



**Lambert
Smith
Hampton**

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BLACK COUNTRY CENTRES STUDY 2020

Volume 1: Main Report

FINAL

For

The Black Country Authorities Comprising:
City of Wolverhampton Council
Dudley Metropolitan Borough Council
Sandwell Metropolitan Borough Council
Walsall Council

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Contents

Executive Summary.....	i
1. Introduction	1
2. Planning Policy Overview	5
3. National Retail & Town Centre Trends	33
4. Catchment Area Definition and Shopping Patterns	55
5. Town Centre Health Checks: Methodology	75
6. Health Checks: Summary for Strategic Centres.....	80
7. Health Checks: Summary for Town Centres.....	86
8. District and Local Centres.....	105
9. Quantitative Retail Needs Assessment.....	108
10. Commercial Leisure Needs Assessment.....	139
11. Office Market.....	177
12. Implications for Extant Centres Policies	181
13. Future Strategy	188

Volume 2: Healthchecks

Appendix 1	Wolverhampton City Centre
Appendix 2	Brierley Hill
Appendix 3	Merry Hill
Appendix 4	West Bromwich
Appendix 5	Walsall
Appendix 6	LPA: Wolverhampton: Centre - Bilston
Appendix 7	LPA: Wolverhampton: Centre - Wednesfield
Appendix 8	LPA: Dudley: Centre - Dudley
Appendix 9	LPA: Dudley: Centre - Stourbridge
Appendix 10	LPA: Dudley: Centre - Halesowen
Appendix 11	LPA: Sandwell: Centre - Blackheath

Appendix 12	LPA: Sandwell: Centre – Cradley Heath
Appendix 13	LPA: Sandwell: Centre – Great Bridge
Appendix 14	LPA: Sandwell: Centre – Oldbury
Appendix 15	LPA: Sandwell: Centre – Wednesbury
Appendix 16	LPA: Sandwell: Centre – Cape Hill
Appendix 17	LPA: Sandwell: Centre – Bearwood
Appendix 18	LPA: Walsall: Centre – Bloxwich
Appendix 19	LPA: Walsall: Centre – Brownhills
Appendix 20	LPA: Walsall: Centre – Aldridge
Appendix 21	LPA: Walsall: Centre – Willenhall
Appendix 22	LPA: Walsall: Centre – Darlaston
Appendix 23	District & Local Centres

Volume 3: Quantitative Modelling

Appendix 1	Study Area
Appendix 2	Population and Expenditure: Convenience Goods
Appendix 3	Convenience Goods Market Shares (including SFT)
Appendix 4	Convenience Goods Turnover (excluding SFT)
Appendix 5A	Convenience Goods Capacity: City of Wolverhampton
Appendix 5B	Convenience Goods Capacity: Dudley MBC
Appendix 5C	Convenience Goods Capacity: Sandwell MBC
Appendix 5D	Convenience Goods Capacity: Walsall Council
Appendix 6	Population and Expenditure: Comparison Goods
Appendix 7	Comparison Goods Market Shares (including SFT)
Appendix 8	Comparison Goods Turnover (excluding SFT)
Appendix 9A	Comparison Goods Capacity: City of Wolverhampton
Appendix 9B	Comparison Goods Capacity: Dudley MBC
Appendix 9C	Comparison Goods Capacity: Sandwell MBC
Appendix 9D	Comparison Goods Capacity: Walsall Council

Volume 4: Household Survey Results

Appendix 1	Household Telephone Interview Survey: Methodology & Outputs
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Executive Summary

INTRODUCTION

1. Lambert Smith Hampton (**LSH**) was jointly commissioned by the City of Wolverhampton Council (CWC); Dudley Metropolitan Borough Council (DMBC), Sandwell Metropolitan Borough Council (SMBC) and Walsall Council (WC) hereafter 'The Black Country Local Authorities (**BCLA**)' to produce a 'Centres Study' to help inform both plan-making and development management decisions across the four local authority areas.
2. It is important to note that this Study was commissioned in March 2019 prior to the outbreak of the COVID19 pandemic and finalised during the lockdown period in early 2020. Therefore, the baseline information and the future forecasts that have been presented in this Study are based on data that has been gathered prior to the outbreak of the pandemic. Clearly, the impact of the pandemic will have a number of long-term implications for both the retail and leisure sectors. However, at this stage the full impacts are unknown along with any measures that the Government will put in place in order to respond to these challenges.
3. Against this background, we advise the BCLA that they may need to review and refresh this study at an appropriate time within the next two years to better understand the impacts on its town centres and household shopping and leisure patterns. In general terms, when considering and assessing the findings of this retail and leisure assessment, it is important to understand at the outset that capacity forecasts beyond a five-year (short-term) time period should be interpreted with caution as they are subject to increasing margins of error.
4. This study has been informed by desktop research, supplemented by new market research and data gathering including a telephone interview survey of some 5,500 households plus an additional 550 online interviews conducted by NEMS Market Research (NEMS) across the sub-region.

PLANNING POLICY OVERVIEW

5. The underlying objective of both the National Planning Policy Framework (NPPF) and Local Plan policy is to maintain and enhance the vitality and viability of town centres, and to promote new sustainable development and economic growth in town centre locations 'first'. This policy objective is crucial as town centres are facing increasing economic challenges that are likely to be accelerated by the COVID19 pandemic including alternative forms of retailing; in particular online shopping and increased operational and fiscal constraints.

RETAIL & TOWN CENTRE TRENDS

6. The retail and commercial leisure markets are expected to be severely impacted during and after the lockdown associated with the COVID19 pandemic. There will be a need to build in resilience

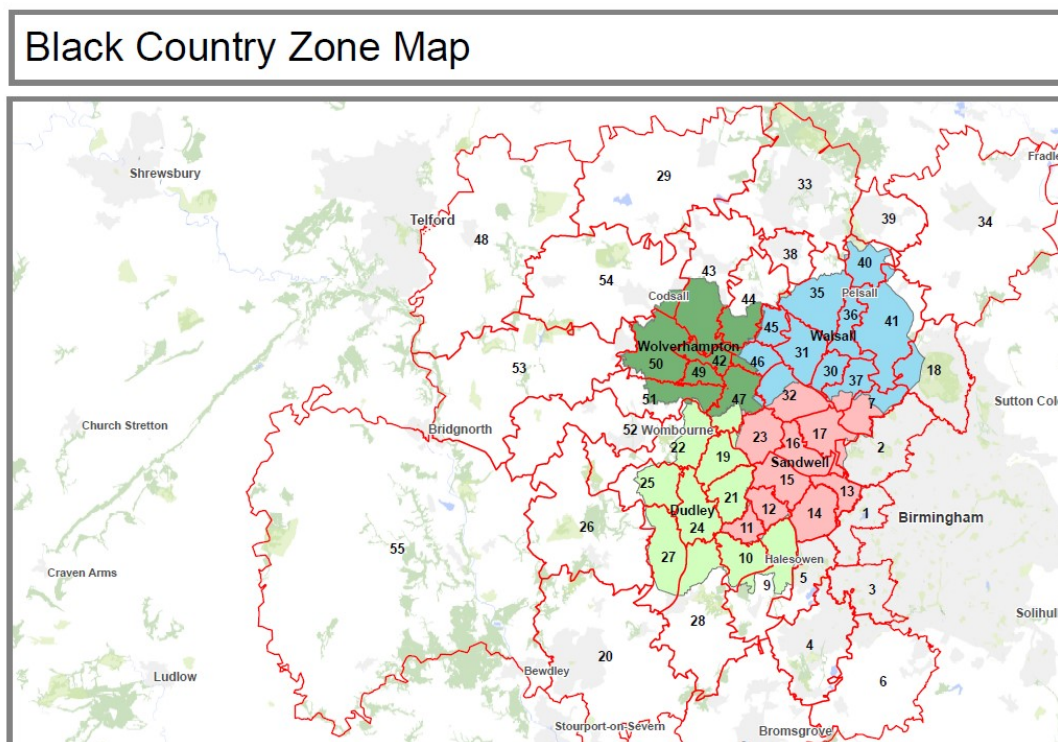
and, where possible, “future-proof” its centres to the changes in shopping habits, which is likely to result in a move away from high streets as solely retail-led locations to those which offer a wider range of retail, leisure, cultural, heritage, tourist and other amenities/attractions, alongside new employment and residential uses on the edge of and/or ‘on top of’ centres to help boost their ‘captive’ catchment resident and working populations in the most sustainable and commercially effective way.

7. There is increasingly a need to move away from high streets and town centres as solely retail-led locations to those that offer a wider range of retail, leisure, cultural, heritage, employment, tourist and other amenities/attractions. This transition to more diverse uses that go “beyond retail” will need to be supported by a mix of new homes and apartments within, on the edge of and/or ‘on top of’ centres to help boost their ‘captive’ resident and working catchment populations in the most sustainable and commercially effective way. In order to increase footfall and vitality and viability, flexibility is required to encourage centres to diversify and serve a wide variety of uses from residential, Further Education establishments, flexible day/ night uses, to large scale provision such as sports stadia, and other complimentary uses. The Black Country Plan (BCP) should provide strategic support for this, and Tier-two plans can consider more detailed guidance and proposals.
8. The future trends and forecasts clearly point to the need for the consolidation, reduction and repurposing of physical retail space, rather than any significant expansion. Many high streets and smaller shopping centres will struggle to find the investment needed to survive. Retailers, local authorities, developers and landlords will therefore need to work together to develop sustainable visions and strategies that consider ways of reconfiguring and potentially redeveloping redundant space for alternative uses other than retail over the short, medium and long term.

CATCHMENT, COMPETITION & MARKET SHARES

9. The Study was underpinned by a household telephone interview survey of 5,500 households plus an additional 550 online interviews within a defined study area. The Study Area (illustrated below) comprised 55 zones, to allow for a “finer grain” analysis of shopping patterns, leisure preferences and expenditure flows.

Figure 1: Study Area and Zones



Convenience Goods Shopping Market Shares (including Special Forms of Trading¹)

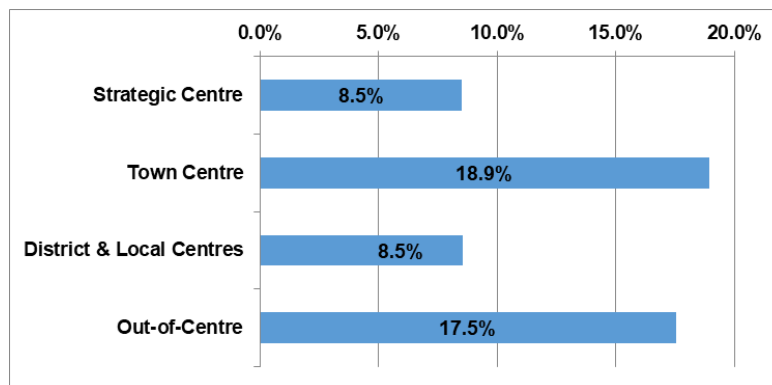
10. The headlines from the survey are as follows:

- a) **Special Forms of Trading (SFT)**, which largely represents online shopping accounts for 6% across the Study Area (Zones 1 – 55) compared with an Experian average of 13.4% for 2019. In broad terms the individual LPAs have a SFT market share of 5% (Wolverhampton); 3.6% (Dudley), 5.5% (Sandwell) and 7.2% Walsall.
- b) The overall convenience goods market share retention by the BCLA from the Study Area (Zones 1-55) is 53.5% comprising (by LPA) Wolverhampton (12.5%); Dudley (14.7%); Sandwell (15.6%) and Walsall (10.7%).
- c) Breakdown by location category shows the dominance of the town centre and out-of-centre locations for convenience goods and by contrast lesser market share for the strategic centres.
- d) The strategic centres have a total market share of 8.5% and this varies between 1.6% (Dudley LPA) and 3.3% (Wolverhampton LPA). Whilst this is a relatively low level of retention it is to be expected across such a wide Study Area.
- e) In contrast, the town centres in total have combined market share of 18.5%, whilst across the BCLA area market retention rates vary between 1.7% (Wolverhampton LPA) and 7.8% (Sandwell LPA).

