall, Bloxwich, Brownhills and Darlaston all have a comparison goods turnover of less than £10m. In terms of performance only Aldridge at £2,803 per sqm net, has a sales density above the non-strategic centre average sales density of £2,660 per sqm net. The plans provided in **Appendix 5** illustrate the market share of each non-strategic centre in Walsall. They largely attract trade from their immediate area, Zone 41 Aldridge, Zone 46 Willenhall, Zone 32 Darlaston, Zone 35 Bloxwich and Zone 40 Brownhills.

**c) Sandwell**

9.13 In Sandwell, the non-strategic centres have a mixed comparison shopping role and performance. **Oldbury** has a much higher turnover than other centres in Sandwell, with a turnover of £74.8m, although we expect that much of this turnover will be attributable to Oldbury Green Retail Park which is located edge-of-centre. Based on a 13,328 sqm net floorspace (which includes the retail park) we estimate a sales density of £5,611 per sqm in the centre.

- 9.14 **Wednesbury** also has one of the highest turnovers at £43m with a sales density of £5,985 per sqm net this indicates a good performance, although the comparison offer in the centre is more modest suggesting this turnover is overstated by the survey. Other centres performing well include **Bearwood** with a turnover of £32m and a sales density of £3,714 per sqm net and the centres of **Great Bridge, Cradley Heath,** and **Blackheath** all have a lower turnover of between £10m and £13m, reflecting their more limited comparison goods shopping role, and sales densities around £2,000 which is below average for the non-strategic centres.
- 9.15 **Cape Hill** has the lowest turnover of £7.8m and due to the high comparison goods floorspace, largely attributed to the Windmill Retail Park, the centre has a very low sales density at £557 per sqm net. In practice, we consider this is likely to be understated as we would not expect a centre such as Cape Hill to be performing at this level. It is possible that we have not been able to identify the full market share for the centre from the household survey.
- 9.16 Reflecting its high turnover, Wednesbury draws trade from an extensive catchment area with a larger market share in the immediate area, Zones 32 and 31. Other non-strategic centres in Sandwell have a narrower catchment area with the greatest trade attracted from their location zone; Zone 13 Bearwood, Zone 15 Oldbury, Zone 11 Cradley Heath, Zone 12 Blackheath and Zone 13 Cape Hill. Great Bridge has a more diluted catchment area generally covering the immediate surrounding zones, Zones 1, 7, 14-17 and 23.

**d) Dudley**

- 9.17 In Dudley, the function and performance of the non-strategic centres is very mixed. Dudley attracts the majority of its trade from its location zone (Zone 19) and adjacent Zone 21. The centre has a relatively wide catchment area although the market share per zone is marginal. Of the other non-strategic centres, Stourbridge attracts the highest market share from Zones 26 and 27, and to a lesser extent from Zone 28. Halesowen, Sedgley and Kingswinford draw the majority of their trade from their location and immediate surrounding zones, Halesowen Zone 10, Sedgley Zone 22 and Kingswinford Zone 25. Lye has a rather diluted catchment area drawing minimal trade from Zones 9, 26 and 28.
- 9.18 **Dudley** has a turnover of £68m (factoring in 5% inflow) which, is much higher than other non-strategic centres in the Black Country. This reflects Dudley' size, and its residual comparison goods shopping role. However, the centre has a sales density of £2,727 per sqm which is only marginally above the average comparison goods sales density for non-strategic centres in the Black Country. This is consistent with the healthcheck data and stakeholders views that the centre is performing poorly at present.
- 9.19 **Stourbridge** and **Halesowen** both have a significant comparison shopping function. Stourbridge has a turnover of £40m which equates to a sales density of £2,268 per sqm net. Halesowen has a lower turnover, at £35m, but a stronger sales density at £2,911 per sqm net.
- 9.20 We have identified 1,510 sqm net comparison goods floorspace in **Sedgley**. The household survey identified a turnover of £16m which implies a sales density of £9,397 per sqm which is almost comparable with comparison goods performance in Wolverhampton. The survey suggests that the centre is particularly

popular for those purchasing DIY, household goods and electrical appliances. However we consider this may be an anomaly or survey error as we have identified limited provision for these types of goods in the centre. Based on the limited comparison retail on offer of the centre, we have assumed a more realistic sales density of £3,000 per sqm which implies a turnover of £5.1m which we consider a more realistic estimate for the purposes of our capacity modelling.

- 9.21 **Kingswinford** and particularly **Lye** also have a much more limited comparison shopping role. Kingswinford has a comparison turnover of £9m and a sales density of £2,996 per sqm net which despite the limited offer is a good performance. Lye has a comparison goods turnover of just £0.5m. This indicates that Lye would more appropriately be defined at a lower level in the hierarchy as it does not have a significant comparison shopping function.

### (iii) Out-of-Centre Comparison Goods Provision

- 9.22 In line with conventional practice, we have modelled the turnover attributable to out-of-centre facilities, and the capacity arising as a result of any current 'overtrading' or forecast growth in this sector. However, such capacity should not be taken to suggest any quantitative need for further expansion of out-of-centre provision.
- 9.23 Our review of existing out-of-centre provision suggests there is already an extensive range and choice of out-of-centre retailing. The guiding strategy for the JCS should be to seek to redirect current and future comparison retail spending towards sites within, or failing that on the edge of town centres. Any exceptions to this principle would have to be judged against national and local policies, including consideration of need, scale, the sequential approach and impact.
- 9.24 Table 9.3 demonstrates the performance of out-of-centre comparison goods provision in the Black Country which comprises out-of-centre retail warehousing in retail parks and stand-alone units. It is evident that the existing provision in Sandwell is performing particularly well with a turnover of £69.1m equating to a sales density of £4,393 per sqm. It should be noted that the household survey did not distinguish between the Ikea store situated in Walsall borough with the adjacent Gallagher Retail Park in Sandwell. We have combined the turnover of both and attributed capacity between Sandwell and Walsall based on the origin of spend attracted to these facilities.
- 9.25 Other Black Country boroughs are performing more in line with expectations with approximate sales densities between £1,000 and £2,000 per sqm. Overall we estimate out-of-centre comparison goods floorspace in the Black Country is currently achieving a combined turnover of **£284.4m**.

**Table 9.3 Comparison Goods Turnover in out-of-centre locations (2007 Prices)**

<b>Borough</b>	<b>2009 Turnover (£000s)</b>	<b>Floorspace (sqm net)</b>	<b>2009 Sales Density (£ per sqm)</b>
Walsall	£115,712	42,531	£2,721
Sandwell	£69,148	15,739	£4,393
Wolverhampton	£57,282	33,002	£1,736
Dudley	£42,245	20,384	£2,072
<b>Total</b>	<b>£284,388</b>	<b>111,656</b>	<b>£2,547</b>

Source: GVA Grimley Comparison Capacity Modelling

- 9.26 It is evident from the telephone survey that out-of-centre facilities in Wolverhampton and Dudley draw 45% and 41% of their total turnover respectively from outside the Black Country which is considered significant. We have also identified a reasonable level of trade draw to out-of-centre provision in Sandwell and Walsall which respectively draw 17% and 12% of their total turnover from outside the Black Country. This suggests that current provision meets the needs of both the Black Country and the wider surrounding area.

## Baseline Comparison Goods Capacity Forecasts

- 9.27 We have examined the capacity for further comparison goods floorspace at the global level for the Black Country up to 2026 (incorporating the interim years of 2011, 2016 and 2021). It is important to note that capacity forecasts become increasingly open to margins of error over time and should be updated over the LDF period. These forecasts should also be viewed in the context of the current slowdown in the economy and lower levels of growth in expenditure up to 2016 to reflect this.
- 9.28 As highlighted previously, we have identified an overall fall in the strategic centres market share since the 2004 study. We consider the centres should at least regain and maintain their previous market share and therefore project capacity forward from this basis. In addition, we have also considered the scope for, and effects of, planning for a more significant uplift in the market share of West Bromwich. This is considered later.
- 9.29 We have identified previous sales densities for each of the strategic centres from the 2004 study. These have been re-based to 2007 figures and grown by 2.5% per annum sales efficiency over 5 years to provide a realistic performance for the strategic centres at the base year in 2009. Table 9.4 illustrates the global comparison goods capacity for the strategic centres (before commitments) based on current market shares.

**Table 9.4: Baseline Capacity Forecasts for Comparison Goods in the Strategic Centres (before Commitments)**

	2009 (sqm net)	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 sqm net)
<b>Total Strategic Centres</b>	<b>29,669</b>	<b>35,591</b>	<b>59,255</b>	<b>117,735</b>	<b>184,331</b>
Wolverhampton	8,699	10,517	17,913	35,877	56,430
Walsall	4,509	5,679	10,392	21,947	35,121
West Bromwich	956	1,417	3,251	7,798	12,958
Brierley Hill	15,504	17,979	27,700	52,114	79,823

Source: GVA Grimley Comparison Capacity Modelling

- 9.30 It is evident that there is significant capacity to support additional comparison floorspace in the Black Country strategic centres up to 2026. In the short term (up to 2011) there is capacity to support 35,591 sqm net of new floorspace, the majority of which is arising in Brierley Hill. On a strategic centre basis, we do not anticipate sufficient capacity to fully support the RSS Phase 2 floorspace requirements of 142,500 sqm net up to 2021 as highlighted on Table 9.5 below. However, this is based on a constant market share and does not take into account the potential for redistribution from elsewhere in the Black Country survey area or the potential for the strategic centres to increase market share and overall available expenditure to support additional floorspace.

**Table 9.5: RSS Comparison Floorspace requirements & GVA Grimley Capacity projections for Strategic Centres**

	RSS Phase 1 to 2021	RSS Phase 2 to 2021	RSS Phase 2 updated figures to 2021	GVA Capacity to 2021	
<b>Wolverhampton</b>	<b>40,500</b>	<b>52,500</b>	<b>41,250</b>	<b>35,877</b>	<b>(sqm net)</b>
	54,000	70,000	55,000	47,835	(sqm gross)
<b>Walsall</b>	<b>33,750</b>	<b>45,000</b>	<b>33,750</b>	<b>21,947</b>	<b>(sqm net)</b>
	45,000	60,000	45,000	29,263	(sqm gross)
<b>West Bromwich</b>	<b>26,250</b>	<b>33,750</b>	<b>26,250</b>	<b>7,798</b>	<b>(sqm net)</b>
	35,000	45,000	35,000	10,397	(sqm gross)
<b>Brierley Hill</b>	<b>38,250</b>	<b>48,750</b>	<b>41,250</b>	<b>52,114</b>	<b>(sqm net)</b>
	51,000	65,000	55,000	69,485	(sqm gross)
<b>TOTAL Strategic Centres</b>	<b>138,750</b>	<b>180,000</b>	<b>142,500</b>	<b>117,735</b>	<b>(sqm net)</b>
	185,000	240,000	190,000	156,980	(sqm gross)

Source: RTP West Midlands Regional Centres Study – Further update (May 2009) / GVA Grimley Comparison Capacity Modelling

- 9.31 The WMRSS Phase 2 Panel Report was published on 28 September 2009 recommending no change to the original RSS Phase 2 figures in respect of the Black Country centres as shown in column 2 of Table 9.5 above. Table 9.6 below demonstrates global capacity available across the Black Country (before commitments) and estimated residual capacity after taking into account the RSS figures at 2021 and 2026. Based on this analysis it is evident that there is sufficient capacity to meet the RSS requirements over the



JCS plan period, although this will be reliant on a degree of redistribution from the non-strategic centres and out-of-centre locations.

**Table 9.6: Residual Global Capacity after RSS Comparison Floorspace requirements (before commitments)**

	2021		2026	
	(sqm net)	(sqm gross)	(sqm net)	(sqm gross)
<b>Identified Global Capacity by GVA Grimley</b>	215,021	286,695	356,598	475,463
<b>Global RSS Phase 2 Floorspace Requirements (Column 2, Table 9.5)</b>	180,000	240,000	78,750	105,000
<b>GLOBAL RESIDUAL CAPACITY</b>	<b>35,021</b>	<b>46,695</b>	<b>97,848*</b>	<b>130,463*</b>

Source: GVA Grimley Comparison Capacity Modelling \*takes into account combined RSS requirements at 2021 and 2026

9.32 Table 9.7 demonstrates the breakdown of global capacity by borough (also included in more detail in subsequent tables). It is apparent that there will be an oversupply of floorspace in Wolverhampton's borough at 2021, but with some residual capacity emerging by 2026. It should be noted that this does not take into account any increases in market share which would be expected following the delivery of major planned developments, such as Summer Row, which will markedly uplift the centre's attraction as a major shopping destination. It is therefore realistic to assume a reasonable increase in trade draw to Wolverhampton from elsewhere in the Black Country and we have identified sufficient capacity to support this. We would also expect a reasonable increase in trade draw from outside the survey area to further underpin the recommended level of development across the Black Country.

**Table 9.7: Residual Capacity by Borough after RSS Comparison Floorspace requirements (before commitments)**

	2021		2026	
	(sqm net)	(sqm gross)	(sqm net)	(sqm gross)
<b>Wolverhampton</b>	<b>-10,970</b>	<b>-14,627</b>	533	710
<b>Walsall</b>	7,992	10,656	26,444	35,259
<b>Sandwell</b>	14,004	18,673	24,696	32,928
<b>Dudley</b>	23,995	31,994	46,174	61,566
<b>TOTAL RESIDUAL CAPACITY</b>	<b>35,021</b>	<b>46,695</b>	<b>97,848*</b>	<b>130,463*</b>

Source: GVA Grimley Comparison Capacity Modelling \*takes into account combined RSS requirements at 2021 and 2026

9.33 In the following sections we consider in greater detail the various commitments for additional comparison goods floorspace and other development options/opportunities in the Black Country which will ultimately contribute towards meeting the RSS figures.

- 9.34 For the non-strategic centres we have applied current market shares identified by the most recent household survey and assuming no capacity at the 2009 base year we project forward from this basis. Unlike the strategic centres, we have not 'benchmarked' current sales performance against the previous study as we do not have a reliable figure for comparison purposes, and our assessment suggests little if any 'latent' capacity in these centres.
- 9.35 Equally, we have not made any allowance for increased market shares in the non-strategic centres, although in practice we expect their market share will have fallen since 2004 and it would be legitimate to plan to enhance their market share where possible. Dudley, and Oldbury in particular, have the potential to increase significantly their current market share based on the scale of new development planned in them. Table 9.8 shows the results of our baseline capacity analysis for each of the Black Country authorities and globally for the Black Country as a whole.

**Table 9.8: Baseline Capacity Forecasts for Comparison Goods before Commitments**

	2009 (sqm net)	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>BLACK COUNTRY</b>	<b>29,669</b>	<b>47,690</b>	<b>95,435</b>	<b>215,021</b>	<b>356,598</b>
<b>Wolverhampton</b>					
Wolverhampton	8,699	10,517	17,913	35,877	56,430
Bilston	-	194	1,493	3,482	5,933
Wednesfield	-	32	146	462	855
Out-of-Centre	-	-9,267	-6,127	1,710	12,315
<b>Total Wolverhampton Borough</b>	<b>8,699</b>	<b>1,475</b>	<b>13,425</b>	<b>41,530</b>	<b>75,533</b>
<b>Walsall</b>					
Walsall	4,509	5,679	10,392	21,947	35,121
Aldridge	-	66	397	1,055	1,890
Bloxwich	-	42	284	705	1,235
Brownhills	-	41	302	718	1,242
Darlaston	-	29	203	495	854
Willenhall	-	51	352	868	1,539
Out-of-Centre	-	5,413	11,461	27,204	48,313
<b>Total Walsall Borough</b>	<b>4,509</b>	<b>11,320</b>	<b>23,389</b>	<b>52,992</b>	<b>90,194</b>
<b>Sandwell</b>					
West Bromwich	956	1,417	3,251	7,798	12,958
Bearwood	-	166	529	2,127	631
Blackheath	-	55	276	820	1,428
Cape Hill	-	35	113	451	820
Cradley Heath	-	59	285	868	1,527
Great Bridge	-	62	366	990	1,680

	2009 (sqm net)	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
Oldbury	-	385	1,824	5,612	9,795
Wednesbury	-	224	1,292	3,178	6,196
Out-of-Centre	-	12,912	16,508	25,911	38,410
<b>Total Sandwell Borough</b>	<b>956</b>	<b>15,315</b>	<b>24,443</b>	<b>47,754</b>	<b>73,446</b>
<b>Dudley</b>					
Brierley Hill	15,504	17,979	27,700	52,114	79,823
Dudley	-	348	1,750	5,189	9,142
Halesowen	-	182	764	2,540	4,550
Kingswinford	-	47	167	623	1,142
Lye	-	3	9	34	62
Sedgley	-	3,694	4,020	4,829	5,790
Stourbridge	-	207	805	2,814	5,095
Out-of-Centre	-	-2,880	-1,038	4,603	11,820
<b>Total Dudley Borough</b>	<b>15,504</b>	<b>19,580</b>	<b>34,178</b>	<b>72,745</b>	<b>117,424</b>

Source: GVA Grimley, Comparison Capacity Modelling

## Retail Commitments

9.36 In order to ensure our capacity forecasts are as up-to-date and robust as possible we have taken into account new comparison goods developments already coming forward in the future as a result of existing planning permissions. Based on the information provided by the Black Country Authorities, the level of commitments for each borough is set out in Table 9.9.

**Table 9.9: Retail Commitments for Comparison Goods Floorspace**

Retail Commitment	Additional Comparison Goods Floorspace	
	(sqm net)	(sqm gross)
<b>Wolverhampton</b>		
Foodstore at Raglan Street, Wolverhampton	3,570	4,760
Summer Row development, Wolverhampton	30,773	41,030
Interchange, Phase One, Wolverhampton	450	600
Royal Hospital development, Wolverhampton	122	162
Springfield Brewery development, Wolverhampton	518	690
Low Level Station development, Wolverhampton	313	418
Little Brickiln Street/Worcester Street Triangle, Wolverhampton	218	290
Peel Centre, Stafford Street, Wolverhampton	1,874	2,499
Bilston Urban Village/ High Street Link	848	1,130
Former Mecca Bingo Unit, Bentley Bridge Retail Park, Wednesfield	453	604
New Lidl Store, Finchfield	158	211
<b>Sub-Total</b>	<b>39,297</b>	<b>52,394</b>

Retail Commitment	Additional Comparison Goods Floorspace	
	(sqm net)	(sqm gross)
<b>Walsall</b>		
Tesco Extra and unit shops, Land at Walsall College of Arts & Technology	3,100	4,133
Gigaport development, Land north of Walsall town centre	72	96
Morrisons foodstore and unit shops development, Willenhall	1,630	2,173
New retail units, Wood Street, Upper & Lower Lichfield Street, Willenhall	600	800
<b>Sub-Total</b>	<b>5,402</b>	<b>7,203</b>
<b>Sandwell</b>		
Tesco redevelopment, West Bromwich Ringway	16,052	21,403
Queens Square Extension, West Bromwich	9,090	12,120
Retail units at Great Bridge Retail Park, Great Bridge	419	559
Mixed-use development at Great Bridge Business Park	244	325
Oldbury Junction	19,168	25,557
<b>Sub-Total</b>	<b>44,973</b>	<b>59,964</b>
<b>Dudley</b>		
Crown Centre redevelopment, Stourbridge	1,589	2,119
<b>Sub-Total</b>	<b>1,589</b>	<b>2,119</b>
<b>TOTAL Floorspace</b>	<b>91,261</b>	<b>121,680</b>

Source: Black Country Authorities, 2009

NB: Assumes 75:25% / Gross:Net floorspace ratio

- 9.37 In the strategic centres there is permission for an additional 64,278 sqm net floorspace from existing planning permissions which includes the Summer Row development in Wolverhampton, the redevelopment of West Bromwich town centre and the Tesco development in Walsall amongst others. In the non-strategic centres we have identified 24,951 sqm net comparison goods floorspace with planning permission which largely comprises consent for 19,168 sqm net additional floorspace at Oldbury Junction.
- 9.38 Based on the assumption that all these commitments came forward, we have factored all commitments into our capacity forecasting at 2016. Table 9.10 below shows that, on the global level, existing commitments in the strategic and non-strategic centres will absorb much of the capacity at 2016, but by 2021 a significant level of residual global capacity will arise to support new developments across the Black Country. As highlighted previously, it should be acknowledged that whilst there appears to be a reasonable level of capacity arising at 2011, this does not imply that there is immediate unmet convenience capacity up to 2011. It is evident that existing commitments will largely meet global comparison goods capacity across the Black Country where they have been factored in at 2016. However, assuming that some commitments may be delivered before 2016, and potentially by 2011, this will obviously absorb a proportion of capacity identified. In such instances, the capacity identified before 2016 in the table below is not a true reflection of available capacity and should therefore be treated with caution.

Table 9.10: Baseline Capacity Forecasts for Comparison Goods including Commitments

	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>BLACK COUNTRY</b>	<b>47,690</b>	<b>4,174</b>	<b>123,760</b>	<b>265,336</b>
<b>Wolverhampton</b>				
Wolverhampton	10,517	-18,051	-87	20,466
Bilston	194	645	2,634	5,085
Wednesfield	32	-307	9	402
Out-of-Centre	-9,267	-8,159	-322	10,283
<b>Total Wolverhampton Borough</b>	<b>1,475</b>	<b>-25,872</b>	<b>2,233</b>	<b>36,236</b>
<b>Walsall</b>				
Walsall	5,679	7,220	18,775	31,949
Aldridge	66	397	1,055	1,890
Bloxwich	42	284	705	1,235
Brownhills	41	302	718	1,242
Darlaston	29	203	495	854
Willenhall	51	-1,879	-1,363	-691
Out-of-Centre	5,413	11,461	27,204	48,313
<b>Total Walsall Borough</b>	<b>11,320</b>	<b>17,987</b>	<b>47,589</b>	<b>84,792</b>
<b>Sandwell</b>				
West Bromwich	1,417	-21,891	-17,344	-12,184
Bearwood	166	529	2,127	631
Blackheath	55	276	820	1,428
Cape Hill	35	113	451	820
Cradley Heath	59	285	868	1,527
Great Bridge	62	-297	327	1,017
Oldbury	385	-17,343	-13,556	-9,372
Wednesbury	224	1,292	3,178	6,196
Out-of-Centre	12,912	16,508	25,911	38,410
<b>Total Sandwell Borough</b>	<b>15,315</b>	<b>-20,530</b>	<b>2,782</b>	<b>28,473</b>
<b>Dudley</b>				
Brierley Hill	17,979	27,700	52,114	79,823
Dudley	348	1,750	5,189	9,142
Halesowen	182	764	2,540	4,550
Kingswinford	47	167	623	1,142
Lye	3	9	34	62
Sedgley	3,694	4,020	4,829	5,790
Stourbridge	207	-784	1,225	3,506
Out-of-Centre	-2,880	-1,038	4,603	11,820
<b>Total Dudley Borough</b>	<b>19,580</b>	<b>32,589</b>	<b>71,156</b>	<b>115,835</b>

Source: GVA Grimley, Comparison Capacity Modelling

- 9.39 This analysis demonstrates that significant global capacity identified in the Black Country by 2016 will be more than met by the scale of committed floorspace assuming this comes forward within this timescale. The main commitments are in West Bromwich, Oldbury and Wolverhampton, and looking at the figures on a borough basis it is evident that committed floorspace results in a deficit in both Wolverhampton and

Sandwell up to and after 2021. While it is not practicable to model the impact of every possible scenario, it is evident that this scale of development will increase the market shares of West Bromwich, Oldbury and Wolverhampton, and impact on the other centres in each borough, and within the adjoining boroughs.

- 9.40 In Walsall and Dudley, in the absence of major commitments, we identify significant capacity arising up to 2016 and beyond. Without new development in centres within these boroughs, for the reasons outlined earlier we expect their market share will decline. However, in practice, there are a range of further development options in each which will reinforce their role and offset the effects of current commitments.
- 9.41 In Dudley in particular, Brierley Hill will come forward as the Strategic Centre for the borough which must meet RSS policy PA11A previously discussed in section 4 (Paragraph 4.35).

### Additional Development Options

- 9.42 Drawing on estimates from GVA Grimley and information provided by the Black Country Authorities, Tables 9.11 and 9.121 summarise the floorspace allocations and development in the pipeline across the Black Country.