¹ Special Forms of Trading (SFT) comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS)

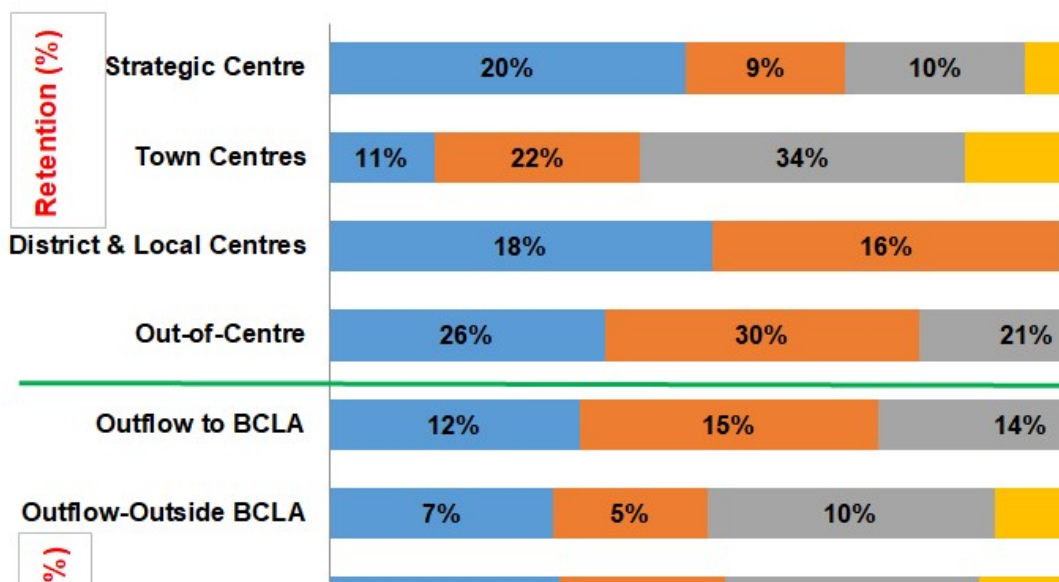
- f) Across the Study Area, the market share of out of-centre floorspace is some 17.5% and within the BCLA it ranges from 2.3% (Walsall LPA) to 6.1% (Dudley LPA).

Figure 2: Convenience Goods: BCLA 2019 Market Shares (%) by Location Category



11. Focussing on the representative core zones for each LPA area only, the retention levels (by LPA) are of the following order: Wolverhampton (75.2%); Dudley (76.5%); Sandwell (70.9%) and Walsall (75%).

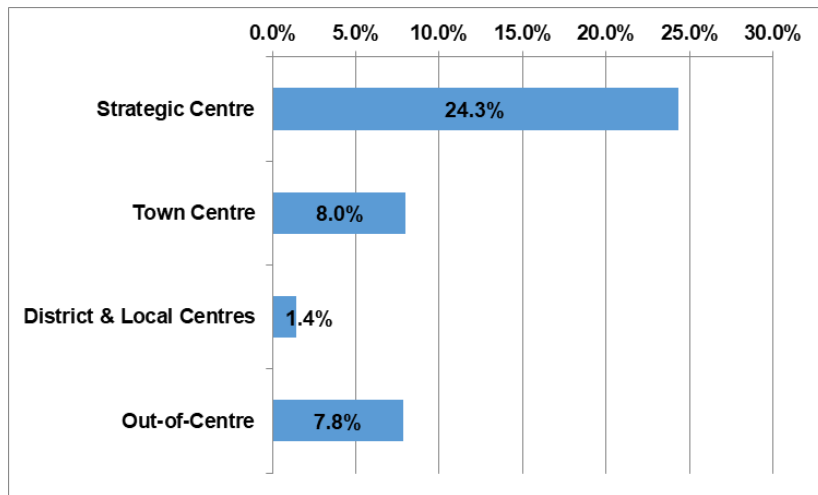
Figure 3: BCLA Convenience Goods Market Shares by Representative 'Core' Zones



Comparison Goods Shopping Market Shares (including Special Forms of Trading)

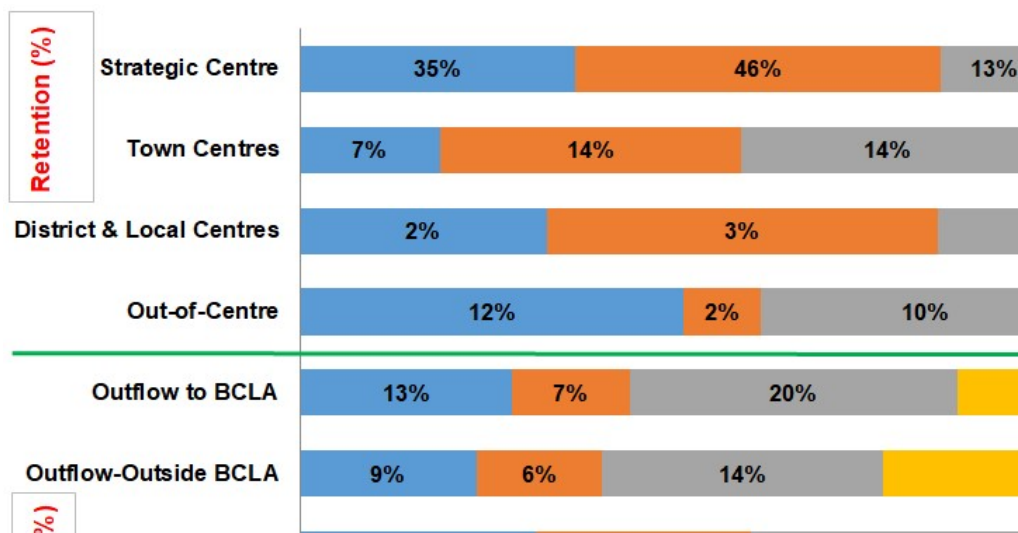
12. From across the Study Area (Zones 1-55), SFT is 25.9% compared with an Experian national average of 23.8% in 2019. In broad terms, the individual LPAs have a SFT market share of 27.2% (Sandwell); 23% (Wolverhampton); 21.7% (Walsall) and 21.1% (Dudley).
13. The overall comparison goods market share retention by the BCLA from the Study Area (Zones 1-55) is 41.6% comprising (by LPA) Wolverhampton (9.6%); Dudley (16.2%); Sandwell (9.4%) and Walsall (6.3%).

Figure 4: Comparison Goods: BCLA 2019 Market Shares (%) by Location Category



14. Focussing on the representative core zone areas, the retention levels (by LPA) are of the following order: Wolverhampton (55.3%); Dudley (65.6%); Sandwell (39.0%) and Walsall (42.3%).

Figure 5: BCLA Comparison Goods Market Shares by Representative 'Core' Zones



HEALTHCHECKS: STRATEGIC CENTRES

- 15. The strategic centres represent key retail centres for the BCLA and will remain as the main focus for high level retail, office, cultural and service activity.
- 16. The size and composition of the strategic centres is reflective of their legacy industrial base and of subsequent cycles in the retail sector.
- 17. A central theme across the centres is that they all exhibit a high vacancy rate of circa 20% and above (except for the purpose built and managed Merry Hill Shopping Centre). This means that up to a quarter or a fifth of the floorspace is not in economic use. It is also an indication of

overprovision and the need for contraction and consolidation and managing change of the retail core areas.

18. Vacant space represents potential for regeneration through significant direct intervention by the BCLA. This will be necessary to repurpose the centres to make them fit for purpose for the future.
19. Future growth is likely to be based on consolidated core retail areas with qualitative improvements to the remainder and where non-retail uses will define a centre's future role and purpose. In short, the aim will be to ensure less reliance on retail to generate footfall and to generate alternative uses (potentially mixed uses) that function both during the day and into the evening. There will be a need to encourage complementary uses alongside new employment, residential as well as educational uses and the need for planning 'flexibility' to capture future investment.

HEALTHCHECKS: TOWN CENTRES

20. Town centres are diverse with a range of characteristics and issues. They provide an important focus for day-to-day shopping, particularly convenience goods shopping. In relation to other uses such as leisure, community and cultural activity this varies by centre and in some instances is considerably limited.
21. Whilst the centres are vital and viable it is clear that there is currently an element of overcapacity in retail floorspace as denoted by the level of vacancies across the majority of the centres reflective of their past usage and status. Centres are vulnerable to adverse impacts, particularly due to the lack of future capacity identified and from pressure for development not in centres. Future growth in the Black Country (particularly residential and employment) provide an opportunity to be served by the existing network of centres, thus helping to ensure their vitality and viability.
22. In the current and rapidly evolving retail and economic climate there is a need for a review and / or consolidation of core areas and perhaps even centre boundaries which can be assessed through Tier-two plans.
23. In the majority of cases there is a lack of an evening economy, especially family oriented provision and a mix of uses should be encouraged to enhance the character and perception of centres.
24. Finally, in a large number of cases where major roads run through the centres there is a need to ensure that appropriate traffic calming measures are in place facilitating better pedestrian flows and improving the environmental quality of the centres.

HEALTHCHECKS: DISTRICT AND LOCAL CENTRES

25. The Core Strategy identifies 93 Local Centres which perform a crucial function serving the needs of the Black Country local communities. The Black Country Plan should emphasise the important role played by Tier-three centres in serving the Black Country. Given the large number of centres they do face challenges with vacancy rates and they will be vulnerable to being impacted if future expenditure is lost to their catchments. The growth identified for the Black Country over the plan period (particularly housing and employment) provides the opportunity to ensure their vitality and it will be important that this future growth is served by the existing network of centres, particularly Tier-three centres.

RETAIL CAPACITY

26. The quantitative retail need ('capacity') assessment details the potential to support new retail (comparison and convenience goods) floorspace in the Borough over the period from 2020 to 2038 (the period covered by the emerging new Local Plan).
27. Total convenience goods expenditure is forecast to increase by +6.6% (+£465.2m) for the Study Area as a whole; from £4,425.6m in 2019 to £4,890.8m by 2038. In contrast, total comparison goods expenditure growth is forecast to be significantly higher than for convenience goods, +88.4% (+£5,072.9); from £5,735.7m to £10,808.6m
28. Whilst there is expenditure growth across the both types of goods types, the tables below show there is no identified need for new convenience goods or comparison goods over the short term to (2019 – 2024) the medium term (to 2029) or over the ultra-long term to 2038. Whilst some locations have shown modest levels of identified capacity, the majority are likely to be met through infill development, change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites.

Table 1: BCLA Area: Aggregated Convenience Goods Capacity (Net sq.m) Forecasts

LPA	Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
	2024	2029	2034	2038	2024	2029	2034	2038
Wolverhampton	-1,293	-965	-696	-484	-2,308	-1,724	-1,242	-864
Dudley	-3,788	-3,402	-3,085	-2,835	-6,765	-6,076	-5,509	-5,063
Sandwell	-1,318	-909	-572	-307	-2,353	-1,622	-1,021	-547
Walsall	76	357	589	771	135	638	1,052	1,377
TOTAL: BCLA AREA	-6,323	-4,919	-3,763	-2,854	-11,291	-8,784	-6,720	-5,097

Capacity Forecasts: Convenience Goods – No Identified Capacity

Table 2: BCLA Area: Aggregated Comparison Goods Capacity (Net sq.m) Forecasts

LPA	2024	2029	2034	2038
Wolverhampton	-1,106	-1,218	-676	-356
Dudley	-3,944	-4,141	-3,186	-2,623
Sandwell	-11,662	-11,770	-11,248	-10,940
Walsall	-54	-127	228	438
TOTAL: BCLA AREA	-16,767	-17,256	-14,883	-13,481

Capacity Forecasts: Comparison Goods – No Identified Capacity

29. Capacity forecasts beyond five years should be interpreted with caution. This is because they are based on various layers of assumptions and forecasts with regard to changes in the national and local economy; the trading performance of existing centres and stores; the growth in population and retail spending; etc.

COMMERCIAL LEISURE NEEDS ASSESSMENT

30. The commercial leisure industry also faces considerable challenges and pressures. It is clear that consumers are becoming increasingly selective in terms of how they spend their discretionary leisure time accelerated by the impacts of the COVID19 pandemic. There will also be a continued increased in at-home activities due to advances in computers, tablets, television, gaming, and audio technology. The challenge for town centres and leisure operators in the future is to attract customers away from their homes.

31. In terms of addressing future needs, we also consider that some of the larger centres in the Study Area (principally strategic centres due to their critical mass) could benefit from a wider range and quality of family venues and activities.

32. In broad terms the BCLA’s proximity to Birmingham results in this city centre being the single largest competing location for the leisure spend and activity for the BCLA area.

Eating & Drinking Out

33. By factoring in the commitments and allocations, and assuming ‘equilibrium’ at the base year and constant market shares over the forecast period, we forecast capacity for between 1,360 sq.m gross to 3,375 sq.m gross by 2034 increasing to between 2,723 sq.m gross and 6,758 sq.m gross by 2038.

Table 3: BCLA Area: Projected Gross Floorspace Disaggregated by LPA (sq.m gross - excluding allocations)

LPA	Estimated Average Sales Density	2024	2029	2034	2038
Wolverhampton	£5,000 per sqm	-1,914	-1,350	-878	-489
	£2,015 per sqm	-4,749	-3,349	-2,179	-1,214
Dudley	£5,000 per sqm	-703	-12	566	1,043
	£2,015 per sqm	-1,745	-29	1,404	2,587
Sandwell	£5,000 per sqm	102	413	673	888
	£2,015 per sqm	252	1,025	1,671	2,203
Walsall	£5,000 per sqm	246	667	999	1,282
	£2,015 per sqm	611	1,629	2,480	3,182
BCLA Area	£5,000 per sqm	-2,269	-292	1,360	2,723
	£2,015 per sqm	-5,631	-723	3,375	6,758

34. However, the above A3-A5 capacity forecasts **do not** factor in strategic allocations. If these are accounted for then there is **no** A3 – A5 floorspace capacity for the period to 2038. However, this does not preclude qualitative improvements or commercial market led operations to defined centres.

Cinemas

35. Whilst there is no identified quantitative capacity within the BCLA area overall, cinema operators are expanding their venue portfolios into regional towns. If commercial demand does exist, this should be directed to strategic and town centres first in accordance with national and local policy objectives. It has been a long term priority for Wolverhampton City Centre to be served by a commercial cinema.

Table 4: BCLA Area: Potential Capacity for New Cinema Screens – Assuming Without Commitments

	2019	2024	2029	2034	2038
Potential Cinema Catchment Population	1,044,652	1,073,500	1,100,665	1,126,825	1,148,375
Cinema Screen Density (screens per 100,000 persons)	6.1	6.1	6.1	6.1	6.1
Cinema Screen Potential	64	65	67	69	70
Existing Screens	71	71	71	71	71
Net Screen Potential	-7	-6	-4	-2	-1

OFFICE MARKET

36. In the West Midlands dominance of Birmingham and Coventry results in these cities receiving the greatest share of interest from occupiers looking to move to the region.

37. The Joint Black Country Core Strategy of delivering 220,000 sq.m (2,368,000 sq.ft) of office space up to 2026 (i.e. equating to c. 37,161 sq.m (c.400,000 sq.ft per annum)) is 'out of synch' with likely levels of demand for the area.

38. Office development in the region is likely to be predominantly demand led. Speculative development is likely to focus on refurbishments that seek to satisfy any pent up demand from local occupiers that would welcome the opportunity to take better quality accommodation.

39. Policies, such as a “reservoir approach” through Tier-two plans can help facilitate office growth. This would also enable maintaining a level of scarcity, so that if demand exists, it will promote an environment where rental growth, and therefore development, is more likely.

IMPLICATIONS FOR EXTANT CENTRES POLICIES

40. The three tier hierarchy of centres in Policy CEN2 is endorsed. The spatial objective under extant **Policy CEN3** of The Black Country Core Strategy is for the Black Country Strategic Centres to provide the focus for comparison shopping, office employment, leisure and culture in the Black Country.
41. Extant **Policy CEN3** reflects the position of evidence that is almost over a decade ago. The commercial market across all sectors has materially evolved and changed over this period. Therefore, a more pragmatic approach needs to be undertaken in addressing the future growth of the strategic centres which does not necessarily place emphasis on the retail sector and which incorporates qualitative enhancements to the existing provision and considers a mix of uses in relation to new development. On this basis the implications and changes resulting from the current findings on extant **Policy CEN3** are:
- growth in the future will not necessarily be led by the retail sector;
 - there should not be defined floorspace growth quantum;
 - future growth will be market led;
 - future growth will be characterised by qualitative enhancements and improvements to the existing offer and the need for flexibility;
 - more mixed use to dominate centre provision;
 - there will be potential for active LPA led intervention for longer term benefits and growth of centres; and
 - a review of the existing conditions controlling comparison retail growth at Merry Hill, with instead an emphasis on major development contributing towards delivering sustainable transport schemes, including managing the demand for car parking, and objectives within all of the Black Country’s Strategic Centres.
42. Based on the evidence, we recommend that it is reasonable to set a local NPPF impact threshold of 280 sqm gross for retail and leisure edge and out-of-centre retail proposals. In our judgement this clear and simplified approach represents a reasonable impact threshold for undertaking impact tests that are proportionate to the nature and scale of proposals as it will provide the BCLA with sufficient flexibility on a case-by-case basis to assess the merits and implications of edge and out-of-centre proposals that could potentially have significant implications for the vitality and viability of, and delivery of new or extended floorspace in, these existing centres. We also advise that this threshold should be applied, where relevant, to e.g. change of use applications and applications seeking variations of conditions.

1. Introduction

- 1.1 Lambert Smith Hampton (**LSH**) was jointly commissioned by the City of Wolverhampton Council (CWC); Dudley Metropolitan Borough Council (DMBC), Sandwell Metropolitan Borough Council (SMBC) and Walsall Council (WC) hereafter 'The Black Country Local Authorities (**BCLA**)' to produce a 'Centres Study' to help inform both plan-making and development management decisions across the four local authority areas. The findings of the Study will specifically provide the robust evidence base required to inform sound and deliverable Black Country Plan (BCP) and Tier-Two Plan (e.g. Area Action Plan/ Site Allocation Document) policies for comparison and convenience shopping, office (B1(a)) and commercial leisure development along with contributing to a policy base for other supporting centre uses such as residential.
- 1.2 It is important to note that this Study was commissioned and finalised prior to the outbreak of the COVID19 pandemic. Therefore, the baseline information and the future forecasts that have been presented in this Study are based on data that has been gathered prior to the outbreak of the pandemic. Clearly, the impact of the pandemic will have a number of long-term implications for both the retail and leisure sectors. However, at this stage the full impacts are unknown along with any measures that the Government will put in place in order to respond to these challenges.
- 1.3 Against this background, we advise the BCLA that they may need to review and refresh this study at an appropriate time within the next two years to better understand the impacts on its town centres and household shopping and leisure patterns. In general terms, when considering and assessing the findings of this retail and leisure assessment, it is important to understand at the outset that capacity forecasts beyond a five-year (short-term) time period should be interpreted with caution as they are subject to increasing margins of error.
- 1.4 On this basis, the study has been prepared in the context of current national development plan policy guidance, as well as other key material considerations; principally the National Planning Policy Framework (NPPF) published in March 2012, revised in July 2018 and updated in February 2019. Where relevant the Study also draws on advice set out in the National Planning Practice Guidance (PPG), published in March 2014 and revised in July 2019, which places significant weight on the development of positive plan-led visions and strategies to help ensure the vitality of town centres. The retention of the sequential and impact 'tests' are also key to both plan-making and decision-taking at the local level.
- 1.5 The assessment of the need (or 'capacity') for new retail (convenience and comparison goods) floorspace has been carried out at the strategic level to help inform the likely scale, type, location and phasing of new retail development over the short (0-5 years i.e. to 2024),

medium (6-10 years i.e. to 2029) and long term (11-15 years i.e. to 2034) and ultra-long term to 2038 (15-19 years i.e. to 2038).

- 1.6 The study/catchment area defined for the purpose of this study principally covers the four local planning authority (**LPA**) areas, but also extends to a wider area incorporating parts of neighbouring authorities to reflect broader shopping and leisure patterns (**Volume 3, Appendix 1**). To note that as part of this commission the survey area extended to cover the South Staffordshire District Council (SSDC) and surrounding hinterland catchment. It should be noted that the findings of this report pertain to the BCLA area only and do not extend to the SSDC area.
- 1.7 The Study Area has been divided into fifty-five zones that broadly reflect the population distribution and local catchments of the main study centres. The defined Study Area and zones provide the framework for the telephone interview survey of some 5,500 households plus an additional 550 online interviews conducted by NEMS Market Research (NEMS) between June and July 2019. The full (weighted) survey results are set out in **Volume 4, Appendix 1**.
- 1.8 The survey provides the most up-to-date and robust evidence on shopping patterns, leisure preferences and expenditure flows within the Study Area. The survey findings have also informed the health check assessments for the main study centres, as well as the quantitative ('capacity') and qualitative need assessments for new retail (convenience and comparison goods) floorspace and leisure uses over the plan period.
- 1.9 For ease of reference this report is structured as follows:
- **Section 2** reviews the national and local planning policy context material to retail planning and town centres.
 - **Section 3** highlights the key trends that are driving the dynamic changes in the retail and leisure sectors at the national and local level, and how this has shaped (and is likely to shape) the UK's and Black Country's urban and retail landscape.
 - **Section 4** sets out the results of the market share analysis for convenience and comparison goods shopping and leisure use across the Study Area based on the household telephone interview survey (**HTIS**). The market share tabulations for convenience and comparison goods (including Special Forms of Trading² (**SFT**)) are set out in **Volume 3 (Appendix 3 and 7 – analysed version)** and **Volume 4 (survey data)**.
 - **Sections 5 – 8** set out the health check methodology (**Section 5**) and key findings of the health checks for the centres identified by the BCLA authorities for more detailed

² Special Forms of Trading (SFT) comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS)

analysis as part of the preparation of the Black Country Plan. In terms of hierarchy this includes Strategic Centres (Wolverhampton, Brierley Hill, West Bromwich and Walsall) (**Section 6**); Town Centres (some 17 centres, including Walsall's District Centres – **Section 7** and **Volume 2, Appendices 1 – 22**); and a high level overview of the Tier-three centres in the Black Country (**Section 8** – and detailed as 'District and Local Centres', **Volume 2 – Appendix 23**). The overall vitality and viability of these centres has been assessed using the Key Performance Indicators (KPIs) set out in the Planning Practice Guidance (**PPG**). This assessment principally draws on published research (such as, for example, Experian Goad reports – where available), our own town centre audits, site visits and stakeholder engagement. The health check assessment also takes account of the results of the HTIS (**Volume 4**), supplemented by any available centre surveys conducted by the individual Local Planning Authorities (**LPAs**) as part of their monitoring process. These provide additional evidence on the current attraction, role and function of these centres in the retail hierarchy.

- **Section 9** sets out the key assumptions and forecasts underpinning the quantitative need ('retail capacity') assessment and the outputs of LSH's in-house **CREAT**^e (excel-based) capacity model. This includes an assessment of:
 - (i) the forecast Study Area and zonal populations: drawing on Experian-based ONS national population figures (**Volume 3, Appendix 2 and 6**).
 - (ii) total available retail (convenience and comparison goods) expenditure in the Study Area at 2019 and the forecast growth to 2038: based on Experian figures and forecasts (**Volume 3, Appendix 2 and 6**).
 - (iii) the forecast convenience and comparison goods turnovers of all existing centres/stores: informed by the survey-derived market share analysis.
 - (iv) the forecast capacity for new retail (convenience and comparison) floorspace in BCLA area and its main centres (**Volume 3, Appendix 5A-5D and 9A-9D**).
- **Section 10** sets out the findings of the commercial leisure and other town centre uses 'gap' assessment. This looks at current leisure provision and the potential need over the plan period for new food and beverage uses, cinema, gyms, etc.
- **Section 11** provides an assessment of the current office (B1a) floorspace.
- **Section 12** details policy implications relating to Core Strategy extant Policies CEN1 to CEN8 and Policy CEN3 in particular which looks at growth in the strategic centres including challenges in the retail market.
- **Sections 13** provides key findings for each individual LPA in the BCLA area. The concluding sections also provide wider policy recommendations in compliance with the NPPF (paragraph 89) and the relative role and function of the main centres in the network and hierarchy of centres (NPPF, paragraph 85).

1.10 When considering and assessing the findings of this retail and leisure assessment it is important to understand at the outset that capacity forecasts beyond a five to ten year time period (short to medium term) should be interpreted with caution as they are subject to increasing margins of error and changes in several variables. We therefore advise that although this updated study provides the robust evidence base required to help inform plan-making, site allocations and the determination of planning applications at the local level, the forecasts should be updated regularly (annually) to take into account any significant new retail development at the local level; changes in the retail expenditure and population growth forecasts over time; as well as any potential impacts arising from other key trends in the retail and leisure sectors (such as, the growth in internet shopping) and commercial leisure sectors. For example, a significant growth in the market share of on-line internet shopping above current forecasts will substantially reduce the capacity for new 'physical' retail floorspace over the plan period, as well as the market demand from retailers for representation in town centres.

2. Planning Policy Overview

2.1 This section of the report reviews the various National, Regional, and Local Planning Policies that are pertinent to retailing and associated evidence base that underpin these.

National Planning Policy

2.2 The National Planning Policy Framework (**NPPF**) sets out the Government's planning policies for England and how these are expected to be applied. The NPPF was first introduced in March 2012 as a document that would consolidate and therefore simplify the numerous Planning Policy Statements (PPS) and Planning Practice Guidance Notes (PPG). A revised version of the NPPF was published in July 2018 with a subsequent update published in February 2019; further guidance is provided by Planning Practice Guidance (PPG).

2.3 The most significant consideration from the NPPF is the presumption in favour of sustainable development, through which it is presumed that development that meets local needs should be approved unless there are policy considerations (in up-to-date local plans or the NPPF) that indicate otherwise. In order to achieve sustainable development the planning system has three overarching objectives:

- Economic objective – should help to build a strong, responsive and competitive economy;
- Social objective – should help build strong, vibrant and healthy communities by providing a sufficient number and range of homes for the immediate and future needs; and by providing accessible services in safe and well-designed environments; and
- Environmental object – seeks to protect and enhance the natural, built and historic environment.

NPPF: Ensuring the Vitality of Town Centres

2.4 **Paragraph 85 of the NPPF** details the 'town centre first' approach that the NPPF follows, directing planning policies and decisions towards the growth, management and adaptation of town centres. To achieve this, LPA's should ensure that their policies:

- Define a hierarchy of town centres, which is important in directing development and in ensuring the vitality and viability of these specific areas;
- Define the extent of town centres and primary shopping areas – future strategies can then be targeted towards these areas;
- Retain and enhance existing markets and, where appropriate, re-introduce or create new ones;
- Allocate a range of suitable sites to meet the scale and type of development likely to

be needed (with a view of at least 10 years). Town centre boundaries should therefore be kept under review to enable more sites to be brought forward (if necessary);

- Where necessary, and appropriate, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre (sequential testing); and
- Recognise that residential development can play an important role in ensuring the vitality of centres.