**Table 9.11: Pipeline schemes for Comparison Goods Floorspace in the Black Country**

Pipeline Scheme	Additional Comparison Goods Floorspace	
	Net (sqm)	(sqm gross)
<b>Wolverhampton</b>		
Pipers Row, Wolverhampton	628	837
Interchange, Phase Two, Wolverhampton	3,671	4,895
<b>Sandwell</b>		
Phase 1 & 2 Tesco development, West Bromwich (2009 scheme)*	11,548	15,397
<b>TOTAL Floorspace</b>	<b>15,847</b>	<b>21,129</b>

Source: Black Country Authorities, 2009

\*Net additional floorspace over and above 2006 consent

**Table 9.12: Existing and Proposed Policy Allocations for Comparison Goods Floorspace in the Black Country**

Site Allocation	Additional Comparison Goods Floorspace	
	(sqm net)	(sqm gross)
<b>Wolverhampton</b>		
CC6(a(ii)) Darlington Street	375	500
CC9(ii) Worcester Street/Church Street/Temple Street	131	175
CC((iv)) School Street	279	372
Policy B14 (ii) All Saints and Blakenhall CD4 – Warehouse Quarter	150	200
<b>Sub-Total</b>	<b>935</b>	<b>1,247</b>
<b>Walsall</b>		
WA10 Lower Hall Lane / Digbeth / Old Square	9,998	13,331
AL4 The Precinct & AL5 Land at High Street / Little Aston Road	736	981
BX6II Asda extension	690	920

Site Allocation	Additional Comparison Goods Floorspace	
	(sqm net)	(sqm gross)
BR8I, & 8II Tesco Expansion	1,235	1,647
<b>Sub-Total</b>	<b>12,658</b>	<b>16,877</b>
<b>Sandwell</b>		
BHPr5, 11 & 14 Blackheath	525	700
GBPr1, 7 & 8 Great Bridge	935	1,247
OLPr3 & 4 Oldbury	735	980
<b>Sub-Total</b>	<b>2,195</b>	<b>2,927</b>
<b>Dudley</b>		
Brierley Hill Town Centre*	48,750	65,000
Dudley Town Centre (King Street/Flood Street area)	11,250	15,000
Halesowen Town Centre	2,197	2,929
Stourbridge Town Centre	3,375	4,500
<b>Sub-Total</b>	<b>65,572</b>	<b>87,429</b>
<b>TOTAL Floorspace</b>	<b>81,360</b>	<b>108,480</b>

Source: Black Country Authorities, 2009 \*emerging policy allocations NB: Assumes 75:25% / Gross:Net floorspace ratio

9.43 In total, current allocations and pipeline developments therefore account for circa 97,207 sqm net additional comparison retail floorspace. The timescale for these opportunities coming forward depends on a range of factors, including planning. It is evident that not all these opportunities would be likely to be built and have reached an established trading pattern by 2016, but Table 9.13 shows a summary of the global capacity we have identified with and without commitments and also taking into account the combined level of floorspace from allocations and pipeline schemes in the Black Country; assumed these are all built and established by 2016.

**Table 9.13: Global Capacity Forecasts for Comparison Goods in the Black Country**

GLOBAL BLACK COUNTRY	2009	2011	2016	2021	2026	
Baseline Before Commitments	29,669	47,690	95,435	215,021	356,598	(sqm net)
	39,559	63,587	127,247	286,695	475,463	(sqm gross)
Baseline including Commitments	29,669	47,690	4,174	123,760	265,336	(sqm net)
	39,559	63,587	5,566	165,014	353,782	(sqm gross)
Baseline including Commitments, Allocations & Pipeline development (at 2016)	29,669	47,690	-93,032	26,553	168,130	(sqm net)
	39,559	63,587	-124,043	35,405	224,173	(sqm gross)

Source: GVA Grimley Comparison Capacity Modelling

9.44 This analysis suggests that in the period up to 2021, in global terms there is capacity to support all the identified commitments, allocations and pipeline schemes in the strategic centres, with further capacity arising by 2026. These projections are more cautious than previous studies, reflecting the more cautious

growth expectations. We consider this approach is appropriate given the current market uncertainties. However, we would expect quality new development in the strategic centres to increase their market share, which would increase the amount of new floorspace likely to be supportable (albeit at the expense of other centres).

9.45 Our global projections suggest that the scale of current commitment and current/proposed allocation and pipeline development are fully supported in the period up to 2021, and further capacity arises thereafter. However, we predict a significant shortfall if all these developments come forward by 2016. Furthermore, it is evident from reviewing where existing capacity arises, and where new development is proposed, that this scale of development is only supportable based on significant changes in current shopping patterns. Table 9.14 highlights the breakdown of capacity by centre taking into account all commitments, pipeline and allocations identified above.

**Table 9.14: Capacity Forecasts for Comparison Goods after Commitments, Pipeline and Allocations (sqm net)**

	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>BLACK COUNTRY</b>	<b>47,690</b>	<b>-93,032</b>	<b>26,553</b>	<b>168,130</b>
<b>Wolverhampton</b>				
Wolverhampton	10,517	-23,135	-5,172	15,382
Bilston	194	645	2,634	5,085
Wednesfield	32	-307	9	402
Out-of-Centre	-9,267	-8,309	-472	10,133
<b>Total Wolverhampton Borough</b>	<b>1,475</b>	<b>-31,106</b>	<b>-3,001</b>	<b>31,002</b>
<b>Walsall</b>				
Walsall	5,679	-2,779	8,777	21,951
Aldridge	66	-339	319	1,154
Bloxwich	42	-406	15	545
Brownhills	41	-933	-517	8
Darlaston	29	203	495	854
Willenhall	51	-1,879	-1,363	-691
Out-of-Centre	5,413	11,461	27,204	48,313
<b>Total Walsall Borough</b>	<b>11,320</b>	<b>5,328</b>	<b>34,931</b>	<b>72,134</b>
<b>Sandwell</b>				
West Bromwich	1,417	-33,439	-28,892	-23,732
Bearwood	166	529	2,127	631
Blackheath	55	-249	295	903
Cape Hill	35	113	451	820
Cradley Heath	59	285	868	1,527
Great Bridge	62	-1,231	-607	82
Oldbury	385	-18,078	-14,291	-10,107
Wednesbury	224	1,292	3,178	6,196
Out-of-Centre	12,912	16,508	25,911	38,410



	2011 (sqm net)	2016 (sqm net)	2021 (sqm net)	2026 (sqm net)
<b>Total Sandwell Borough</b>	<b>15,315</b>	<b>-34,273</b>	<b>-10,961</b>	<b>14,731</b>
<b>Dudley</b>				
Brierley Hill	17,979	-21,050	3,364	31,073
Dudley	348	-9,500	-6,061	-2,108
Halesowen	182	-1,433	343	2,354
Kingswinford	47	167	623	1,142
Lye	3	9	34	62
Sedgley	3,694	4,020	4,829	5,790
Stourbridge	207	-4,159	-2,150	131
Out-of-Centre	-2,880	-1,038	4,603	11,820
<b>Total Dudley Borough</b>	<b>19,580</b>	<b>-32,982</b>	<b>5,585</b>	<b>50,263</b>

Source: GVA Grimley Comparison Capacity Modelling

- 9.46 In Wolverhampton, the scale committed for space in and around the city centre exceeds significantly the city centre floorspace capacity at 2016 based on Wolverhampton's current market share. Inevitably, the scale of development proposed in the city centre will increase its market share, and in practical terms this will result in some impact on Wolverhampton's non-strategic centres and neighbouring town centres.
- 9.47 In Sandwell, the scale of committed floorspace at Oldbury and West Bromwich Town Centre result in a negative capacity at 2016, and are unlikely to be supportable based on current market shares much before 2021. This is on the basis of substantial redistribution of capacity from the other non-strategic town centres and out-of-centre provision within Sandwell. Clearly in practice there is potential for both West Bromwich and Oldbury to claw back expenditure lost from the borough, including expenditure currently attracted to Birmingham City Centre, existing out-of-centre services, and nearby strategic centres including Brierley Hill. On this basis, we consider the scale of floorspace currently committed in Oldbury and West Bromwich, and additional comparison retail floorspace proposed in West Bromwich and the more modest proposals in Blackheath and Great Bridge are all likely to be supportable.
- 9.48 We anticipate the effects of new development in West Bromwich Town Centre will be to stem some of the current leakage of comparison goods expenditure to nearby centres such as Brierley Hill, and as a consequence of this development the indicated scale of capacity for the floorspace in Brierley Hill based on its current market shares may be reduced. We consider this is an inevitable consequence of the RSS Strategy which seeks to rebalance the network of centres and support major development in West Bromwich Strategic Centre. This will not materially affect the capacity for significant further comparison retail development within Brierley Hill and Dudley, which is considered later.
- 9.49 In Walsall, given the limited scale of current commitments, we have identified significant global capacity arising as a consequence of performance of the strategic centre, non-strategic town centres and the extensive out-of-centre shopping facilities serving the borough. Even on current market shares, this suggests there is more than sufficient capacity within the borough by 2016 to support fully the level of current commitment and allocations. For the reasons outlined above, we anticipate the scale of new

floorspace coming forward in Wolverhampton and, in Sandwell will be likely to redirect a proportion of Walsall's capacity to new developments in those centres.

- 9.50 However, in the period beyond 2016, we have identified significant additional comparison shopping floorspace, of circa 47,589 sqm net by 2021, which exceeds the total indicated comparison policy allocations of circa 12,658 sqm net. This suggests that if Walsall is to be able to maintain and enhance its market share, and meet the RSS figures, it will be necessary to identify and actively promote opportunities for major comparison retail development in the centre, over and above the current proposals. Failure to secure this scale of development is likely to result in Walsall's market share declining further, as Wolverhampton, Brierley Hill and West Bromwich all improve their current position.
- 9.51 We have identified nominal capacity in the range of other non-strategic town centres in Walsall. However, in the absence of any significant new comparison retail development proposals in these centres, we anticipate that the effect of new development in neighbouring centres, both in Walsall and in the adjoining boroughs, is likely to largely offset the capacity identified. In these circumstances, we are concerned at the potential for further decline in Walsall's strategic centre without positive intervention to notably identify and promote major new retail development.
- 9.52 Finally, in the case of Dudley, Brierley Hill strategic centre generates significant capacity for traditional comparison shopping floorspace within the borough in the period up to 2016 and beyond. Dudley Town Centre also generates significant additional comparison floorspace capacity, particularly towards the end of the study period. Collectively, we have identified global capacity for circa 32,589 sqm net of additional comparison shopping floorspace in Dudley borough by 2016 (including commitments), increasing to 71,156 sqm net by 2021, the majority of which is generated at Brierley Hill.
- 9.53 In these circumstances, there will be more than sufficient capacity at 2021 to accommodate the additional scale of comparison shopping floorspace envisaged at Brierley Hill, Dudley, Halesowen and Stourbridge, collectively totalling 65,572 sqm net. For reasons outlined previously, it is likely that the scale of new development being proposed in Wolverhampton and Sandwell will, by reducing leakage to Brierley Hill, have some effect on the global capacity arising within Dudley. However, while these developments may curtail the extent of Brierley Hill's catchment, there is scope for both Brierley Hill and Dudley to increase their market penetration within their core catchment areas as a consequence of new development. In these circumstances, we are confident that there will be capacity to support this scale of additional development within the Dudley centres by 2016.

## Impact Assessment

- 9.54 For the reasons outlined previously, it is not practical to attempt to model the cumulative impacts of all the identified commitments and policy allocations/pipeline developments within the Black Country centres. In global terms, our analysis suggests that there is capacity to accommodate the current aspirations of each authority, with capacity arising at or around 2021 and additional capacity within each borough, and in the Black Country as a whole, arising between 2021 and 2026. Equally, it is evident that much of the new

development committed and in the pipeline is expected to take place in the strategic centres, in line with RSS policy.

- 9.55 The proposals for West Bromwich will require a significant step change in the centres current market share, with the attendant redistribution of activity as expenditure is clawed back from neighbouring high order centres. In order to gain a clearer understanding of how this may be achieved in reality we have assessed the likely implications of the current proposed development in West Bromwich town centre (c.36,690 sqm net comparison goods floorspace), alongside the delivery of the consented scheme at the Junction in Oldbury (c.19,168 sqm), which is discussed in more detail below. The Tables to accompany our analysis are included in **Appendix 9**.
- 9.56 Without a more detailed understanding of the proposed retail composition involved in each scheme we have estimated that both schemes would have the potential to achieve a sales density of £5,000 per sqm. Based on this assumption, the current proposed scale of development in West Bromwich has the potential to turnover an estimated £183.5m and the Junction, an estimated £95.8m; a combined turnover of just under £280m. As previously highlighted there is insufficient capacity, based on current market shares, to support this combined scale of development. It is therefore necessary to consider from where the retail turnover for both schemes will be derived from.
- 9.57 Based on the results of the household telephone survey, we have focused our analysis on shopping patterns in the zones where West Bromwich currently draws trade for comparison goods shopping. Table 9.15 identifies these zones in the first column, which are hereafter referred to collectively as 'West Bromwich's catchment area'. Based on current shopping patterns we have estimated where the potential turnover of the schemes planned in West Bromwich and in Oldbury will be derived from.