- 2.5 **Paragraph 86 – 88:** These paragraphs outline the principals of the **sequential test** which should be applied to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan. A hierarchal system should be used for main town centre uses which should be allocated to the town centre, then edge of centre, and finally out of centre sites be considered only if suitable sites are not available (or expected to become available in a reasonable period). LPA's and applicants must demonstrate flexibility on issues such as format and scale to fully assess the suitability of town centre or edge of centre sites.
- 2.6 **Paragraph 89:** The focus in this paragraph is on Retail Impact Assessments (RIA's) which are required for applications for retail and leisure development outside town centres, which are not in accordance with an up-to-date plan, and are over the local or national floorspace threshold. Where there is no locally set floorspace threshold the NPPF specifies the default threshold is 2,500 sq m of gross floorspace. RIA's must assess the impact on existing, committed and planned public and private investment in centres, and the impact on town centre vitality and viability including consumer choice and trade.
- 2.7 **Paragraph 90:** This paragraph states that if an application fails to satisfy the sequential test, or is likely to have significant adverse impact on one or more of the considerations in paragraph 89, then it should be refused.

Planning Practice Guidance (PPG): Town Centres & Retail

- 2.8 By way of background, this was published in March 2014 and recently revised in July 2019. In terms of town centre '*vitality and viability*', a wide range of complementary uses can, if suitably located, help to support the vitality of town centres, including residential, employment, office, commercial, leisure/entertainment, healthcare and educational development. The same is true of temporary activities such as 'pop ups', which will often benefit from permitted development rights (Paragraph: 001 Reference ID: 2b-001-20190722).
- 2.9 In relation to '*planning tools available to local planning authorities to help them shape and support town centres*' the key way is to set a vision through the development plan and

supplementary planning documents (where needed). Other planning tools referred to include (Paragraph: 002 Reference ID: 2b-002-20190722):

- Local Development Orders;
- A Neighbourhood Development Order;
- Brownfield Registers; and
- the use of Compulsory Purchase Powers

2.10 LPAs are expected to define the extent of primary shopping areas. Additionally primary and secondary retail frontages can still be defined but this is not mandatory.

2.11 Recommended stakeholders that are important when planning for town centres include (Paragraph: 003 Reference ID: 2b-003-20190722):

- local authorities (and responsible teams such as economic development);
- Local Enterprise Partnerships (LEPs);
- members of Business Improvement Districts (BIDs);
- Mayoral or combined authorities;
- neighbourhood planning groups;
- residents/general public (including those working and studying in the area);
- community and amenity groups/community interest companies;
- landowners;
- private sector businesses/representative groups (e.g. chambers of commerce, trade associations); and
- town centre managers.

2.12 In terms of what a town centre strategy should contain, this includes (004 Reference ID: 2b-004-20190722):

- the realistic role, function and hierarchy of town centres over the plan period;
- the vision for the future of each town centre, including the most appropriate mix of uses;
- the ability of the town centre to accommodate the scale of assessed need for main town centre uses, and associated need for expansion, consolidation, restructuring or to enable new development or the redevelopment of under-utilised space:
- how existing land can be used more effectively;
- opportunities for improvements to the accessibility and wider quality of town centre locations;
- what complementary strategies are necessary or appropriate to enhance the town centre;
- the role that different stakeholders can play in delivering the vision; and
- appropriate policies to address environmental issues facing town centres.

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- 2.13 Regarding “*what if future development needs cannot be accommodated in the town centre*”; planning authorities should plan positively to identify the most appropriate alternative strategy for meeting the identified need for these main town centre uses, having regard to the sequential and impact tests (Paragraph: 005 Reference ID: 2b-005-20190722).
- 2.14 In terms of ‘*which indicators are useful when planning for town centres and high streets*’, the following are stated as ‘may be relevant’ in assessing the health of town centres (Paragraph: 006 Reference ID: 2b-006-20190722):
- diversity of uses;
 - proportion of vacant street level property;
 - commercial yields on non-domestic property;
 - customers’ experience and behaviour;
 - retailer representation and intentions to change representation;
 - commercial rents;
 - pedestrian flows;
 - accessibility – this includes transport accessibility and accessibility for people with different impairments or health conditions, as well as older people with mobility requirements;
 - perception of safety and occurrence of crime;
 - state of town centre environmental quality;
 - balance between independent and multiple stores;
 - extent to which there is evidence of barriers to new businesses opening and existing businesses expanding; and
 - opening hours/availability/extent to which there is an evening and night time economy offer.
- 2.15 On permitted development rights that can support flexibility in town centres the guidance refers to the national permitted development rights that support appropriate changes of use in town centres. These rights are set out in the Town and Country Planning (General Permitted Development) (England) Order 2015, as amended (Paragraph: 007 Reference ID: 2b-007-20190722).
- 2.16 Other permitted development rights that can support flexibility in town centres include temporary conversion to another use (such as office, shop, financial and professional service, restaurant) for a single continuous period of up to three years. This is to allow start-ups to test a new business model, and then to seek planning permission for the permanent change of use on that or another site. The same right now allows for the temporary change of use to specified community uses (health centre, art gallery, museum, public library, public hall or exhibition hall) to provide a greater mix of uses on the high

street and increase footfall, and bring community uses closer to communities (Paragraph: 008 Reference ID: 2b-008-20190722). Additionally, other changes to PDR such as prior approval have introduced further flexibility to changes of town centre uses. This includes allowing the conversion of shops, takeaways, betting offices, payday loan shops, and launderettes to offices under a prior approval process or allowing takeaways to change use to housing. These however fall outside the scope of development plan policies

- 2.17 In relation to the sequential test it guides main town centre uses towards town centre locations first, then, if no town centre locations are available, to edge of centre locations, and, if neither town centre locations nor edge of centre locations are available, to out of centre locations (with preference for accessible sites which are well connected to the town centre). It supports the viability and vitality of town centres by placing existing town centres foremost in both plan-making and decision-taking (Paragraph: 009 Reference ID: 2b-009-20190722).
- 2.18 Regarding how the application of the sequential test in plan making the checklist includes (Paragraph: 0109 Reference ID: 2b-010-20190722):
- has the need for main town centre uses been assessed?
 - can the identified need for main town centre uses be accommodated on town centre sites? and
 - If the additional main town centre uses required cannot be accommodated on town centre sites, what are the next sequentially preferable sites that they can be accommodated on?
- 2.19 The application of the sequential test in decision taking provides the following checklist (Paragraph: 011 Reference ID: 2b-011-20190722):
- with due regard to the requirement to demonstrate flexibility, has the suitability of more central sites to accommodate the proposal been considered;
 - is there scope for flexibility in the format and/or scale of the proposal; and
 - if there are no suitable sequentially preferable locations, the sequential test is passed.
- 2.20 In line with paragraph 86 of the NPPF, only if suitable sites in town centre or edge of centre locations are not available (or expected to become available within a reasonable period) should out of centre sites be considered. When considering what a reasonable period is for this purpose, the scale and complexity of the proposed scheme and of potentially suitable town or edge of centre sites should be taken into account (Paragraph: 012 Reference ID: 2b-012-20190722).
- 2.21 It is stated that “the sequential test supports the Government’s ‘town centre first’ policy. However as promoting new development on town centre locations can be more expensive and complicated than building elsewhere, local planning authorities need to be realistic and flexible in applying the test” (Paragraph: 013 Reference ID: 2b-013-2019072).

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- 2.22 On the impact test its purpose is to consider the impact over time of certain out of centre and edge of centre proposals on town centre vitality/viability and investment. The test relates to retail and leisure developments (not all main town centre uses) which are not in accordance with up to date plan policies. Also that impact is assessed in relation to all town centres that may be affected, which are not necessarily just those closest to the proposal and may be in neighbouring authority areas (Paragraph: 014 Reference ID: 2b-014-20190722).
- 2.23 In terms of the application of the impact test (Paragraph: 015 Reference ID: 2b-015-20190722), it applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold is important to consider the:
- scale of proposals relative to town centres;
 - the existing viability and vitality of town centres;
 - cumulative effects of recent developments;
 - whether local town centres are vulnerable;
 - likely effects of development on any town centre strategy; and
 - impact on any other planned investment.
- 2.24 It is also stated that impact should be assessed on a like-for-like basis, i.e. comparable competitive facilities. Where wider town centre developments or investments are in progress, it will also be appropriate to assess the impact of relevant applications on that investment particularly:
- the policy status of the investment (i.e. whether it is outlined in the Development Plan);
 - the progress made towards securing the investment (for example if contracts are established); and
 - the extent to which an application is likely to undermine planned developments or investments based on the effects on current/forecast turnovers, operator demand and investor confidence.
- 2.25 In using the impact test in plan-making, the guidance provides (Paragraph: 016 Reference ID: 2b-016-20190722) that the impact test be useful in determining whether proposals in certain locations would impact on existing, committed and planned public and private investment, or on the role of particular centres.
- 2.26 In terms of decision taking, the impact test should be undertaken in a proportionate way drawing on existing information where possible (Paragraph: 017 Reference ID: 2b-017-20190722).
- 2.27 The checklist for applying the impact test includes (Paragraph: 018 Reference ID: 2b-018-20190722):
- Establishing the state of existing centres and the nature of current shopping patterns

(i.e. base year);

- Determine the appropriate time frame for assessing impact, focusing on impact in the first five years;
- Examine a 'no development' scenario;
- Assess the proposal's turnover and trade draw;
- Consider a range of plausible scenarios in assessing the impact of the proposal on existing centres and facilities;
- Using quantitative and qualitative information, clearly set out the likely impacts of the proposal; and
- Conclusions should be proportionate to the proposal.

Sub-Regional Strategies and Planning Policy

The West Midlands Combined Authority

- 2.28 The BCLA is part of the West Midlands Combined Authority (WMCA). The West Midlands Combined Authority (WMCA) consists of 18 local authorities and four Local Enterprise Partnerships (LEPs) that collaborate and take collective decisions across council boundaries. As a Combined Authority, the WMCA is a major local partner for the implementation of regional innovation measures and strategies and represents a key part of government's devolution agenda in the region.
- 2.29 The WMCA's objectives and actions to improve the economic wellbeing of the region are expressed in the Strategic Economic Plan (SEP). The authority's priorities include co-ordinating the city-region on certain issues, such as international promotion and investment; reforming public services such as health services; and improving internal and external transport links. The WMCA aims to tackle low productivity, shortage of skills and high unemployment rates seen in some parts of the region.
- 2.30 Innovation policy plays a major role in the authority's agenda, as innovation is identified as one of three cross-cutting principles – alongside productivity and public service reform – that feature across action plans in different policy domains.
- 2.31 A key priority for the WMCA is to increase the number of businesses adopting innovation and investing in R&D and the cooperation among businesses on the one hand and, and among universities and government/public research institutes on the other.

Black Country Core Strategy (February 2011)

- 2.32 The Black Country Core Strategy (BCCS) sets out how the Black Country region should be developed and transformed through the plan period till 2026. This spatial plan forms the

overarching planning policy for the local authorities of Dudley, Sandwell, Walsall and Wolverhampton which will subsequently have their own series of Area Action Plans (AAPs), Site Allocations Documents (SADs) and other Local Development Documents (LDDs). The following policies represent those most relevant to this study:

- **Policy CEN1 – *The Importance of the Black Country Centres for the Regeneration Strategy***. This policy emphasises the importance of the centres in the Black Country and seeks to ‘maintain and enhance their offer in order to underpin economic growth’. The Strategic Centres of Brierley Hill, Walsall, West Bromwich and Wolverhampton will be the focus of much of the investment and development, but these will need to be supported by a strong (but balanced) network of Town, District and Local Centres. The policy goes on to state that mixed use proposals that seek to include upper floors in centres will be encouraged; it is noted that any proposals that undermine this policy will be resisted.
- **Policy CEN2 – *Hierarchy of Centres***. The various centres in the Black Country are listed and categorised here into: Strategic Centres, Town Centres, and District and Local Centres. Each level of these centres will have a specific policy approach and development decisions will be decided in line with the centre’s scale and function. It is noted in this policy that the 2009 Black Country Centres Study has formed the basis for the formation of this hierarchy. These centres can be typically characterised as follows:
 - **Strategic Centres** – Main focus for high level retail and office, cultural and service activities;
 - **Town Centres** – Have an important focus for day-to-day shopping (particularly convenience), leisure, community and cultural activity. Characterised by having at least one anchor supermarket;
 - **District Centres** – Reasonable range and choice of goods and services at the local level; and
 - **Local Centres** – Generally have a small supermarket present and a range of mostly convenience based outlets.
- **Policy CEN3 – *Growth in the Strategic Centres***. A key target for these centres is to increase the amount of comparison goods shopping floorspace; the targets here range from 45,000 to 70,000 sq.m in the 2006-2021 period, and 20,000 to 30,000 sq.m in the 2021-2026 period (underlined our emphasis). This increase will be achieved through existing commitments, planning permissions, and allocations though the individual Local Plans. It is notable that these targets also act as a RIA threshold as it is states that should a proposed development exceed 500 sq.m (gross) floorspace and would exceed a centres overall target, then a RIA must be satisfied.

Additionally, any proposed development over 500 sq.m (gross) in an edge of centre location will also require a RIA.

- In relation to office development, it is stated that each Strategic Centre will accommodate up to a maximum of an additional 220,000 sq.m (gross) between 2006 and 2026 (underlined our emphasis), and should be directed towards the centres and their periphery.
- Other centre uses are stated to be encouraged in the strategic centres which should accommodate major leisure, commercial leisure, entertainment, cultural facilities and services, such as hotels.
- this policy also set preconditions to control the growth of additional comparison retail growth at the Merry Hill Centre
- **Policy CEN4 – Regeneration of Town Centres.** This policy focuses on the retention of small scale retailing with town centres, seeking to encourage new convenience goods development and support proposals to extend or refurbish existing stores that are well integrated into the existing centre. Individual retail developments of up to 650 sq.m (net) for convenience goods and 500 sq.m (gross) for comparison goods will be considered appropriate in these centres. For Dudley Town Centre, recognising its status as a former Strategic Centre and the lack of an existing large foodstore in particular within it, up to a total of an additional 5,000 square metres net of convenience and an additional 15,000 square metres gross of comparison retail floorspace would be acceptable. Development exceeding these thresholds in an edge of centre location will require a RIA. This policy reiterates the desire to encourage additional uses on upper floors in relevant town centres such as entertainment, leisure and cultural facilities.
- **Policy CEN5 – District and Local Centres.** As with the last policy the focus on CEN5 is on retaining small scale retail within these centres. The policy states that individual convenience retail developments of up to 500 sq.m (net) and developments for comparison goods retail, offices or leisure uses of up to 200 sq.m (gross) will be permitted where they satisfy local requirements. As before, any proposals above these thresholds in edge of centre locations, will require a RIA.
- **Policy CEN6 – Meeting Local Needs for Shopping and Services.** This policy identifies that outside of the hierarchy of centres there are smaller more localised retail areas such as small shopping parades that provide a vital local service. Due to this, new small-scale local facilities outside defined centres of up to 200 sq.m (gross) or extensions to existing facilities which would create a unit of up to 200 sq.m (gross) will be permitted providing that a variety of requirements are met. These requirements generally seek to ensure that the proposal is appropriate for the location (scale, use/nature) and if the proposal would not be better in a nearby centre. Any proposals

larger than the aforementioned threshold will have to meet the requirements of Policy CEN7.

- **Policy CEN7 – Controlling Out-of-Centre Development.** This Policy reinforces the NPPF's 'town centres first' approach and reiterates the need for control of out-of-centre development, predominantly through the requirement of RIA's (for any proposals over 200 sq.m gross) and Sequential Testing. Additionally it is stated that planning conditions and the removal of permitted development rights will all be utilised to minimise the impacts of edge-of-centre and out-of-centre development.

Black Country Core Strategy Issues and Options Report (June 2017)

2.33 This report presents a first stage formal review of the 2011 BCCS. The report states that a review has also become necessary given the noticeable changes in the national economic situation, given that the original BCCS was prepared just as the UK was recovering from the global recession. This review was supplemented by a call for sites which ran for the duration of the overall consultation period (3 July to 8 September 2017).

2.34 **Key issue 4** of the report focuses on town centres, and it is highlighted that there is a current gap in the evidence base for Town Centres, and that new evidence through a Retail Capacity Study and town centre uses study is required given the last study used to inform the BCCS was undertaken in 2009.

2.35 **Policy Area D – The Black Country Centres.** It is stated that the broad scope of the town centre and retail related policies remain appropriate to be carried forward into the review. The review below summarises the comments on the aforementioned policies:

- **CEN2: Hierarchy of Centres** – Retail evidence is required to understand how the centres are performing and if amendments need to be made to the hierarchy;
- **CEN3: Growth in the Strategic Centres** – This policy will need to be updated with the new evidence base to assess national trends in main town centre uses, and review of the existing conditions controlling comparison retail growth at Merry Hill;
- **CEN4: Regeneration of Town Centres** – New housing targets may necessitate an increase in convenience goods shopping and mixed use developments;
- **Policy CEN5: District and Local Centres** – Since the adoption of the BCCS the following new centres have been added to the hierarchy:
 - the Sandwell Site Allocation Document (SAD) identified 17 new centres;
 - the Wolverhampton City Centre Area Action Plan (WCCAAP) identified 1 (Chapel Ash), and
 - Walsall's Site Allocations Document (SAD) identified 1 (Blackwood).
- **Policy CEN6: Meeting Local Needs for Shopping and Services** – The increased level of required housing may necessitate an increase in local shopping and services. The policy allows for new facilities that are not in a centre of up to 200 sq.m gross, or

extensions which would create a total development of 200 sq.m gross, subject to demonstrating need, and / or deficiencies in the existing provision of convenience shopping, main town centre uses, health and educational facilities.

- **Policy CEN7: Controlling Out-of-Centre Development** – developments outside of centres need to show there is a clear justification why proposals cannot be accommodated within or, failing that, on the edge of any appropriate centre. As **Policy CEN6** applies to proposals up to 200sqm (gross), this means that any application above 200sqm (gross) should undertake the impact tests.

2.36 Reflecting on the priority to steer regeneration to the most sustainable locations, development in out-of-centre locations should be carefully managed by policy to avoid undermining the strategy for growth in centres. **Policies CEN3 to CEN5** set floorspace thresholds for convenience and comparison retail development to ensure retail growth is focused in the appropriate centres according to their level in the hierarchy. In some cases they also provide thresholds for office and other centre uses. These policies include a floorspace threshold approach for the undertaking of impact tests, as set out below. Policy **CEN6** applies to proposals under 200 sq.m (gross) in edge and out-of-centre locations and Policy **CEN7** sets an impact test floorspace threshold that applies to any proposals not covered by Policy **CEN6** (above 200 sq.m gross).

Table 2.1: The Centres Threshold Approach

Type of Centre	Area for Application of floorspace thresholds	Assessment Required
Strategic Centres	Comparison retail – in centre proposals	Over 500 sq. metres gross if the proposal would result in the overall targets for comparison retail being exceeded.
	Comparison retail – edge of centre proposals	Over 500 sq. metres gross OR for proposals that are below this threshold which are considered to have significant impact on the centres.
	Convenience retail – in centre and edge of centre	Over 500 sq. metres net OR for proposals that are below this threshold which are considered to have significant impact on the centres.
Town Centres	Comparison retail – In centre for all Town Centres EXCEPT Dudley	Over 500sq metres gross demonstration of appropriate scale
	Convenience retail – In centre for all Town Centres EXCEPT Dudley	Over 650 sq metres net demonstration of appropriate scale
	Comparison retail – Edge of centre EXCEPT Dudley	Over 500 sq metres gross OR for proposals that are below this threshold which are considered to have significant impact on the centres.
	Convenience retail – Edge of centre EXCEPT Dudley	Over 650 sq metres net OR for proposals that are below this threshold which are considered to have significant impact on the centres.
	DUDLEY Town Centre only	
	Comparison retail – In Centre	demonstration of appropriate scale if the proposal would result in the overall targets for comparison retail being exceeded (15,000sq metres gross)
	Convenience retail – In Centre	demonstration of appropriate scale if the proposal would result in the overall targets for convenience retail being

	<p>Comparison retail – Edge of Centre</p> <p>Convenience retail – Edge of Centre</p> <p>Offices (B1(a)) – In Town Centres</p>	<p>exceeded (5,000 sq metres net)</p> <p>any proposal if it would result in the overall targets for comparison retail being exceeded</p> <p>(15,000sq metres gross)</p> <p>any proposal if it would result in the overall targets for convenience retail being exceeded</p> <p>(5,000 sq metres net)</p> <p>Over 5000 sq metres gross</p>
District & Local Centres	<p>Comparison retail; Office (B1(a)); Leisure – In Centre</p> <p>Convenience retail – In Centre</p> <p>Comparison retail; Office (B1(a)); Leisure – Edge of Centre</p> <p>Convenience retail – Edge of centre</p>	<p>Over 200 sq metres gross demonstration of appropriate scale</p> <p>Over 500sq metres net demonstration of appropriate scale</p> <p>Over 200 sq metres gross OR for proposals that are below the threshold but which are considered likely to have a significant impact.</p> <p>Over 500 sq metres net OR for proposals that are below the threshold but which are considered likely to have a significant impact.</p>

Source: Black Country Core Strategy Issues and Options Report (June 2017)

Black Country Economic Development Needs Assessment (2017)

2.37 This document provides an assessment of industrial land needs for the Black Country to 2036, exploring various scenarios of future demand for industrial space and assessments of existing and future supply of this land. The results of this study concluded that there is approximately 263 ha of land available for industrial land uses (current and potential) up to 2036. The most likely scenario tested predicts that there will be a need to provide 800 ha of employment land for industrial uses. This results in an undersupply of industrial land up to 2036 of up to 537 ha. The concluding remarks of the study state that there is a clear need to protect the existing supply of industrial land in order to meet future needs, but that there is also a need for more space to accommodate the growth and needs of a range of sectors. The expansion of this industrial trade will require a mixed portfolio of sites, including smaller and larger sites and spaces. Due to the nature of the study there is little specific retail related policy included. Notwithstanding this, the study refers to the office sector with further evidence gathering, including any relevant update to the figures, eventually informing the Draft Plan.

Black Country Strategic Economic Plan (2017)

2.38 The 2017 Strategic Economic Plan (SEP) presents an updated version of the 2014 SEP both of which set out a growth strategy for the Black Country centring on the following 'priority propositions':

- **High Value Manufacturing City:** aim to grow high value manufacturing businesses

and improve the quality of existing employment locations;

- **The Black Country: Business Competitiveness:** strengthen the business base by creating conditions for higher levels of business birth, growth and survival;
- **Economic Capital:** actions that seek to gain maximum economic benefit from the strategic centres that are attractive places to live and work in;
- **Black Country Garden City:** aim to utilise brownfield land to accelerate house building and improve the housing mix;
- **Skills for Business, Skills for Life:** ensure that the skills system can meet the needs of businesses;
- **Connected Black Country:** investment in broadband and in transport to support growth by enabling the movement of goods and people.

2.39 The vision for the Black Country is to increase the number of jobs by 127,860 (from a baseline of 441,900), increase the housing stock by a minimum of 42,480 new homes and nearly double the business birth rate.

2.40 The strategy targets five transformational sectors which would secure the most economic growth, and five enabling sectors which are important in terms of the wider economy and quality of life.

2.41 The transformational sectors are:

- Advanced manufacturing;
- Building technologies;
- Transport technologies; and,
- Business services and environmental technologies.

2.42 The enabling sectors are:

- Retail;
- Visitor economy;
- Sports; and,
- Health and the public sector.

2.43 The SEP highlights the importance of the strategic centres stating that there is a need to capitalise on their status especially with that of the City of Wolverhampton in addition to the 16 growth corridors of the area. In relation to these strategic centres the SEP states that the latest market intelligence points to the need for:

- Future retail and leisure investment to be targeted at existing consolidated core shopping areas;
- A programme of environmental enhancements developed for all four strategic centres; and
- Public sector intervention to pump-prime office development.

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- 2.44 This intelligence also points to a period of consolidation in the strategic centres with no demand for traditional major new retail developments.
- 2.45 The Black Country Digital Strategy sets an objective of the availability of free Wi-Fi in public buildings and town and city centres. It is noted that this could both help to reduce digital exclusion and enhance the marketing and promotion of activity across the centres.

Black Country Plan (Draft)

- 2.46 The Black Country Plan (BCP) (formerly the Black Country Core Strategy) will define the future planning framework for the whole of the Black Country. It seeks to allocate land to meet future needs up to 2038.
- 2.47 The review of the Black Country Plan commenced in 2017 with a public consultation held for eight weeks in July 2017 to September 2017. At the time of writing this report the BCLA are working on the next stage of the Plan Review which is a Draft Plan for Consultation (Regulation 18).
- 2.48 The BCP will allocate housing and employment sites (including through a greenbelt assessment) and provide strategic policies. Given this scope, and due to the complexity of centres, the BCP will provide strategic policies and any targets for centres, with Tier-two plans providing allocations for centre uses and allocations in Strategic Centres, as well as having the opportunity to make any relevant necessary adjustments to centre boundaries and the third-tier of the centres hierarchy. This centres study is a key piece of evidence to inform both the BCP preparation, and Tier-two plans.