**Table 9.15: Trade Draw Pattern of Proposed Development in West Bromwich and Oldbury 2016**

Zone	WEST BROMWICH REDEVELOPMENT		OLDBURY JUNCTION	
	Estimated Trade Draw (%)	Estimated Trade Draw £m	Estimated Trade Draw (%)	Estimated Trade Draw £m
1	0.4%	£0.7m	2.8%	£2.7m
2	9.7%	£17.7m	0.7%	£0.7m
5	0.4%	£0.8m	2.9%	£2.8m
7	4.3%	£8.0m	0.7%	£0.7m
9	0.2%	£0.4m	2.9%	£2.8m
10	1.1%	£1.9m	0.0%	-
12	3.2%	£5.9m	11.8%	£11.3m
13	13.3%	£24.4m	6.8%	£6.5m
14	14.5%	£27.0m	31.0%	£29.7m
15	10.2%	£18.8m	19.8%	£19.0m
16	10.0%	£18.4m	6.8%	£6.5m
17	16.8%	£30.7m	4.6%	£4.4m

Zone	WEST BROMWICH REDEVELOPMENT		OLDBURY JUNCTION	
	Estimated Trade Draw (%)	Estimated Trade Draw £m	Estimated Trade Draw (%)	Estimated Trade Draw £m
21	0.2%	£0.4m	1.2%	£1.1m
23	8.2%	£15.0m	7.8%	£7.4m
31	0.2%	£0.3m	0.0%	-
32	5.5%	£10.2m	0.0%	-
37	1.7%	£3.0m	0.2%	£0.2m
54	0.2%	£0.4m	0.0%	-
<b>TOTAL</b>	<b>100%</b>	<b>£183.5m</b>	<b>100%</b>	<b>£95.8m</b>

Source: GVA Grimley Impact Modelling, 2009

9.58 The implication of trade diversion from existing centres is set out in Table 9, **Appendix 9**; and here in Table 9.16. The figures effectively demonstrate the cumulative impact of the schemes in West Bromwich and Oldbury on the turnover of each respective shopping destination currently drawing a reasonable level of comparison goods trade from within West Bromwich's catchment area. Whilst our trade draw estimates for the two schemes focused on zones within West Bromwich's catchment area, we have taken into account the estimated turnover of centres listed below from the wider Black Country survey area (not accounting for inflow) in order to reflect impact proportionately.

**Table 9.16: Impact of West Bromwich & Oldbury Junction on Comparison Goods Trade Draw 2016**

CENTRE	Total Turnover from Survey Area (without inflow) 2009 (£000) BASE POSITION	Forecast Turnover from Survey Area 2016 (£000) NO NEW DEVELOPMENT	Forecast Turnover from Survey Area 2016 (£000) WITH WEST BROMWICH & OLDBURY	Impact of West Bromwich & Oldbury on Forecast Turnover 2016	
				(£000)	(%)
<b>West Bromwich</b>	<b>68,787</b>	<b>79,277</b>	<b>253,905</b>	<b>174,628</b>	<b>220.3</b>
<b>Oldbury</b>	<b>74,780</b>	<b>86,042</b>	<b>170,191</b>	<b>84,149</b>	<b>97.8</b>
Walsall	292,767	343,096	331,559	-11,537	-3.4
Brierley Hill	705,027	809,697	738,387	-71,310	-8.8
<b>Sandwell 'Other'</b>	<b>138,296</b>	<b>96,729</b>	<b>70,411</b>	<b>-26,318</b>	<b>-27.2</b>
Wednesbury	43,445	50,733	49,744	-990	-2.0
Great Bridge	12,124	14,176	13,781	-396	-2.8
Bearwood	32,273	36,304	35,278	-1,026	-2.8
Wolverhampton	552,211	646,964	639,384	-7,581	-1.2
<b>Birmingham</b>	<b>532,283</b>	<b>607,591</b>	<b>511,974</b>	<b>-95,617</b>	<b>-15.7</b>

Source: GVA Grimley Impact Modelling, 2009

9.59 It is evident that the highest level of impact will be on Sandwell's out-of-centre retail warehousing, particularly the Gallagher Retail Park towards the north of the borough. However, it is evident from our

- analysis that the retail park is currently performing particularly well and even following the combined developments in West Bromwich and Oldbury we estimate that the retail park will continue to turnover circa £70.4m and maintain a healthy sales density of circa £4,473 per sqm.
- 9.60 We also estimate that there will be a reasonable level of impact on Birmingham city centre, however this would largely be a result of clawing back trade which is currently lost from the Black Country to the city. Furthermore the overall impact on Birmingham is considered negligible compared to the total turnover of the city centre. This is not fully reflected in the table above which presents only the turnover derived from the Black Country survey area, which is only a portion of Birmingham's wider catchment area.
- 9.61 As highlighted previously, we also anticipate that there will be some impact on Brierley Hill. Again we believe that the planned developments in West Bromwich and Oldbury will clawback a reasonable proportion of shoppers who currently travelling from zones within Sandwell's borough over to Merry Hill for their main comparison goods shopping. Based on the prominent role of Merry Hill as a core shopping destination both in the Black Country and the wider sub-region, we consider that the impact of developments in West Bromwich and Oldbury will be negligible and will not undermine the current role of the centre nor the proposed plans for its extension.
- 9.62 Impact on other centres in the Black Country, including the strategic centres of Walsall and Wolverhampton, is also considered negligible. It is evident from Table 9.15 that even taking into account the estimated level of trade draw to new developments in West Bromwich and Oldbury in 2016, the majority of centres will still experience an increase in their respective turnovers from 2009 to 2016.
- 9.63 Due to the close proximity between West Bromwich and Oldbury we anticipate that there will be a degree of impact of both on each other. Previously we indicated that the scale of proposed development in West Bromwich has potential to achieve a total estimated turnover of £183.5m, based on an average sales density of £5,000 per sqm. However, our analysis shows that, taking into account the development of Oldbury Junction, West Bromwich is more likely to achieve an estimated turnover of £174.6m, a shortfall of £8.8m (5%). Similarly, we believe that Oldbury is more likely to achieve a turnover in the region of £84.1m, which is £11.7m less than the previously estimated £95.8m based on an average sales density of £5,000 per sqm.
- 9.64 In practice, the main concern relates to overlapping demand and retailer confidence in both. Particularly in current market conditions, if both schemes come forward in the same timescale, the schemes would compete directly with each other for new retailers. The degree of mutual impact will therefore largely be dictated by retailers being drawn to one scheme over the other. It is evident that neither centre's schemes will be able to fully achieve the potential turnover possible if only a single development was to come forward; however there are significant positive benefits arising from the proposals, particularly those in West Bromwich which are considered crucial to uplift the centre in accordance with its strategic centre status.
- 9.65 As far as the impact of other new development within the strategic centres is concerned, the main conclusion which emerges from our analysis is that Wolverhampton, Brierley Hill and West Bromwich all to varying degrees have the potential to maintain and enhance their current market share and comparison

retail offer, while the scale of committed/pipeline development in Walsall is well below what is needed to maintain the centre's position. Without major new development to retain its current position, we anticipate that Walsall could decline as a consequence of these developments.

- 9.66 The second overall conclusion we would draw is that in line with national trends, much of the new comparison retail development proposed in the Black Country is concentrated in the higher order of strategic centres. As a consequence, while much of this new development depends on forecast population and spending growth, and to some extent claw back of expenditure from neighbouring centres, the further growth of the strategic centres will present further challenges for the non-strategic town centres. In our view this reinforces the need to focus on complementary strategies for the non-strategic centres, building in particular on their convenience retail and everyday services offer. It also suggests the need to have careful regard to the impact of further planned development in the strategic centres and the non-strategic centres.
- 9.67 Finally, the analysis is predicated on redirecting of the capacity generated by the extensive existing out-of-centre retail provision within the Black Country back into development within existing centres. While we consider this is a reasonable policy objective, it will depend on identifying and securing major development opportunities within and on the edge of defined centres capable of accommodating modern retailer requirements, including the need for larger shop units. In addition to adopting a highly proactive approach to identifying and allocating development sites, and where necessary taking steps to bring these forward, for example further use of CPO etc., the authorities will need to take a consistent approach to proposals for new or expanded out-of-centre shopping facilities where this could dissipate forecast capacity and reduce the scope for new town centre development. These issues are considered in more detail in Section 11.

## Summary

- 9.68 We have identified a significant level of capacity for comparison goods floorspace in the Black Country up to 2026. Taking into consideration new development such as Summer Row in Wolverhampton and the redevelopment of West Bromwich we project an oversupply of floorspace in the short term in these centres. However, we have identified sufficient capacity to support all committed, pipeline and allocated floorspace by 2021 and further residual capacity arising by 2026.
- 9.69 Our analysis suggests commitments in West Bromwich, Oldbury and Wolverhampton will largely meet capacity in each borough up to 2021, and in the short-term, these developments will result in a redistribution of activity from neighbouring centres within each borough and beyond. The Sandwell commitments will result in the clawback of most of the trade lost to Birmingham and Brierley Hill from their core catchment.
- 9.70 The analysis suggests that global capacity in Dudley will be sufficient to support the major current policy proposals for Dudley and Brierley Hill town centres up to 2016 based on current market shares. While the effect of committed development in Wolverhampton and Sandwell would, if developed before 2016, reduce indicated capacity at Brierley Hill, in practice we are confident that any shortfall would be offset by clawback and further growth in capacity between 2016 and 2021.

- 9.71 The most significant mismatch between forecast capacity and committed/planned new development is in Walsall, where a large surplus is predicted at 2016 and beyond. In order to maintain its market share and enhance its role as a strategic centre, Walsall needs to secure major 'higher order' comparison retail development. While the new Tesco will reinforce its convenience offer and everyday comparison offer, this and other committed developments fall well short of the scale and quality of development needed.
- 9.72 Overall, our projections rely on the redistribution of the significant level of current and forecast sales from out-of-centre locations back into the strategic and certain non-strategic town centres to ensure the regeneration of the network of centres. We have not identified any quantitative capacity for future growth of out-of-centre retailing and consider it appropriate to resist further expansion of out-of-centre retail development to avoid any adverse impacts on the existing network of defined centres. This analysis informs our policy recommendations set out in Section 11.

## 10. OTHER TOWN CENTRE USES

- 10.1 As highlighted by our earlier analysis of leisure expenditure in the Black Country (set out in Section 5), we do not anticipate a net increase in total leisure spend over the next five years due to economic conditions. However, we expect a return to current levels by 2013 followed by a rise in leisure spend, making additional leisure facilities more viable.
- 10.2 In this section we set out our assessment of other town centre uses currently in the Black Country and consider the potential need for new commercial leisure uses and facilities within the Black Country. The range and location of existing provision is illustrated on Plans 6-8.

### Cinema

- 10.3 The household survey identified that some 47.1% of households in the survey area visit a cinema. Presently, the Showcase Cinema at Castle Way, Dudley is the most popular location with a 17.4% market share. There are a total of six cinemas located within the Black Country which together attract 55.4% market share, as demonstrated by Table 10.1 below and illustrated on Plan 6.

**Table 10.1: Cinema visitation in the Black Country**

Cinema	Borough	No. of Screens	Market Share (%)
Showcase Cinema, Dudley	Dudley	14	17.4%
Cineworld, Bentley Bridge Leisure Park	Wolverhampton	14	14.0%
Showcase Cinema, Bentley Mill Way	Walsall	12	11.6%
Odeon, Merry Hill Shopping Centre	Dudley	10	9.7%
Reel Cinema, Halesowen	Dudley	4	2.2%
Light House Cinema, Wolverhampton	Wolverhampton	2	1.5%

Source: Household Telephone Survey, January 2009

- 10.4 The survey results revealed 5.8% of cinema goers either did not know which cinema they usually visited, or that the location varied. However, it can be reasonably expected that a proportion of these visits would be to cinemas within the Black Country. The third most visited cinema is the Empire at Great Park, Rubery (12.3%), which is located outside of the Black Country. A further four cinemas located in Birmingham also achieved notable market shares, these were Cineworld (4.7%), AMC Theatre (4.2%), Vue (3.3%) and Showcase Cinema (3.3%) Other cinemas situated outside of the Black Country account for the remaining 11% market share. The survey revealed 7.1% of respondents cited cinemas as a leisure facility lacking within a reasonable distance of their home.