Local Planning Policy – City of Wolverhampton Council

Wolverhampton City Centre Area Action Plan

- 2.49 The Wolverhampton City Centre Area Action Plan (WCCAAP) (adopted 2016) aims to guide the regeneration and development of the area through to 2026. The AAP covers Wolverhampton Strategic Centre and Regeneration Corridor 3 south of the City Centre (BCCS Appendix 2). The Black Country Plan will provide housing and employment allocations for sites south of the City Centre, with future allocations for the City Centre being delivered through a Tier-two plan. The following policies focus on the retailing aspects of this plan:
- 2.50 **Policy CC1 – Meeting Shopping Needs.** This policy sets the net additional retail floorspace will be planned for by 2026 as:
- Non-food (Comparison goods) floorspace: 35,000 sq.m (gross)
 - Food (Convenience goods) floorspace: 12,000 sq.m (gross)

- 2.51 Retail provision will be focussed on the PSA and specifically towards the allocated sites such as the reconfiguration of the Mander Centre. It is also noted that a mix of food retail provision is needed which can be delivered by:
- Large scale development at the Peel Centre;
 - Smaller scale developments throughout the allocated sites;
 - Extensions to existing stores;
 - Re-occupation of the St George's Parade foodstore;
 - Development at The Royal Hospital (mixed use).
- 2.52 It is worth noting that a number of these sites have either come forward to include an element of food retail (e.g. former Peel Centre), or have come forward for non-retail development (e.g. residential scheme at the Royal Hospital).
- 2.53 Proposals for retail development in locations not identified in the AAP must meet the relevant requirements of the Core Strategy and national planning policy
- 2.54 **Policy CC2 – Offices.** The aim of this policy is to deliver 70,000 sq.m of new office provision within the allocated areas; this can be supported by encouraging the re-use of upper floors and refurbishment of existing office stock. The office provision will be focussed within the AAP area delivering around 70,000 sq.m of new office provision with the priority being the early delivery of 25,000 sq metres of Grade A accommodation within the City Interchange & Commercial Gateway Character Area as detailed in Policy CA3 (i.e. a reservoir approach where minimum of 25,000 sq.m of office floorspace to be readily available). Additionally, proposals that do not include Grade A office floorspace at the allocated sites, must demonstrate that alternative new floorspace can be provided elsewhere in the city centre.
- 2.55 **Policy CC3 – Leisure, Visitor and Cultural Facilities.** The LPA seeks to protect and enhance the existing leisure/visitor/cultural offerings, specifically at West Park, Molineux Stadium, and St Peter's Cultural Quarter. In addition to this, the policy sets a target of 26,000 sq.m of new leisure, visitor and cultural floorspace which can consist of:
- 15,000 sq.m in the Westside Character Area, including cinema provision;
 - Up to 6,000 sq.m in the City Interchange & Commercial Gateway Character Area, including a 100 bedroom hotel;
 - up to 5,000 sq.m in the Shopping Core Character Area.
- 2.56 Proposals outside of the allocated areas must not undermine the delivery of the retail, office, and residential priorities of the city centre.
- 2.57 **Additional Policies: Policies CC3 to CC11** contain policies such as transport, design, and energy infrastructure, which whilst not relevant to this study, are relevant to the overall success of the city centre. Policies CA1 to CA11 detail the site specific allocations, which

are mainly mixed-use in nature, setting out the lead use(s) and upper limits on complementary uses.

Stafford Road Corridor Area Action Plan (2014)

2.58 The Stafford Road Corridor Area Action Plan (SRCAAP) covers the Regeneration Corridors 1 & 2 in BCCS Appendix 2 - comprising the areas from the A449 at Junction 2 of the M54 to the outskirts of Wolverhampton City Centre. The aim of this AAP is to shape how the area will develop through to 2026 where it should have 'fulfilled its potential to become one of the premier high quality employment locations in the Black Country'. The following represent the key development outputs of the SRCAAP:

- At least 165 ha of land will be safeguarded for employment uses;
- 450 new homes on new development sites and 780 homes on existing housing commitment sites; and,
- Investment in transport, community facilities, environmental projects and the public realm.

2.59 **Policy SRC3 – Meeting Shopping and Service Needs at Three Tuns Centre and the Neighbourhood Centre at Goodyear.** The aim of this policy is to protect and enhance the retail function of the Three Tuns Centre; to achieve this, any proposals for ground floor retail units that would lead to any of the following will be resisted:

- More than 40% of ground floor retail units would be non-A1 Use Classes;
- More than three consecutive ground floor retail units would be non-A1 Use Classes
- More than two consecutive A5 hot food takeaways; or
- More than 10% of ground floor retail units within the Centre would be A5 hot food takeaways.

2.60 The above criteria can be relaxed when it can be demonstrated that a unit has been vacant for six months or longer and adequately marketed as an A1 retail unit for that time. The Council supports the redevelopment of this centre providing that it:

- Maintains its retail function;
- Has regard to local character;
- Generally enhances the area i.e. access, visibility of retail frontages; and,
- Utilise above ground floor opportunities for residential uses.

2.61 It is noted that the neighbourhood centre at Goodyear does not fall within the hierarchy of centres as per BCCS Policy CEN2 and so will need to provide local shops and services in line with BCCS Policy CEN6.

Bilston Corridor AAP (2014)

- 2.62 The Bilston Corridor extends from the edge of Wolverhampton city centre in the north to Loxdale industrial area in the south. It includes Bilston Town Centre and parts of East Park, Ettingshall, Monmore Green, Bilston, Ladymoor, Loxdale and Bradley.
- 2.63 Adopted in 2014, the Bilston Corridor is one of the main regeneration areas in Wolverhampton. The Bilston Corridor Area Action Plan (the AAP) guides the transformation of the Bilston Corridor area up to 2026. It identifies the location of new development in the area and aid on decision making on planning applications. It also influences decisions about transport, community facilities and jobs and provides a positive strategy for the conservation of the historic environment.

Tettenhall Neighbourhood Plan (2014)

- 2.64 Adopted in 2014, this neighbourhood plan guides future development in from Castlecroft and Finchfield up to Aldersley and Palmers Cross. It covers approximately 870ha located in the west of Wolverhampton comprising the area covered by the wards of Tettenhall Regis and Tettenhall Wightwick.
- 2.65 The Neighbourhood Plan aims to encourage economic growth in the area by providing for new homes, protecting local employment and enhancing its attractiveness to visitors, whilst equally ensuring its heritage, character and environment are protected. It recognises that development, if delivered in ways acceptable to the people, can positively contribute to the infrastructure requirements, as identified by local people.

Heathfield Park Neighbourhood Plan (2014)

- 2.66 The neighbourhood plan guides future development in Heath Town, Springfield and New Park Village. The vision is for *“Heathfield Park is for an attractive safe, green and pleasant neighbourhood providing its cosmopolitan community with high quality, affordable, well maintained housing and environment. A place where all will have a sense of belonging, and easy access to excellent education, leisure, transport networks, health service facilities and employment opportunities, giving the community a sustainable future.”*

Wolverhampton Unitary Development Plan Saved Policies (2006)

- 2.67 This document includes a number of ‘saved’ policies in relation to the policy aim of strengthening centres, including Wednesfield Town Centre (such as Policy WVC6) and frontage policies for certain District & Local Centres (Policy SH10).

Wolverhampton Hot Food Takeaway Supplementary Planning Document (2018)

- 2.68 This document provides guidance which aims to achieve an economically viable balance between Hot Food Takeaways and other retail across the City, and to contribute towards reducing increasing levels of obesity and poor diet. It addresses issues of over-concentration of Hot Food Takeaways and exposure of particularly vulnerable groups such as school children to opportunity purchases of fast food, and aims to strike a balance of interests and issues in the granting of new planning permissions for Hot Food Takeaways.

Local Planning Policy – Dudley MBC

Dudley Borough Development Strategy (2017)

- 2.69 The Dudley Borough Development Strategy (BDS) aims to guide development within the Borough until 2026 by providing allocations and local planning policies. In terms of plan hierarchy the BDS sits alongside the Area Action Plans (**AAP's**) and below the BCCS.
- 2.70 The BDS states that development within the Borough's strategic centre and town centres is guided by their respective AAP's. As such, the policies within the BDS focus on the district and local centres and the approaches to protect their vitality and viability. It is noted that the district centres must retain or improve their existing level and quality of convenience store representation as well as other shops to sustain and enhance their viability. The following summarised policies are those most relevant:
- 2.71 **Policy L9 – District and Local Centres Protected Frontages.** This policy seeks to protect important shopping frontage areas by controlling the use of the units rather than any design aesthetics. As such, proposals for non-retail ground floor units within the District and Local Centres will have to meet the following criteria:
- Overall retail function of the centre/group of shops would not be undermined;
 - Non A1 uses cannot make up more than 50 % of units within protected frontage areas;
 - Cannot have more than two non-retail uses adjacent to each other (to prevent bunching); and
 - Would make a positive contribution to the role of the centre and its retail function would not be undermined.
- 2.72 **Policy L10 – Living over Shops.** It is acknowledged here that residential dwellings above commercial buildings can help to increase the vitality of an area and provide security through natural surveillance, and the LPA states their support of such development. Where planning permission is required, it must be ensured that the proposal will not have a negative impact on the area (traffic, appearance), that the residential unit is appropriately

sound proofed, and that the use of the whole building is maximised (cycle storage, waste storage/collection etc.).

- 2.73 **Policy L11 – Parking in Town Centres.** This policy states that Dudley Council will reduce the parking standards for developments in the main town centres of Brierley Hill, Dudley, Stourbridge and Halesowen by up to 40% on a case-by-case basis. This will be applied flexibly and only where it would not negatively impact regeneration and economic growth. Distance from the core of the town centre will also be a deciding factor.

Dudley Borough Strategic, Town, District and Local Centre Annual Health Checks (2019)

- 2.74 This health check provides details on the uses and layout of Dudley's entire retail hierarchy. This information is used to inform the profile of a sample of Dudley's Tier-three Centres (District and Local Centres).

Dudley Area Action Plan (2017)

- 2.75 The Dudley Area Action Plan (DAAP) sets out the LPA's vision for Dudley Town Centre over the plan period (2026) and is a starting point for making decisions on planning applications in the area.
- 2.76 Dudley Town Centre lies within Regeneration Corridor 11a which has the aim of being served by a new rapid transit network (Midland Metro) which will provide first class access to the rest of the Black Country and to Birmingham. This development corridor is expected to focus on housing development in and around the Dudley combined with a tourism focus around the various attractions in the town. The 11km extension will branch off the current West Midlands Metro line just east of the Wednesbury Great Western Street Metro stop, before heading through Tipton and Dudley on its way to Brierley Hill. There are plans for up to 17 Metro stops (including a number of provisional ones).
- 2.77 The Midland Metro extension from Wednesbury to Brierley Hill is programmed to be completed by 2023, with anticipated regeneration opportunities and investment particularly for Dudley Town Centre and Brierley Hill Strategic Centre. An important driver for this route is the creation of a link from this part of the Black Country to HS2. The tram route will enhance public transport accessibility across the Black Country as a whole and reduce journey times between strategic centres of the region, particularly Dudley town centre, as well as provide easy access to the Merry Hill shopping centre.
- 2.78 The DAAP states that as per the Core Strategy, Dudley Town Centre will continue to perform a shopping role as a non-strategic town centre, focusing on day-to-day shopping and a range of uses such as office, leisure and cultural facilities (of an appropriate scale).

Churchill Shopping Centre and the Trident Centre, form two shopping centre anchors in the town, with the preponderance of retailing throughout the town dominated by independent retailers. There is also a popular outdoor market with 74 stalls and an indoor market, The Plaza Mall. It is stated that any proposals for retailing outside of the primary shopping area or not on an allocated site, will need to satisfy the impact tests. As before, the following summarised policies are those most relevant:

- 2.79 **Policy 15 – Retail Floorspace.** It is acknowledged that this town centre is unique as a ‘former’ strategic centre and BCCS Policy CEN4 is referenced for the centre’s identified need of 5,000 sq.m net convenience goods (food) retail floorspace and 15,000 sq.m gross comparison goods (clothes) retail floorspace.
- 2.80 **Policy 16 – Primary Frontages.** Within the protected frontage area (refer to DAAP policies map) the LPA will not allow:
- More than two non-retail uses adjacent to each other;
 - More than 35% of all units identified as Primary Frontages being taken by non-retail uses.
- 2.81 **Policy 17 – Land uses outside Dudley’s Primary Shopping Area.** This policy indicates the LPA’s support for the development of town centre uses (other than A1 retail) outside of the PSA providing they fall within the town centre boundary. This policy also encourages the use of upper floors of buildings for uses such as residential and office, in line with BCCS Policy CEN4.

Brierley Hill Area Action Plan (2011)

- 2.82 The Brierley Hill Area Action Plan (BHAAP) sets out the framework for the development and transformation of Brierley Hill Town Centre through to 2027. This plan is currently in the process of a review so as to incorporate the strategic allocations within the BCP and translate them through local site allocations and policies. The revised AAP is programmed to be adopted in Autumn 2023, approximately 6 months after the planned adoption of the BCP.
- 2.83 **Policy 1 – Brierley Hill High Street Local Shopping Area.** This policy focuses on the retailing of the town centre, stating that improvements to the range and quality of this will be encouraged. New retail or extensions to existing retail (A1) development of up to 200 sq.m floorspace (gross) will generally be considered appropriate within the Secondary Frontage (refer to BHAAP policies map). Proposals for the change of use from A1 to A2, A3, A4, and A5 within the Secondary Frontage will be supported providing that there would be:
- No more than two adjacent units being in non-retail ;
 - No more than 50% of units in the relevant Secondary Frontage would be non-retail;

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- No adverse effect upon the amenities of nearby occupiers by way of noise, smell or other nuisance;
 - No negative impact on the overall retail function, vitality and viability of the Local Shopping Area.
- 2.84 Additionally, the BHAAP also recognises the role that above ground floor uses can have in increasing the vitality and viability of the area for residential and offices (Secondary Frontage areas). An important point in this policy states that '*The aims of retaining local retail (A1) provision should not result in long term vacancies, particularly where there is no prospect of the re-use of a unit for shopping purposes*'. In this instance the LPA would need to be convinced that 'every effort' has been attempted to market the property for A1 retail without success.
- 2.85 **Policy 45 – The Primary Shopping Area.** This comprises the majority of the Merry Hill retail complex/mall. Within this defined PSA, the LPA will resist proposals where granting permission for a non-A1 retail use would lead to the area being occupied by less than 70% of A1 retail uses. However, it is stated that aspects of the Merry Hill complex may be excluded from this, such as:
- The provision of a food court;
 - Leisure attractions in blocks C2 and C3; and
 - Provision of multi-deck car parking wrapped with residential uses.
- 2.86 **Policy 46 – Edge of Centre and Out of Centre Development.** This policy defines 'edge of centre' as an area within 300m of a town centre boundary, unless it is Brierley Hill in which case it is taken to mean any site which is well connected to and within easy walking distance of the PSA at Merry Hill and Local Shopping Area on the High Street. As such, an out of centre site is defined as any site that falls outside of the aforementioned boundaries. Retail development will be encouraged in the PSA, with any proposals outside of this needing to comply with relevant impact tests and policies.
- 2.87 **Policy 47 – Hot Food Take-aways.** This policy only allows hot food take-aways within the boundary of the town centre if they do not have an unacceptable impact on road safety, the environment, and amenity of the area, and providing that there are no more than two adjacent A5 units.
- 2.88 **Policy 66 – Phasing of Comparison Retail Allocations.** This policy splits the comparison goods retail allocations for the centre into two phases, Phase 1 2009-2021, and Phase 2 2021-2026. Phase 1 allocates additional comparison goods retail floorspace at Merry Hill and Canal Walk; 6,500 sq.m (gross) to the Moor Centre, and up to 2,000 sq.m (gross) Lower Brierley, Archill, Canal Walk North and Waterfront West. Phase 2 is stated to have no specific allocations though the BCCS identifies a potential need of an additional 30,000 sq.m of additional gross comparison retail at Merry Hill.

- 2.89 **Policy 66** is subject to **Retail Development Preconditions** set out in BCCS **Policy CEN3**. In that no additional comparison retail floorspace can be bought into operation in Merry Hill until three conditions are met: (i) the adoption of the AAP (which has occurred); (ii) implementation of improvements to public transport (underway e.g. Midland Metro extension); and (iii) introduction of a car parking management regime with charges compatible with those in the region's networks (which has not occurred).

Stourbridge Area Action Plan (2013)

- 2.90 The Stourbridge Area Action Plan (SAAP) aims to guide new investment and development in Stourbridge Town Centre and its environs up to 2026.
- 2.91 **Policy 7 – Primary Shopping Area and Protected Frontages.** The LPA will support retail development within the PSA in line with BCCS Policy CEN4. Proposals within the Primary and Secondary Frontage areas will be resisted if more than 35% of units in the former, or 50% of units in the latter would be non-A1 uses. This policy also restricts the 'bunching' of non-A1 uses (no more than two non-A1 uses adjacent)
- 2.92 **Policy 8 – The Town Centre.** This policy refers to BCCS Policy CEN4 for retail floorspace allocations and states that any proposals exceeding this will be required to meet the exception criteria of that policy. Again, this policy promotes the re- use of the upper floors of premises in the town centre for residential or office purposes.
- 2.93 **Policy 9 – Hot Food Takeaways (A5 Uses).** Takeaways will only be permitted in the centre where the proposals do not conflict with the policies of the SAAP, particularly Policy 7. In addition to this, there must not be a 'bunching' of A5 units, and there must be no adverse impacts caused by the creation of the takeaway (parking, environment etc.).
- 2.94 **Policy 13 – Mixed Use Development.** This policy acknowledges that an appropriate mix of uses can help to stimulate the vitality and viability of an area; active frontages and creative industries such as glass making are highlighted as being an important aspect.

Halesowen Area Action Plan (2013)

- 2.95 As with the other AAP's, the Halesowen Area Action Plan (HAAP) aims to manage development in the centre future development and investment up to 2026.
- 2.96 **Policy 1 – Retail Floorspace.** The LPA will support development in the PSA providing that proposals are appropriate and in line with BCCS Policies CEN2 and CEN3.
- 2.97 **Policy 2 – Primary Frontages.** Again, this policy restricts the bunching (no more than two non-retail units adjacent) of non-retail uses and will not allow more than 35% of all units within the PSA's primary frontage areas to be non-retail uses.

- 2.98 **Policy 3 – Secondary Frontages.** As previous, this policy will not allow more than three non-retail uses adjacent to each other. The LPA will also not allow more than 50% of all units within the PSA secondary frontage areas to be non-retail uses.
- 2.99 **Policy 4 – Land Uses outside Halesowen’s Primary Shopping Area.** The LPA will resist proposals for A1 uses outside of the PSA but will support other uses that are appropriate and add to or improve the town centre. Residential uses will also be supported where appropriate and where they would not negatively impact the economy.

Local Planning Policy – Sandwell MBC

West Bromwich Area Action Plan (2012)

- 2.100 The West Bromwich Area Action Plan (WBAAP) is intended to guide future change and development in the strategic centre over the period to 2026.
- 2.101 Due to the comparative age of the WBAAP, an Interim Planning Statement & Masterplan has also been initialised, to bridge the gap between the current WBAAP & the Sandwell Plan.
- 2.102 The area covered by the WBAAP sits within Regeneration Corridor 12 of the BCCS, which covers Oldbury, West Bromwich and Smethwick. The plan proposes:
- 220,000 sq.m of new office floorspace;
 - 65,000 sq.m of comparison goods retail floorspace (gross);
 - 4,800 sq.m of convenience goods shopping provision (net);
 - Up to 4,600 new homes up to 2026;
 - Improved transport network; and,
 - Improved public realm.
- 2.103 **Policy WBP1 – New Retail Floorspace.** The aim of this policy is to enable the increase in new comparison floorspace of 65,000 sq.m (gross) up to 2026. To achieve this, the LPA wants to encourage the re-use of vacant premises and more efficient use of poorly performing floorspace. Retail development outside of the PSA will generally not be supported, whereas retail development within the PSA will be, and should aim to provide anchor stores in the weaker areas and provide a range of unit sizes. Proposals should generally improve the town centre’s appearance and offering, and priority should be given to areas without current active frontages.
- 2.104 **Policy WBP2 – Other Town Centre Uses.** A wide range of uses will be encouraged within the PSA to complement and support retailing including:
- Office floor space (B1(a) and A2 uses);
 - Leisure, recreational, cultural and social and community facilities (D1 and D2 uses);

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- Hotels and Conference facilities; and,
 - Housing, at first floor level and above in appropriate locations.

West Bromwich Town Centre Health Check (2015)

2.105 This town centre health check is presented as an update to the 2007 Black Country wide report and its key conclusions have been summarised below:

- The centre's 'Venuescore' ranking has risen by 73 places from 265th in the country in 2013/14 to 161st in 2014/15;
- Contains 272 occupied retail units and 90,000 sq.m of occupied floorspace, of which there are strong convenience and comparison goods offers and a reasonably strong financial and business service offer;
- Retail service and leisure service offers are both below the national average;
- Tesco superstore opened in 2013, a number of competing supermarkets have closed and Tesco now occupies 65.0% of the convenience goods floorspace;
- New Square development has shifted the core of comparison goods units northwards;
- 93 vacant units, which have an overall vacancy rate of 25.5% and occupy 17.8% of the total amount of town centre floorspace;
- Most people visit the town centre for convenience or comparison goods shopping purposes; shoppers most wish to see more discount convenience goods retailers within the town centre;
- 15.6% of businesses consider that more pedestrianised areas are vital to their future viability; biggest issues were cost of car parking, insufficient car parking, the location of car parking and the limited range of shops; and,
- Town feels generally safe, though less safe around vacant units.

2.106 The health check concludes with a SWOT breakdown which has been summarised below:

- **Strengths:**
 - Good well connected location both in terms of public transport and highway/motorway connections;
 - Catchment and introduction of more office, educational and residential uses within the area has improved viability and vibrancy;
 - Appearance of the centre has been enhanced; and,
 - Strong convenience, comparison and financial and business service offer.
- **Weaknesses:**
 - High vacancy rate (25.5%) producing negative sense of vibrancy;
 - Limited retail service and leisure service offer;
 - Many dated and small scale retail units;
 - Office infrastructure is poor;
 - Lack of leisure and evening activities; and,

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- Anti-social behavioural issues.
 - **Opportunities:**
 - Develop the centre's evening economy;
 - Encourage ridership of the Metro;
 - Widen the range of comparison goods shops;
 - Build upon the momentum of the recently completed educational and office developments;
 - Claw back lost expenditure from surrounding retail centres through promotion and marketing, and continued expansion of the centre's retail offer;
 - Regenerate older industrial buildings; and,
 - Provide high density residential.
 - **Threats:**
 - Continued stigma that is attached to its former condition;
 - Vacancy issue not being addressed;
 - Further losses of top national operators;
 - New Square development and the historic parts of the town centre need to work together and not compete; and,
 - Centre must be able to evolve and compete with the other strategic centres.

Dudley Port Supplementary Planning Document (2017)

2.107 This Supplementary Planning Document (SPD) seeks to promote Dudley Port and raise the profile of the strengths and opportunities on offer. A SWOT analysis was undertaken as part of the SPD which has been summarised below:

- **Strengths** – canal network, green spaces and linkages, connections to public transport, facilities and employment opportunities;
- **Weaknesses** – legibility of aforementioned places, access to them, and the natural surveillance; lack of ease of movement sporadically throughout the area and a lack of cycle parking provision at Dudley Port Railway Station;
- **Opportunities** – improving access to the canal network, and green spaces, maintaining vegetation to improve safety, greening highways, encouragement of more activity, both on and off the water, enhancement of access, linkages and connections and
- **Threats** – lack of improvements will increase congestion, poor resource management if networking and partnerships are not effectively utilised, long term maintenance of any future improvement programmes.

2.108 There is very little in the way of retail planning policy within this SPD, with the focus mainly being on the general improvement of the area and aligning it more closely to the vision of a garden city.

Local Planning Policy – Walsall Council

Walsall Unitary Development Plan: Saved UDP Policies (2005)

2.109 Whilst a historic document whose policies have been replaced by the SAD (2019) and Walsall Town Centre Area Action Plan (2019). This notwithstanding there the document contains policies that have been 'saved' specifically in relation to the policy aim of strengthening centres the following:

- Policy S1: Definition of Town Centre Uses
- Policy S2: The Hierarchy of Centres
- Policy S3: Integration of Developments into Centres
- Policy S4: The Town and District Centres: General Principles
- Policy S6: Meeting Local Needs
- Policy S7: Out-of-Centre and Edge-of-Centre Developments
- Policy S8: Housing in Town Centres
- Policy S9: Amusement Centres and Arcades
- Policy S10: Hot Food Take-Aways, Restaurants and Other A3 (Food and Drink) Outlets
- Policy S11: Drive-Through Facilities
- Policy S12: Petrol Filling Station Shops
- Policy S13: Nurseries, Garden Centres & Builders Merchants
- Policy S14: Farm Shops
- Policy S15: Banking and Cashpoint Facilities
- Policy S16: Internet Shopping

Walsall Site Allocation Document (2019)

2.110 Part of the Walsall's Development Plans, it allocates sites for homes, jobs, shops, and other uses outside of the Strategic and District Centres. Policies that apply to centres include are:

- Policy RC1: The Regeneration Corridors - Proposals for development within or outside the Corridors will be expected to support the spatial objectives and policies set out in the Black Country Core Strategy, in particular policies CSP1 and CSP2.
- Policy SLC1: Local Centres – they provide particularly for day-to-day convenience shopping and service needs. Their boundaries are drawn tightly to concentrate investment.
- Policy SLC2: Local Centres Development Opportunities: details that a comprehensive approach should be taken towards the opportunities identified. Developments should

be of an appropriate scale and nature for the centre as set out in UDP Saved Policy S2.

Walsall Town Centre Area Action Plan (2019)

2.111 The Walsall Town Centre Area Action Plan (WAAP) presents a long term plan including policies, proposals, and site allocations for the town centre that will help to achieve the LPA's vision for the area by 2026. The retail related policies within the WAAP are as follows:

2.112 **Policy AAPS1 – Primary Shopping Area.** The PSA will need to be protected and enhanced by:

- Concentrating new retail floorspace and investment within or immediately adjacent to the PSA; retail development should only be permitted outside of these areas when it can be demonstrated that there are no suitable sites/premises within them;
- All development within the PSA must provide active and well-designed frontages – significant non-retail proposals will need to demonstrate that the retail function of the area is not prejudiced; and,
- Encourage a mix of uses outside of the PSA.