**Table 10.2: Black Country Cinema Screens by Authority Area**

Authority Area	Cinema Screens	% of Black Country Screens
Wolverhampton	16	28%
Walsall	12	22%
Sandwell	0	0%
Dudley	28	50%

Source: Dodona Research (2006) and GVA Grimley

- 10.5 It is evident from Table 10.2 and Plan 6 that there is currently no cinema provision in Sandwell. It is therefore not surprising that those zones closest to West Bromwich have the highest percentage of respondents who cite cinemas as a facility lacking within a reasonable distance from their home (Zone 16: 24.4%, Zone 17: 31.7%). It should also be noted that just two of the identified screens in Wolverhampton are located in the city centre (the Lighthouse Cinema), whereas the remaining are from the 14-screen cinema at Bentley Bridge on the outskirts of Wednesfield. It was envisaged that a new 10 screen cinema was to form part of the Summer Row retail core expansion scheme in Wolverhampton city centre, however this has been superseded by an anchor retail store in a reserved matters application. Plan 7 shows 10 minute drive time catchments for those cinemas within the Black Country and the five most visited non-Black Country cinemas. Drive times are based on assumptions for travel by personal car, whereas the aim for such facilities as cinemas should be that people can access them relatively easily by other means of transport such as bus or bicycle and we have therefore chosen a relatively short drive time of 10 minutes.
- 10.6 Plan 7 illustrates the two main arcs of cinema deficiency, namely the east of Sandwell, including West Bromwich, and the eastern part of Walsall's metropolitan area. It is also apparent that the most visited non-Black Country cinemas are located to the east of the Black Country and although they help serve the cinema-deficient areas within the Black Country they almost entirely fall outside of the ten minute drive time areas.
- 10.7 Overall, 7.1% of survey respondents cited cinemas as a leisure facility lacking within a reasonable distance of their home. Based on our assessment of provision, the strategic centres of West Bromwich, Walsall and Wolverhampton should be prioritised for any future cinema provision. This is consistent with the RTP Centres Study for the RSS in 2006 which lists Walsall and West Bromwich as priorities for additional cinema screens.

### Ten Pin Bowling and Bingo

- 10.8 We have identified five ten-pin bowling facilities in the Black Country (listed below), but none in either Sandwell or Walsall. However, the household telephone survey identified that 4.2% of people across the survey area considered bowling facilities to be lacking within a reasonable distance of their home.
- [AMF Bentley Bridge, Wednesfield, Wolverhampton](#)
  - [AMF Bowling Express, Birmingham Road, Wolverhampton](#)

- Strykers Pleasure Bowl, Bushbury, Wolverhampton
- GT Superbowl, Bloxwich
- Bowlplex, Castlegate Way, Dudley
- Mega Bowl, Brierley Hill, Dudley

10.9 We have also identified the following eleven bingo hall sites in the Black Country, across all four authorities<sup>6</sup>.

- Gala Bingo, Ashmore, Wolverhampton
- Gala Bingo, Bushbury Lane, Wolverhampton
- Mecca Bingo, Bilston, Wolverhampton
- Gala Bingo, Aldridge, Walsall (*recently closed*)
- Gala Clubs, Jerome Retail Park, Walsall
- Mecca Bingo, Oldbury, Sandwell
- Gala Bingo, Wednesbury, Sandwell
- Mecca Bingo, Wednesbury, Sandwell
- Mecca Bingo, West Bromwich, Sandwell
- Mecca Bingo, Brierley Hill, Dudley

10.10 From the household telephone survey just 0.3% indicated a lack of bingo facilities. We therefore consider that consumer demand for both bingo and ten-pin bowling facilities is currently being met. Despite the recent closure of the Gala Bingo in Aldridge we do not consider there need to plan for further facilities. However, if the market proposes additional provision this should be considered on the basis of national policy including the sequential approach town centre first policy and local circumstances.

### Health and Fitness/Swimming Pools

10.11 The Joint Core Strategy Preferred Options Report (2008), *Core Policy Area 11* promotes the sustainable location of community and sports facilities. The report suggests that the policy should ensure: the appropriate scale and nature of community facilities in regards to the sustainability of settlements; that facilities should be accessible to all via a range of transport options; that the “neighbour shares” principle is to be used.

10.12 We have assessed the level of health and fitness club provision in the Black Country, which is illustrated on Plan 8. This includes a large number of centres operated by the local authorities and a small number of

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<sup>6</sup> This list was accurate at the time of our research however it is possible that closures may have occurred during the finalisation of the study.

centres run by multiple leisure operators such as Fitness First. Table 10.3 shows the level of provision in each of the Black Country authority areas.

**Table 10.3: Health and Leisure Centres in the Black Country**

Local Authority Area	Public Operated Health Centres	Private Operated Health Centres
Wolverhampton	4	1
Walsall	5	1
Sandwell	6	2
Dudley	3	2

Sources: Black Country Authorities websites

10.13 The household survey also questioned respondents on facilities they felt to be lacking within a reasonable distance from their home which identified the following levels of deficiency:

- Swimming pool (9.3%)
- Leisure/fitness centre (7.9%)
- Gym facilities (0.1%)
- Tennis Courts (0.2%)

10.14 Overall, 7.9% of respondents to the household telephone survey cited that there was a lack of leisure/fitness centres. The zones with highest percentages of respondents citing a lack of leisure/fitness centres were those around West Bromwich (Zones 12, 15, 16 and 17). Households in Zone 17 also revealed a lack of swimming pools (53.7%). This corresponds with Plan 8 highlighting a lack of health and fitness centres in this area. In terms of planning for further facilities, we advise that health & fitness clubs should be encouraged, within existing designated centres and particularly in West Bromwich where there is a clear requirement. The need for this type of leisure activity will also be determined by market interest and demand.

### Evening Economy Offer

10.15 According to the household survey, some 47.9% of respondents visit pubs and clubs in the study area. Table 10.4 highlights the top ten destinations by market share for pubs and clubs. These locations combined account for 50.5% of the market share; 21% attributable to five centres in the Black Country, and 29.5% attributable to the five non Black County centres. Unsurprisingly, given the level of provision, Birmingham is the most popular destination with a 17.5% market share. Of the Black Country centres, Wolverhampton has the highest market share, followed by Walsall (5.3%), Stourbridge (2.7%), Dudley (2.7%) and West Bromwich (2%). Brierley Hill shows a market share of 1.7% and does not currently feature in the top 10.

**Table 10.4: Pubs and clubs 'Top 10' locations by market share**

Location	Market Share (%)
Birmingham	17.5%
<b>Wolverhampton</b>	<b>8.6%</b>
<b>Walsall</b>	<b>5.3%</b>
Cannock	3.8%
Sutton Coldfield	3.1%
Lichfield	3.1%
Bromsgrove	2.7%
<b>Stourbridge</b>	<b>2.7%</b>
<b>Dudley</b>	<b>2.4%</b>
<b>West Bromwich</b>	<b>2%</b>

Source: Household Telephone Survey, January 2009

- 10.16 There is considerable scope for centres in the Black Country to improve provision and enhance their evening economy offer, particularly in the Strategic Centres and also Dudley Town Centre. This will call for a coordinated approach to planning policy and new development, and to ensure an inclusive and safe night time economy which would extend the vitality and viability of the centres into the evening.

### Restaurant/Café Expenditure

- 10.17 According to Experian Business Strategies (2008) the average person in the catchment area spends £1,003 per annum in restaurants/cafés (including pubs). Experian also estimate that the population's spend on leisure goods, such as eating out, will decrease over the next couple of years, before slowly rising again. At present the total expenditure available for restaurant/cafés in the survey area is £1,917m. This is forecast to fall to £1,909m in 2011, before then increasing to £2,518m by 2026 as shown by Table 10.5. Over the long term, therefore this growth has the potential to reinforce the vitality and viability of the Black Country centres.

**Table 10.5: Restaurant / Café Expenditure Forecasts – Total Survey Area**

Projection	2009 (£000)	2011 (£000)	2016 (£000)	2021 (£000)	2026 (£000)
Total Catchment	1,917,439	1,908,921	2,073,442	2,280,421	2,518,002

Source: Experian Business Solutions, Emarketer, 2009

- 10.18 While retail uses should continue to be protected to underpin the primary retail area of centres in the Black Country, it may be appropriate to maintain a more flexible policy approach in secondary frontages, enabling the representation of A3 and A4 uses which can enhance the vitality and viability of the centre and encourage longer trip times. Tighter control of A5 (hot food/take away) uses may be appropriate in some centres for amenity and environmental reasons.

## Hotels

- 10.19 We have reviewed hotel provision based on the number of multiple hotel operators represented in the Black Country which is set out in Table 10.6 below.

**Table 10.6: Hotel Provision in the Black Country**

Hotel	Location	In/Out-of-Centre	Type
Ramada	Park Drive, Wolverhampton	Out-of-centre	Standard
Holiday Inn	Dunstall Park, Wolverhampton	Out-of-centre	Budget
Novotel	Union Street, Wolverhampton	In-centre	Standard
Premier Inn	Broad Gauge Way, Low Level Station, Wolverhampton	In-centre	Budget
Premier Inn	Wolverhampton Business Park, Greenfield Lane, Stafford Rd	Out-of-centre	Budget
Travelodge	Bankfield House, Waterloo Road, Wolverhampton	In-centre	Budget
Britannia Hotel	Lichfield Street, Wolverhampton	In-centre	Standard
Fox Hotel	School Street, Wolverhampton	In-centre	Budget
Mount Hotel	Mount Road, Tenttenhall Wood	Out-of-centre	Standard
Holiday Inn Express	Tempus Ten, Walsall	Out-of-centre	Budget
Premier Inn	Bentley Road North, Walsall	Out-of-centre	Budget
Travelodge	Birmingham Road, Walsall	Out-of-centre	Budget
Ramada	Wolverhampton Road, Oldbury	Out-of-centre	Standard
Express Holiday Inn	Birchley Park, Oldbury	Out-of-centre	Budget
Premier Inn	Birmingham Road, Great Barr	Out-of-centre	Budget
Premier Inn	High Street, West Bromwich	In-centre	Budget
Premier Inn	Wolverhampton Road, Oldbury	Out-of-centre	Budget
Premier Inn	New Gas Street, West Bromwich	Out-of-centre	Budget
Park Inn	Birmingham West, M5 Junction 1	Out-of-centre	Budget
Quality	Birmingham Road, Dudley	Out-of-centre	Budget
Premier Inn	Dudley Road, Brierley Hill	In-centre	Budget

Source: GVA Grimley, 2009

- 10.20 Table 10.6 demonstrates that there are seven in-centre hotels; five of them in Wolverhampton, one in West Bromwich and one in Brierley Hill. Wolverhampton and Sandwell have the most hotels with six each. All but five of the 21 hotels identified are classified as 'budget', with no 'luxury' hotels identified. Most of the hotels are situated at major transport interchanges and cater for the budget business traveller.
- 10.21 The level and type of hotel provision in the Black Country is considered reasonable to accommodate the needs of business visitors to the area, but does not meet the aspirations to attract a greater level of tourism to the area. In accordance with the town centres first policy and the sequential approach, new development should be directed towards sites within, or on the edge of existing centres and, based on individual merits. It should also be noted that a Hotel Capacity Study is currently being produced for Wolverhampton.

## Black Country Tourist and Cultural facilities

10.22 Our review of leisure facilities in the Black Country has identified the various other leisure facilities and key attractions in the Black Country which are outlined below and also shown on Plan 6.

- Football Clubs (Walsall, West Bromwich Albion, and Wolverhampton Wanderers)
- Dunstall Park racecourse, Wolverhampton
- Dudley Castle
- Dudley Zoo
- Black Country Museum, Dudley
- The Public, West Bromwich
- Walsall Art Gallery, Walsall
- Walsall Leather Museum, Walsall
- Wolverhampton Art Gallery, Wolverhampton
- Civic Hall, Wolverhampton
- The Glass Quarter, Stourbridge

10.23 An assessment of the need or scope to extend these facilities or secure new tourist and cultural attractions in the Black Country centre is beyond the scope of this study. In any event, there is no generally accepted methodology for identifying 'need' for such uses. However, the planning system should provide a supportive framework to accommodate new cultural/tourist facilities within or on the edge of the Black Country centres opportunities are identified, either by the public sector or potential operators.

## Offices

10.24 In 2004, the built office stock for the Black Country totalled 1,187,000 sqm with 353,000 sqm in Dudley, 315,000 sqm in Wolverhampton, 273,000 sqm in Sandwell and 246,000 sqm in Walsall (ODPM Commercial and Industrial Floorspace and Rateable Value Statistics). The office market in the Black Country is divided into two main sub-markets: the market for town centre offices and the market for offices location out of town. The Advantage West Midlands Office Location Study (GVA Grimley, 2007) presents more recent office floorspace figures in the Black Country comprising c.1,243,000 sqm in town centre offices and c.130,064 sqm located out of town.

10.25 A more recent review undertaken by GVA Grimley highlights that the in-centre market is predominately 1960s/70s buildings with limited, if any, new office development of significance in recent years. It typically caters towards the needs of more local occupiers such as professional firms in the financial and business service sectors. The out-of-centre market is characterised by post-1990 business parks, most notably The Waterfront at Merry Hill and Pendeford Office Park on the outskirts of Wolverhampton. In out-of-centre locations a wide range of local, regional and national financial and business services occupiers are represented. Table 10.7 on the following page sets out the current key office locations in the Black Country.

10.26 The 2007 study undertaken by GVA Grimley states in-centre office rental values of £107 per sqm (£10 per sqft), with 6-7% yields, which remains consistent with the more recent market review by GVA Grimley and our discussions with property agents. However, it is likely that headline rents that will be sought for new office accommodation in in-centre locations such as Wolverhampton and Walsall will be in the order of £161 per sqm although these are yet to be tested in the marketplace. In out-of-centre locations the recent review cites rents of £167-183 per sqm (£16-17 per sqft), with 9-11% average yields. The highest out-of-centre rents (£183 per sqm) are achieved in Wolverhampton with consistently lower rents achieved elsewhere in the Black Country.

**Table 10.7: Key Office Locations in the Black Country**

Borough	Existing Office Accommodation
<b>Wolverhampton</b>	Pendeford Business Park
	Wolverhampton Business Park
	Wolverhampton Science Park
	City centre accommodation (generally secondary office space dating from 1960s/1970s)
<b>Walsall</b>	Tempus 10 (adjacent to Junction 10, M6)
	Town Centre accommodation (generally secondary office space dating from 1960s/1970s)
<b>Sandwell</b>	The Public, West Bromwich
	Sandwell Business Development Centre, Smethwick
	Birchfield Island, Oldbury
	Swallowfield Courtyard, Oldbury
<b>Dudley</b>	Castle Gate Business Park, Dudley
	Waterfront Business Park, Brierley Hill
	Wychbury Court Business Park, Dudley

Source: GVA Grimley, 2009

10.27 The recent market review undertaken by GVA Grimley highlights that some occupiers in out-of-centre office locations have questioned the sustainability of such locations and demand may therefore be focused more on in-centre locations in the future. In the Black Country centres there are no notable office buildings currently under construction. However, there are schemes in the pipeline in centres across the four boroughs; including the Interchange in Wolverhampton and the Gigaport in Walsall amongst others; which, if successful, will improve the nature and quality of accommodation available in centres.

10.28 The West Midlands Regional Centres Study undertaken by Roger Tym and Partners and published in March 2006, forecast gains in occupied office floorspace from 2001 to 2021 in the West Midlands strategic centres with the following results for the Black Country's strategic centres:

- Merry Hill/Waterfront - 60,000 sqm;

- Walsall - 50,000 sqm;
- Wolverhampton - 50,000 sqm; and
- West Bromwich - 30,000 sqm.

10.29 These figures have been updated through RSS Phase 2 to reflect the period 2006 to 2026, and indicate a requirement for 220,000 sqm gross office floorspace in each of the Black Country's strategic centres.

10.30 A further update to the WMRCS in May 2009, revisits projections for office floorspace in the West Midlands in light of the credit crunch. More recent forecasts suggest a marginal decline in total employment in the West Midlands region between 2007 and 2020. It is also anticipated that the direct impact of the recession on the manufacturing sector, which remains concentrated in the region, will also have implications for other office-related services reliant on manufacturing. In view of this, RTP advise careful wording in the RSS to allow the majority of the requirement up to 2026 to occur in the middle to latter part of the RSS lifetime and mainly post 2016 with a strong emphasis on monitoring and managing.

10.31 As highlighted previously, there are already several office schemes in the pipeline throughout the Black Country, summarised below, which will contribute towards meeting the RSS requirements.

#### Wolverhampton

- **I54** – flagship technology-based business park adjacent to Junction 2 of M54;
- **Interchange** – new office accommodation as part of a large scale mixed use development alongside the new railway and bus station development scheme;
- **Bilston Urban Village** – new commercial floorspace alongside significant new housing development.

#### Walsall

- **Waterfront** – flagship £180m plus project to create a new 'office quarter' in the town centre;
- **Walsall Gigaport** – a £400m high-technology corridor including creation of office accommodation, a health and sports academy and Walsall College;
- **Darlaston Strategic Development Area** – major strategic location of c.22 ha developable land likely to include employment / office accommodation.

#### Sandwell

- **All Saints, West Bromwich** – 11,148 sqm BREEAM excellent office accommodation;
- **West Bromwich Business District** – extension to All Saints scheme involving the creative use of civic historical buildings and will incorporate new offices for SMBC.
- **Eastern Gateway, West Bromwich** – new commercial units and office space as part of wider mixed use development to complement the All Saints scheme;
- **Rolfe Street, Smethwick** – new office, commercial and enterprise space alongside proposals to open up the area to leisure and tourism and links to Brindley Village II residential scheme;
- **Soho Park, Smethwick** – 20ha site intended for the development of modern employment-led mixed use, commercial and industrial accommodation.



#### Dudley

- **Castlegate Business Park** – potential for expansion although likely to be built out on a design and build (as opposed to speculative) basis;
- **Waterfront West Business Park** – potential redevelopment for more intensive, higher specification office buildings similar to type in main Waterfront development.

10.32 The Black Country Authorities should plan to meet the RSS requirements. However, based on the current market conditions and the recommendations of the WMRCS Update, we consider it may be appropriate to focus on successfully delivering schemes already in the development pipeline in the short term and allowing additional floorspace to come forward towards the end of the RSS lifetime (post 2016). We recommend a sequential approach to new development which should favour opportunities in the strategic and non-strategic centres above additional out-of-centre provision, alongside mixed-use developments and improvements in accessibility in order to establish an enhanced office role in existing centres with an aim to attract further inward investment.

10.33 However, reflecting the scarcity of large well integrated sites within and on the edge of the PSA in the strategic centres and the competing requirements of retail, leisure and office needs, the JCS should recognise that office development may be appropriate in edge of centre. We consider the clear priority for key well integrated sites within the PSA should be retail/leisure uses.

## Summary

10.34 Our leisure expenditure projections have identified that there will be no growth in the leisure sector across the study area until 2016, after which there will be significant growth up to 2026. Given that the Government's objective is to maintain and enhance the vitality and viability of town centres, we recommend that the growth in leisure expenditure should be directed to defined centres in the Black Country.

10.35 Our assessment of the leisure sector in Black Country indicates reasonable provision and choice of commercial leisure facilities, including cinemas, ten-pin bowling and bingo. The notable exception is West Bromwich, which lacks cinema provision. Most areas of the study area were shown to have a strong offering of health and fitness facilities, although certain locations suffer from significant deficiencies, notably West Bromwich. The area also generally lacks quality hotel accommodation.

10.36 We have identified a relatively high level of leakage from the pub/club and restaurant sectors most notably to Birmingham and other competing centres outside of the Black Country area. It is important that centres in the Black Country maintain and enhance their provision of pubs and restaurants and other leisure facilities to encourage a healthy evening economy and to meet the needs of their catchment populations.

10.37 In accordance with PPS6 and draft PPS4, the Black Country authorities should adopt a sequential approach to site selection for leisure and cultural uses, focussing on the strategic centres, the non-strategic centres or, failing that, well integrated edge of centre opportunities. Preference should be given to sites that best serve

the needs of areas where there are identified deficiencies, for example cinema provision in West Bromwich, Walsall and Wolverhampton, when considering alternatives with similar characteristics.

- 10.38 In relation to office development, in line with RSS policies, this should continue to be directed towards the strategic centres. Our assessment of office provision in the Black Country identifies limited availability of quality stock within town centres whilst the major office sites tend to be located in out-of-centre locations. The RSS encourages a pro-active approach to bring forward development opportunities alongside measures to improve the attractiveness of the strategic centres to office investment.
- 10.39 In line with advice given to the RSS we would recommend that the Black Country authorities plan, through the JCS, AAPs and development control process, for the majority of development of new office stock to come forward post-2016. Given the competing demands on key town centre opportunities, and the need to secure well integrated retail and commercial leisure development within the PSA of the strategic centres, the JCS should recognise that longer term office needs are likely to be located in edge of centre locations.

## 11. POLICY RECOMMENDATIONS, IMPLEMENTATION AND MONITORING

- 11.1 In this section we draw together the key elements of our analysis to review the implications for the authorities' Joint Core Strategy (JCS) and consider the practical issues of implementing planning policy and ongoing monitoring. This seeks to align the JCS with current and emerging national policy and the RSS, while reflecting the local distinctiveness of the Black Country and individual centres.

### Policy Recommendations

- 11.2 Our analysis supports the overall thrust of the JCS Preferred Options report. In particular, in the context of the ongoing national and regional pattern of polarisation, we consider it is appropriate to seek to focus 'higher order' development to the network of four strategic centres, and to recognise that the role of "non-strategic centres" is likely to focus particularly on convenience retail and services and on local, every day comparison goods.
- 11.3 In practice, our analysis suggests that Dudley is a 'first amongst equals' of the non-strategic centres, based on its current role and development potential. We are not convinced of the case for designating Dudley town centre as a separate tier in the hierarchy. However, in contrast to the other non-strategic centres, our analysis supports significant new convenience and comparison retail development in Dudley, guided by the Area Development Framework (ADF) and this needs to be an important consideration when determining proposals for the next phase of Brierley Hill. Oldbury is also in an anomalous position, as a consequence of the scale of existing and committed retailing and civic uses in the centre, which we have considered carefully.
- 11.4 The non-strategic centres range significantly in size and function. Based on our analysis and reflecting the smaller size and more limited function of the three district centres in Dudley (Sedgley, Kingswinford and Lye), we believe there is an option for these centres to be re-designated to the lower tier beneath the non-strategic centres. This would allow the remaining non-strategic centres to be more appropriately referred to as 'town centres'. The JCS should set an overall policy framework, within which Area Action Plans (AAPs), or individual town centre strategies/SPDs may be developed for individual centres based on opportunities or other key challenges, reflecting local circumstances at the appropriate time.
- 11.5 In these circumstances, we support the identification of a three tier hierarchy comprising: Tier 1: "Strategic Centres"; Tier 2: "Town Centres"; and Tier 3: "District and Local Centres".

#### i) Strategic Centres

- 11.6 At the strategic level, our updated analysis supports the scale of development identified in the RSS up to 2021. Our analysis suggests that although the RSS figures may be optimistic by 2021, they do not take into account the scope to increase the market share of the strategic centres and claw back expenditure lost from the Black Country. For the purposes of the JCS, we consider the RSS figures should be taken as indicating

the upper ceiling of additional comparison shopping floor space likely to be appropriate in the dominant centres of Brierley Hill and Wolverhampton up to 2021; but should be a target for the less dominant Walsall and West Bromwich. It would therefore be appropriate for JCS policy to set out the following levels of floorspace to be planned for in each of the strategic centre. It is important to reiterate that this level of floorspace in the strategic centres is heavily reliant on the effective redistribution of notional capacity in the surrounding non-strategic network of centres and out-of-centre provision. As such, further growth in out-of-centre comparison floorspace should be strongly resisted to avoid undermining this strategy.

**Table 11.1: Recommended quantum of Comparison Goods Floorspace in the Strategic Centres**

	2006-2021		2021-2026	
	(sqm net)	(sqm gross)	(sqm net)	(sqm gross)
<b>Wolverhampton</b>	52,500	70,000	22,500	30,000
<b>Walsall</b>	45,000	60,000	18,750	25,000
<b>West Bromwich</b>	33,750	45,000	15,000	20,000
<b>Brierley Hill</b>	48,750	65,000	22,500	30,000

- 11.7 In accordance with RRS Phase 2, any development meeting the floorspace requirements for 2021-2026 should not be permitted before 2016 to minimise the potential over-supply of floorspace in advance of anticipated capacity arising after 2021. In any event we recommend later that the projections are reviewed by 2016 at the latest to determine the effect of economic and other circumstances over the next six years.
- 11.8 As a consequence, we would support a policy requirement for consideration of the potential impact of any proposed development which would lead to the amount of comparison goods floorspace in an individual strategic centre exceeding its RSS floorspace requirement. An appropriate threshold should not preclude small scale development in the strategic centres e.g. change of use, but should enable proposals that would be of more than local scale to be subject to testing. This should consider the impact on other strategic centres, as well as localised impacts on town and district and local centres.
- 11.9 In West Bromwich, we have considered the implications of the scale of convenience and comparison shopping currently proposed. We consider this is in line with the RSS, and is appropriate and needed to reinforce the role of West Bromwich as a strategic centre. This scale of development will be likely to reduce significantly expenditure leakage from the centre's core catchment to Brierley Hill, Birmingham, and out-of-centre stores and create more sustainable shopping patterns. Because of the significant shift in shopping patterns needed to support West Bromwich and Oldbury, we have modelled the effect of these developments and conclude that they are supportable as part of the over strategy for other strategic and non-strategic centres.
- 11.10 In the case of Walsall, we are concerned that current commitments and policy allocations are unlikely to accommodate the scale of comparison retail capacity up to 2016, and particularly beyond to 2021/26. The major commitments in Wolverhampton and Sandwell will reduce this capacity without corresponding major

- 'higher order' comparison retail development in Walsall town centre. While outside the scope of this study, we recommend the Council considers preparation of an AAP for Walsall town centre to identify opportunities for new development. Without such development we anticipate an ongoing loss of market share from Walsall to Wolverhampton, Birmingham city centre and to competing out-of-centre developments.
- 11.11 Notwithstanding the limited growth in leisure spending in the period up to 2016, we consider the RSS should seek to support the leisure and evening economy within the Black Country centres, and again this is likely to be focussed in particular in the strategic centres. Analysis highlights significant deficiencies, notably in the cinema offer in West Bromwich, Walsall and Wolverhampton and in the range of eating/drinking and other leisure and cultural offers of the centres which should reinforce their retail offer. The JCS should provide a supportive framework for leisure and associated uses within the strategic and non-strategic centres, and specific sites and opportunities should be promoted through AAPs and other DPDs.
- 11.12 While we consider it is appropriate to seek to focus the majority of higher order comparison retail spending growth into the four defined strategic centres, we consider it is appropriate for the policy to adopt a more cautious approach to the provision of further convenience shopping in the strategic centres, recognising that these tend to underpin the role of the non-strategic town centres and district and local centres. Our capacity analysis highlights sufficient capacity to accommodate the significant scale of existing commitments, allocations and pipeline proposals, and supports the provision of major new foodstores in West Bromwich and Walsall as important policy priorities.
- 11.13 However, we recommend introducing policy measures to require consideration of the likely impact of further new foodstore development within/on the edge of the strategic centres in particular, to assess their implications for the current offer and investment potential of non-strategic town centres. We are concerned that polarisation of convenience shopping towards the strategic centres could undermine the current and potential role of the non-strategic town and district/local centres.
- 11.14 Our analysis suggests there may be insufficient capacity in Dudley to support all the current commitments and proposals for convenience goods floorspace. Given the priority to ensure Dudley town centre and Lye district centre secure convenience retail to deliver regeneration, we anticipate there is capacity for no more than 5,000 sqm net additional convenience goods floorspace at Brierley Hill. We consider the AAP and the JCS should require the impact of further convenience shopping above the 5,000 sqm net at Brierley Hill to be assessed on the strategy for Dudley and the role of other non-strategic town, district and local centres. This concern should be reflected in the JCS policy with convenience provision at Brierley Hill limited to 5,000 sqm net to ensure the delivery of convenience provision in Dudley. Any proposal exceeding the 5,000 sqm net floorspace should only be considered favourably if the retail impact assessments contained in the most recent national guidance on retail planning are satisfied.
- 11.15 We would recommend a policy approach to regulate the level of convenience goods floorspace coming forward in strategic centres applying a phased approach to targets set out in Table 11.2 which are based on existing commitments and identified priorities of 5,000 sqm net in Dudley town centre, 650 sqm net in Lye and a maximum of 5,000 sqm net at Brierley Hill. A small amount of additional capacity arises in Wolverhampton after commitments post 2016 as indicated in the table.

*Table 11.2: Recommended quantum of Convenience Floorspace provision in the Strategic Centres (sqm net)*

Centre	2006-2016	2016-2021	2021-2026	TOTAL 2006-26
<b>Wolverhampton</b>	9,432	66	1,335	10,833
<b>Walsall</b>	7,951	-	-	7,951
<b>West Bromwich</b>	4,786	-	-	4,786
<b>Brierley Hill</b>	5,000	-	-	5,000

**ii) Non-Strategic Centres<sup>7</sup>**

- 11.16 In the case of the non-strategic centres, recognising the large number, diverse range and size of the centres identified, we consider the majority would be appropriately defined within the JCS as “town centres”. Whilst we do not consider there any practical merit in sub-dividing these into different tiers we have highlighted that it may be appropriate to re-designate the three “district centres” in Dudley (Kingswinford, Lye and Sedgley) to a lower tier based on their size and more limited function in comparison with other non-strategic centres.
- 11.17 We consider it will be appropriate to develop distinct local strategies for each of the non-strategic town centres. In those centres which present major opportunities or challenges, for example Dudley, it will be appropriate to prepare parallel AAPs and/or specific town centre strategies to be incorporated into future AAPs or SPDs. The policy focus should be on the potential of these centres to change, either to expand and enhance the offer or, in some cases, to diversify their offer.
- 11.18 While our quantitative analysis identifies significant surplus capacity for additional comparison shopping floorspace within a number of the non-strategic centres, this is significantly off-set by commitments, allocations and pipeline schemes up to 2021. Capacity to support these schemes is also predicated on redirecting surplus expenditure arising in out-of-centre locations back into appropriately scaled development within defined centres. All of our capacity analysis is predicated on the resistance of further growth in out-of-centre shopping, and redirection of capacity back into the defined centres.
- 11.19 In these circumstances, we do not consider it is appropriate to assign specific floorspace figures for new development in every non-strategic town centre, based on the necessary degree of redistribution required to cover strategic priorities and existing commitments. Our recommended approach is, notwithstanding the provisions of PPS6/4, to introduce policies to require consideration of the scale of new development proposed within non-strategic town centres to include, inter alia; consideration of the appropriateness of scale and likely impact on the overall retail strategy of the JCS, which can be achieved by a threshold approach.
- 11.20 When setting threshold for convenience goods floorspace this should reflect the important role, identified by this study, that convenience shopping has to play in maintaining the vitality and viability of the non-strategic

<sup>7</sup> Includes the three district centres in Dudley except in cases where reference is made to ‘non-strategic town centres’. This is on the basis that Sedgley, Kingswinford and Lye may be designated to the lower tier of ‘district and Local centres’.

centres. Similarly, it would be appropriate to apply a lower threshold for comparison goods floorspace in the non-strategic centres based on the more limited role of comparison shopping in the non-strategic centres as well as the necessary redistribution of capacity to the strategic centres and identified priorities. Where there is unmet capacity, which cannot be physically accommodated in a centre, in line with the overarching strategy this should be redirected to other centres in the hierarchy in the first instance. Further out-of-centre development should be resisted. It may be appropriate to plan for non-large scale offices in the non-strategic centres if such an office market should emerge in the future.

- 11.21 Our analysis suggests there is potential for Dudley to accommodate the scale of additional comparison shopping floorspace currently envisaged in the centre (15,000 sqm gross), in addition to the scope for a large new foodstore (5,000 sqm net). However, based on their current market shares most of the other non-strategic centres are unlikely to warrant any further significant comparison shopping floorspace beyond current, generally small scale commitments. This does not diminish the need for continued investment and renewal in the non-strategic town centres, particularly where their retail floorspace is outdated and fails to meet retailer requirements. However, we do not anticipate significant expansion in these centres.
- 11.22 Oldbury is a notable exception, where we have assessed the effects of the current commitment. Development of this commitment, in parallel with the proposals for West Bromwich, will require a major shift in shopping patterns and very high levels of trade retention. In current market conditions, we would question whether there would be demand for both. While the proposals have the benefit of a planning consent, for the purposes of the JCS and determination of any future alternative proposals, we consider it may be appropriate to resist any changes to the scheme which would threaten the regeneration of West Bromwich, given the potential for this development to compete directly with the priority to achieve the necessary step change in West Bromwich as a strategic town centre.
- 11.23 Taking into account the over-riding recommendations to redirect comparison goods capacity in the non-strategic centres towards the strategic centres, this reinforces the importance of convenience retail towards maintaining the vitality and viability in individual non-strategic centres. We therefore consider the JCS should identify the main focus of non-strategic centres as meeting convenience and service needs. We have identified that most of the non-strategic centres are well served by existing or committed main foodstores, and have identified significant capacity for further convenience shopping facilities. The policy should seek to encourage new convenience development within the non-strategic centres, and to support proposals to extend or refurbish existing stores where they are well integrated and serve to anchor the centre as a whole. Building on the recommendations to guard against polarisation and over concentration of convenience provision in the strategic centres and to enable the non-strategic centres to fulfil their important convenience role, rather than set specific floorspace figures for each non-strategic centre (as indicated in paragraph 11.19) the JCS should indicate an appropriate scale of development, above which would require sensitivity testing.
- 11.24 We have identified a particular need to secure an appropriately sized modern foodstore in Lye, which would be consistent with its recommended designation as a district centre. We consider a store of circa 650 sqm net is likely to be appropriate in this centre and the JCS should plan for this as a priority development.

- 11.25 While the scope for significant retail/leisure growth in the non-strategic town centres is likely to be limited, our analysis suggests it will become increasingly important to develop and implement strategies to maintain and enhance their environment, improve the management and quality of the retail offer and public realm and to maximise their accessibility to their local catchment. The JCS should set out the framework within which individual strategies for the non-strategic town centres are developed, through the preparation of AAPs and/or other SPDs as appropriate. As highlighted previously, there may be scope to plan for offices that are not of a large scale in the non-strategic centres should such a market emerge in the future.
- 11.26 In developing effective strategies for the non-strategic town centres, the LDF should set the framework, through relevant DPDs such as AAPs, for identifying the extent of each centre's boundary, PSA and defining primary and secondary frontages. We consider the current UDPs generally provide a reasonable basis for defining these areas. We would recommend that both should be kept under review. Reflecting the previous trends identified in the study, in a number of cases we anticipate the PSA and primary frontages of the non-strategic town centres may need to contract and consolidate over time, although the Council's should keep under review the opportunity to identify sites to expand PSAs to accommodate larger stores, and in particular anchor foodstores where appropriate.
- 11.27 We have highlighted the importance of accessibility and convenience, particularly in the non-strategic centres which will increasingly struggle to compete with the more dominant higher order centres. In parallel with developing town centre strategies, focusing on the public realm, management and promotion of the centres, the Councils should through AAPs, SPDs and other non-statutory documents consider accessibility and parking as part of individual town centres strategies. Our analysis suggests that the non-strategic town centres are generally less well served by good quality off street car parking, which presents something of an 'uneven playing field' against the strong strategic centres and extensive out-of-centre shopping provision serving the Black Country.
- 11.28 To provide a context for these strategies, it may be appropriate for the JCS to identify a more generous maximum parking standard for off street parking in any redevelopment within town centres of in excess of one space to 20 sqm gross where new development is of an appropriate scale, and the parking provision is likely to serve the town centre as a whole.
- 11.29 A summary of our recommendations for each of individual non-strategic centres is included in **Appendix 10**.

### iii) District & Local Centres

- 11.30 We have not examined the network of local centres, as this goes beyond our brief. However, we have reviewed the sample of centres examined by the four authorities, which identify the potential to designate new local centres where they provide an important local offer, and provide key local goods and services.
- 11.31 The overall objective of the JCS should be to focus 'main food' shopping and key services into the network of centres. Development management policies (see below) take into account the potential impact of new proposals on existing local centres. However, we recommend that it includes a policy to support new local shopping facilities, subject to clear criteria including, inter alia; definition of a local need based on a clearly



defined demonstration that the proposals are of an appropriate scale to their local catchment and unlikely to lead to any advance impact on neighbouring town, district or local centres (as per paragraph 7.60).

- 11.32 Our broad assessment supports the designation of two new centres in Dudley (Oldswinford and Hawne) and the removal of Darlaston Green as a local centre in Walsall. This benchmarking exercise should assist the identification of potential new local centres being brought forward in the future through relevant LDDs. It would also be appropriate for the boundaries of new centres and any adjustments to the boundaries of existing centres to be delivered in future relevant LDDs.

**vi) Redistribution of Capacity**

- 11.33 We have identified the overarching strategy in terms of the category of centre and we now draw together the implications of this strategy in terms of trade distribution and identify areas that will require specific monitoring over the plan period.
- 11.34 In terms of convenience goods we have identified sufficient global capacity by 2021 to support commitments in Wolverhampton Borough. However, committed developments in Wolverhampton strategic centre (e.g. Raglan Street and Summer Row) will lead to a degree of redistribution of capacity from the borough's non-strategic centres of Bilston and Wednesfield. Based on the importance of convenience retailing in these non-strategic centres we would raise concern at allowing further expansion of convenience goods floorspace in Wolverhampton's strategic centre over and above current commitments.
- 11.35 In Walsall, we have identified negative overall global capacity to support existing commitments, based to an extent on the current under trading of the Asda store in Walsall town centre. The new Tesco store in Walsall strategic centre is likely to redirect trade from the existing store and to some extent draw trade from the borough's non-strategic town centres; Bloxwich and Aldridge. The new Morrisons in Willenhall is expected to consolidate the centre's existing catchment area and claw back trade currently drawn to the Tesco at Neptune Way Retail Park and Bilston. This reinforces our conclusion that there is no need for additional convenience goods floorspace in Walsall town centre above current commitments and the impact of further proposals should be carefully examined.
- 11.36 In Sandwell there is sufficient capacity arising from strong trading of convenience stores in out-of-centre locations and the non-strategic town centres of Blackheath, Great Bridge and Oldbury to support the delivery of the new Tesco store in West Bromwich strategic centre. This will reinforce the strategic centre's convenience role and clawback trade currently lost to other destinations creating a more balanced distribution of convenience floorspace. Given the level of capacity identified this redistribution is unlikely to be of concern, however future capacity outside West Bromwich strategic centre will be limited.
- 11.37 In Dudley borough, global capacity is sufficient to support existing commitments predicated on a redistribution of capacity from out-of-centre foodstores, and to an extent Brierley Hill. We have also identified qualitative need for new convenience goods floorspace in Dudley and Lye which will also require a redistribution of floorspace. Once again this is largely likely to involve a redirection of trade from Brierley Hill to both centres. We believe there is potential for Lye to retain more trade from the centre's immediate local

catchment area, consistent with its role as a district centre. In the case of Dudley, we would also expect to see clawback of trade lost to out-of-centre foodstores in the borough (e.g. Tesco, Towngate Retail Park) and also to an extent current trade lost to other centres and out-of-centre foodstores in the Black Country.

- 11.38 As a result of these priorities, although the provision of an additional 5,000 sqm net convenience goods floorspace in Brierley Hill will exceed identified capacity for the borough, it is considered acceptable for the strategic centre to have an appropriate level of future convenience provision. Any new foodstore development is likely to result in a redistribution of capacity from existing provision, although, given the nature of Brierley Hill, we would also expect there to be an element of clawback from beyond the boundaries of the Black Country. For this reason, we would re-emphasise that major convenience floorspace at Brierley Hill above 5,000 sqm net should be subject to impact testing and that priority should be attached to securing new foodstores where there are regeneration priorities in Dudley and Lye.
- 11.39 In terms of comparison goods provision, we have identified global capacity across the Black Country to meet the RSS Phase 2 requirements at 2021 and 2026. At 2021 there is surplus capacity, after meeting the RSS Phase 2 requirements, in Walsall, Sandwell and Dudley Boroughs but a notional oversupply of floorspace in Wolverhampton. We would expect the scale and quality of development coming forward in Wolverhampton to uplift the centre's market share, particularly through the claw back of trade currently lost to competing centres outside the Black Country which will consolidate the centre's catchment area. In addition to this, we would also expect the centre to increase draw from future capacity emerging in the borough's non-strategic town centres (Bilston and Wednesfield) and to a certain extent centres elsewhere in the Black Country. However, we have identified that surplus capacity, after meeting the RSS Phase 2 requirements, emerges in Wolverhampton borough between 2021 and 2026.
- 11.40 The detailed impact analysis examining the delivery of new comparison goods floorspace in West Bromwich and Oldbury demonstrates the anticipated redistribution of expenditure to support the significant step change required in West Bromwich to bring it in line with other strategic centres in the Black Country, which would mean that the future comparison capacity elsewhere in the borough is unlikely to emerge until towards the end of the plan period. From our analysis we expect the centre to clawback most significant levels of trade from out-of-centre retail provision in Sandwell borough, as well as trade currently leaking to Brierley Hill and Birmingham.
- 11.41 Other identified priorities such as the delivery of 15,000 sqm gross comparison goods floorspace in Dudley town centre will also require a degree of redistribution of capacity. In this case we anticipate that this will be largely redirected from Dudley's out-of-centre retail provision, surplus capacity over RSS Phase 2 requirements in Brierley Hill strategic centre as well as non-strategic centres of Stourbridge and Halesowen, and district centres such as Sedgley (where there is a high surplus of capacity relative to the level of comparison goods on offer). The scale of global capacity generated in Dudley Borough is sufficient to support this. For Stourbridge and Halesowen it is anticipated that capacity for some further comparison goods floorspace might emerge in the future, depending on how shopping patterns evolve in the Black Country.

- 11.42 As previously highlighted, the overarching strategy for the Black Country should seek to focus 'higher order' comparison goods development towards the network of strategic centres, supported where necessary by the redirection of surplus expenditure from out-of-centre locations and non-strategic centres. All of our capacity analysis is predicated on the resistance of further growth in out-of-centre shopping and redirection of capacity back into defined centres, and in the case of Dudley, on the planned redistribution of some of the capacity generated by Brierley Hill to be retained in Dudley and West Bromwich.
- 11.43 We have not separately identified bulky/non-bulky goods capacity in accordance with PPS6 and the sequential approach. In qualitative terms we have concluded that there is already extensive choice in retail warehousing, notwithstanding some losses, and we have not identified qualitative need for additional bulky, durable goods retailing. We consider in the first instance that comparison shopping needs should be directed towards the network of strategic centres, and suitable non-strategic centres such as Dudley. In addition, there are existing commitments and policy allocations in Dudley borough that more than meet total comparison needs up to 2016.
- 11.44 On the basis of our analysis we therefore see no justification for supporting more out-of-centre comparison development. Any proposal involving bulky goods retailing when it is argued that there is a genuine, specific need which cannot be met within or on the edge of the strategic centres or other centres would need to be judged on its merits and subject to an impact and sequential site assessment.

**v) Development Management**

- 11.45 In parallel with policies to promote appropriate new development within the network of centres, it will be essential to develop effective policies for development management in the case of proposals which come forward outside defined centres, or which may be of inappropriate scale to the centres intended role and function.
- 11.46 For the reasons outlined earlier, notwithstanding the provisions of PPS6 and emerging guidance in PPS4, we consider it would be necessary to require consideration of the impact of new development above certain thresholds, even when located within existing centres and to consider adopting a lower threshold in the case of proposals outside existing centres than the guideline figure of 2,500 sqm gross indicated. We suggest the following thresholds based on our assessment of capacity, and the need to focus large-scale (specifically comparison goods floorspace) development in the strategic centres and duly protecting the important convenience shopping role in the non-strategic centres.
- 11.47 In the case of the strategic centres, we consider it is appropriate to require consideration of the impact of any new development over and above the levels indicated in the RSS up to 2021. We also consider it would be appropriate to require consideration of the impact of major foodstore proposals within or on the edge of the identified strategic centres, in order to assess their potential impact upon the network of town, district and local centres. In the case of Brierley Hill, we consider the case for new convenience goods floorspace beyond the 5,000 sqm net indicated should be tested through the JCS policies.

- 11.48 In the case of non-strategic town centres, where there are no specific floorspace thresholds indicated, we consider any proposals above an appropriate level of comparison shopping floor space should be accompanied by an assessment to consider the effects on other non-strategic centres and upon the overall JCS strategy (as per paragraph 11.9).
- 11.49 In the case of proposals involving retail and other key town centre uses outside existing centres, we consider that the JCS should adopt strict development control policies, identifying the full range of impacts identified in draft PPS4. Given the potential significance of new out-of-centre developments and extensions to existing developments, particularly on the smaller non-strategic centres and district and local centres, we consider any proposal involving retail development outside a defined centre should be subject to an impact assessment. In accordance with national guidance it would also be important to identify "local" impacts, referring to the Black Country Centre's strategy and the particular challenges facing its town centres, not necessarily through the JCS but through relevant future LDDs.
- 11.50 The recommendations of this study and the policies in the JCS are in conformity with, and build on national policy guidance. In addition to the normal requirements for the determination of planning applications, we consider it appropriate for developments above thresholds set by the JCS to be judged over a 5 year time frame. However, in development control terms, proposed developments that fall below thresholds set by the JCS will still need to comply with policy in the normal determination of applications.

## Implementation

- 11.51 The emerging JCS provides the key framework within which AAPs for Dudley and other centres, and the development of non-statutory town centre strategies can be developed. In the current economic circumstances, it is critical that the JCS adopts a positive and proactive approach to supporting development in accordance with the priorities identified. In particular, a key role of the JCS is to provide planning certainty, by clearly identifying the scale and form of development likely to be appropriate in the existing centres, where necessary, identifying key strategic locations for growth, and by setting out a clear basis for supporting new development. Where necessary, this should include the authorities commitment to promoting key sites, including site assembly.
- 11.52 In the current market, it will be particularly important that within the overall parameters identified, the JCS provides flexibility in terms of the scale and phasing of new development. Whilst we consider it is fundamental that new development which takes place within the defined strategic centres and non-strategic centres is of a higher quality, and is effectively integrated, and linked to associated measures to impact the public realm and accessibility, it may be appropriate to incorporate additional flexibility in terms of car parking numbers etc in order to encourage and facilitate development at the earliest opportunity.
- 11.53 The JCS should also set out clear priorities for the development, focusing comparison retail development into the strategic centres in accordance with the JCS thresholds, and providing parallel policies to support appropriate comparison and in particular convenience goods floor space development within defined non-strategic centres. Reflecting the uncertain economic outlook over the next few years, and the identified

phasing of expenditure capacity compared with commitments and allocations, we consider the authorities should carefully evaluate current development plan commitments and allocations and take a cautious approach to retaining allocations in their emerging DPDs beyond the key priorities identified. This is likely to be particularly relevant in the case of proposals which may be of an inappropriate scale to the centre in question, or poorly integrated, or where development could be likely to prejudice or delay development in one of the strategic centres.

- 11.54 We support the need to develop detailed policies for Brierley Hill and Dudley through AAPs. Given the need to identify opportunities for more significant comparison retail development in Walsall, and the particular challenges the centre faces, we consider the Council, in discussion with the Walsall Regeneration Company, should consider preparing an AAP for the centre to identify sites and guide key development.

## Monitoring

- 11.55 We consider the JCS should set out an approach which follows the guidance in PPS4 and makes provision to regularly update the town centre health checks in the strategic and non-strategic centres; to monitor the scale and location of new development within the strategic/non-strategic centres and other locations on an annual basis; and to monitor key economic trends and update and revisit the capacity projections set out in this study at 2011 and 2016. We anticipate it will be appropriate to reconsider the network and hierarchy of centres in the Black Country at 2011, to determine, in particular, whether it is still appropriate to retain Lye as a non-strategic town centre.
- 11.56 By 2016, it is anticipated that major new development will have come forward in the four strategic centres and it will be timely to judge the implications of this development on the role and function of each of the strategic centres. This review should examine their impact on each other and on the other non-strategic town, district and local centres within the Black Country. At this stage, it will be appropriate to revisit the overall hierarchy, and to determine what, if any, scale of additional comparison and convenience shopping floor space is likely to be appropriate within the four strategic centres. It would also be appropriate at this stage to revisit the role of the other non-strategic centres, and determine whether any further opportunities for new development are likely to come forward.
- 11.57 In parallel with monitoring the comparison and convenience retail function of the strategic and non-strategic centres, it will be appropriate to monitor the development of other key town centre uses within the four Black Country authorities, by scale and location. In particular, key leisure uses should be carefully monitored and the delivery of new leisure development, which is particularly needed in West Bromwich and Walsall should be reconsidered in the period up to 2016. It will also be important to develop annual monitoring of office floor space completions, to establish the annual take-up and location of the new development.
- 11.58 Having prepared a detailed audit of current local centres, we consider the Councils should update this database, ideally annually, to monitor the provision of key local services, and to identify where opportunities for new local centres are likely to arise as a consequence of population growth and/or the decline of existing facilities.

- 11.59 We anticipate that, based upon this annual monitoring it would be appropriate to revisit the quantitative analysis which underpins this study in 2011, at which point it should be possible to judge more accurately the long term implications and prognosis for the economy, and the policy strategy and scope for new key town centre development within the strategic and non-strategic centres should be the subject of a comprehensive new assessment by 2016 at the latest.