2.113 **Policy AAPS2 – New Retail Development.** This policy seeks to achieve the LPA's aim of 6,000 sq.m gross new comparison goods floorspace and 1,500 sq.m gross new convenience goods floorspace (in addition to existing commitments) by the end of 2026. This will be aided by:

- Focusing new retail development towards the PSA;
- Prioritising identified sites for retail development; and,
- Ensuring that new retail units are large and flexible to meet modern requirements.

2.114 The policy goes on to discuss the sequential approach to retailing and how specific sites need to be considered before other areas. Where there are proposals for edge-of-centre locations, it must be demonstrated that the development would have no significant adverse impact on the vitality and viability of the town centre and planned investments. These developments should also make every attempt to improve links towards the PSA, and be restricted by planning conditions controlling for example the range of goods sold.

2.115 **Policy AAPS3 – The New Walsall Market.** This policy protects the market area and means that any proposals that would have a negative impact on this (space or trading-wise) will be discouraged.

Walsall Local Centres Study (2017)

- 2.116 The Walsall Local Centres Study (WLCS) provides a more up to date evidence base that has been used to identify development opportunities within the Local Centres and make amendments to their boundaries.
- 2.117 The WLCS provides a detailed breakdown of each of the 35 local centres of Walsall, including land use maps and a breakdown of the uses in each area. Within this study development opportunities and boundary alterations were also proposed. This study does not contain a collective conclusion.

Summary

- 2.118 The underlying objective of both the NPPF and Local Plan policy is to maintain and enhance the vitality and viability of town centres, and to promote new sustainable development and economic growth in town centre locations 'first'. This policy objective is crucial as town centres are facing increasing economic challenges associated with alternative forms of retailing; in particular online shopping and increased operational and fiscal constraints as identified by the Government's Task Force (discussed further in **Section 3**).
- 2.119 Notwithstanding the town centre first policy, this does not rule out edge-of-centre development where identified needs cannot be met in existing PSAs. Indeed the NPPF (paragraph 85 (d) and (e)) encourages LPAs to allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary. Additionally, if sufficient edge-of-centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre. Furthermore, it reinforces that main town centre uses should be located in town centres, then in edge-of-centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out-of-centre sites be considered (paragraph 86).

3. National Retail & Town Centre Trends

3.1 This section summarises some of the key trends that have fuelled the changes in the retail sector, and the impact of these trends on the UK's and more specifically West Midland town centres. It provides a commentary on the impact of the underlying economy and the growth of internet ('multi-channel') retailing on consumer spending, retail development and retailers' business strategies. Drawing on the latest research it also describes how these trends may continue to shape changes in the future, and whether and how town centres can respond to help maintain and enhance their overall vitality and viability.

UK Economy Outlook

- 3.2 The UK economy continues to be set against a backdrop of political uncertainty. It has been characterised by a slower growth trajectory over the last 12-18 months. For example recent figures released by the *Office for National Statistics* (ONS) in November 2019 showed that UK GDP increased by 0.3% (quarter-on-quarter) in the third quarter (Q3) of 2019, which represents a 1% year-on-year increase since Q3; the weakest growth since Q1 2010. The forecasts indicate that GDP is unlikely to grow by much more than +1% this year and similar lower growth levels are forecast for 2020. This reflects the slowdown in business confidence and investment as companies continue to hold back on capital spending due to uncertainty over Brexit.
- 3.3 Interest rates as at March 2020 stand at 0.1% and rates have been at historically low levels over the last decade. The minutes of the latest Monetary Policy Committee MPC meeting indicate the possibility of a future rate cut, as a potential monetary policy response if global growth fails to stabilise, or Brexit uncertainties remain.
- 3.4 Consumer spending has been a key driver of economic growth since the EU referendum in June 2016, although there have been increasing signs that growth is starting to "soften". According to the ONS for Q3 2019 as a whole, sales growth held steady at 0.6% while the annual pace of expansion dropped to 3.1% from 3.6% in the second quarter, the weakest since late 2018. Monthly retail sales volumes were also flat in September 2019.
- 3.5 According to the *British Retail Consortium* (BRC) the longer term trend remains weak with the 12 month average sales growth falling to a new low of just 0.1% in October 2019. With Brexit still unresolved and a December 2019 election creating new uncertainties the underlying volatility within the sector persists affecting current consumer confidence in the build up to Christmas and to 2020.

Retail Trends

- 3.6 The table below shows the actual and forecast growth in retail (convenience and comparison goods) spending per head identified by Experian Business Strategies (EBS) in their latest *Retail Planner Briefing Note 16* ('RPBN') published in December 2018. This is based on their '*central forecast scenario*' which assumes annual growth in GDP averaging 1.7% from 2016 to 2035.

Table 3.1: Forecast year-on-year growth in retail expenditure per capita

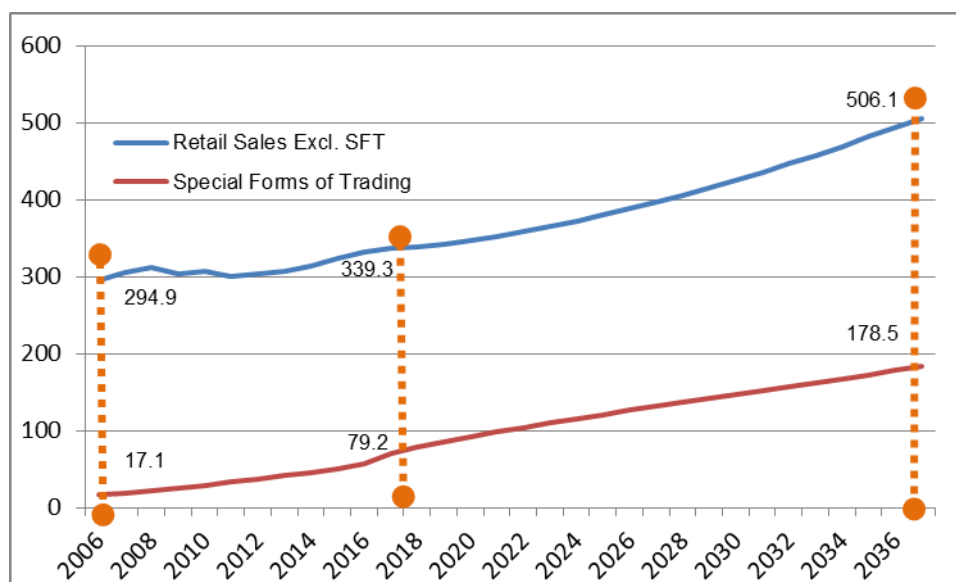
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	ANNUAL AVERAGE		HISTORIC TREND
														2021-25	2026-37	1997-2017
TOTAL RETAIL SPEND :	2.1%	-2.0%	1.3%	-1.2%	0.9%	1.8%	2.5%	3.1%	3.4%	3.9%	2.1%	1.8%	1.8%	2.2%	2.3%	3.5%
Convenience Goods	-4.3%	-3.7%	-0.4%	-3.1%	-0.6%	-0.9%	-0.1%	0.5%	1.3%	1.3%	1.0%	0.5%	0.1%	0.1%	0.1%	-0.5%
Comparison Goods	4.5%	-2.0%	2.1%	-20.0%	1.8%	3.6%	4.3%	4.9%	4.7%	5.5%	2.8%	2.6%	2.8%	3.3%	3.2%	5.6%

- 3.7 For **convenience goods** there has been negative annual growth in per capita levels between 2008 and 2014. Although there was positive growth of +0.5% in 2015, the forecasts show a return to 'no' or 'negative' growth over the period 2015 to 2019, with limited growth of +0.1% thereafter up to 2037 and beyond. The forecast growth rates compare with the historic long-term trend of negative growth (-0.5%) between 1997 and 2017.
- 3.8 For **comparison goods** the EBS forecasts show year-on-year growth rates recovering from a low of -2.0% in 2009, to a high of +5.5% in 2017. However, for the reasons set out above, EBS forecast a dampening in growth in the immediate post-Brexit period; to +2.6% in 2019 and +2.8% in 2020. Thereafter, comparison goods spend growth is predicted to average circa +3.3% between 2021 and 2037. Despite the growth forecast by EBS, this is well below historic long-term trends where annual growth averaged circa +5.6% over the period 1997 to 2017.
- 3.9 Any further dampening of growth rates over the medium to long term could have implications for the viability of existing retail businesses and the take-up of new space, as well as the need for new retail floorspace over the forecast period. This is taken into account by our assessment of the capacity for new convenience and comparison goods floorspace.

Special Forms of Trading and Internet Shopping

3.10 One of the key trends that has impacted on the retail sector and shopping patterns over the last decade has been the growth in internet shopping, which forms part of Special Forms of Trading (SFT)³.

Figure 3.1: Retail Sales Volume 2006 – 2037 (£bn)



Source: Experian Retail Planner Briefing Note 16 (December 2018); Figures 5

3.11 Based on ONS data, Experian Business Strategies (EBS) estimate that:

- The value of retail internet sales in 2018 is estimated at £79.2bn 2018. In 2015 it was estimated at £49.6bn representing a +60% increase over the period.
- The overall market share of SFT, as a proportion of total retail sales, has increased nationally from 5.5% in 2006 to 18.9% in 2018. It is forecast by Experian to grow to 24.1% by 2025 and to 26.7% by 2037 (see below). This significant growth is being sustained by new technology innovations (such as browsing and mobile phones/devices) and the development of interactive TV shopping.

³ Special Forms of Trading (SFT) comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS).

Table 3.2: SFT's Market Share of Total Retail Sales

	2006	2010	2015	2019	2020	2025	2030	2035	2037+
NON-STORE RETAILING MARKET SHARES:									
TOTAL:	5.5%	8.7%	13.3%	20.1%	21.1%	24.1%	25.6%	26.4%	26.7%
Convenience Goods	2.2%	4.2%	8.2%	13.4%	14.2%	16.7%	18.3%	19.3%	19.7%
Comparison Goods	8.1%	12.0%	16.4%	23.8%	24.8%	27.6%	28.6%	28.9%	29.0%
ADJUSTED FOR SFT SALES FROM STORES*:									
TOTAL:	3.6%	5.7%	8.5%	12.9%	13.5%	15.7%	16.8%	17.6%	17.9%
Convenience Goods	0.7%	1.3%	2.5%	4.0%	4.3%	5.0%	5.5%	5.8%	5.9%
Comparison Goods	6.1%	9.0%	12.3%	17.9%	18.6%	20.7%	21.4%	21.7%	21.8%

Notes: For comparison goods, EBS has discounted the SFT market share by 25% of sales to provide their best estimate of growth. For convenience goods they have discounted by 70% to reflect the proportion of convenience sales that occurs through stores (for example, many home deliveries are sourced from existing superstores rather than dedicated distribution 'dotcom' warehouses).

Source: Experian Retail Planner Briefing Note 16 (December 2018). Appendix 2, Figure 5.

- 3.12 However, these forecasts need to be treated with caution, as according to Experian approximately 25% of all SFT sales for comparison goods and some 70% for convenience goods are still sourced through traditional ('bricks-and-mortar') retail space, rather than purely from 'virtual' stores and/or 'dot com' distribution warehouses. On this basis, Experian has adjusted the SFT market shares downwards to reflect the proportion of internet sales they estimate is sourced from existing stores. These adjusted/recalibrated market share figures are the forecasts that we use as a benchmark for our retail assessments, in line with accepted approaches.
- 3.13 Notwithstanding this, it is clear that the "digital revolution" and growth of online retailing has significantly impacted on Britain's retailers, sales and high streets. Up to now, the impact of Internet shopping has been mainly concentrated on certain retail products and services (such as, for example, electrical goods, books, music and travel). In turn, this has resulted in a reduction in the number of retailers selling these types of products and services on the high street (examples being the recent rationalisation of HMV and GAME stores across the UK). However this does not mean that other comparison goods categories are immune to the impact of the internet, including clothing and footwear. This is illustrated by the survey-derived market shares for SFT and internet shopping across the defined Study Area and zones (see **Section 4**).
- 3.14 The impact of the "*digital revolution*" is also impacting on how and where people choose to spend their leisure time. For example, instead of visiting the cinema or theatre, consumers can digitally stream to their televisions a vast library of filmed entertainment on demand through say Netflix or Amazon Prime; and social media, Skype, email and instant messaging are displacing face-to-face interactions. The innovation and development of these alternative digital customer experiences is accelerating, and in the process exacerbating a 'digital divide' between, on the one hand, those well-resourced companies

investing and competing in the digital arena, and on the other hand the small independent merchants that comprise most of today's high street communities. Yet the success of firms at both ends of the 'divide' is mutually dependent, and is essential to a successful high street. The arrival and growth of 5G services will likely intensify increased usage over the next five years.

- 3.15 At the time of writing this report new research⁴ suggests that online retail will account for 53% of retail spending by 2028. If this scenario was to occur it will create significant challenges for the retail industry. Over the longer term, retailers will need to compete for shoppers' attention through a variety of means including creating experiences that will attract the attention of potential consumers. We also comment later in this section on the emerging trend in convergence between physical and online retailing.

Floorspace 'Productivity' Growth

- 3.16 In simple terms, floorspace 'productivity' (or turnover 'efficiency') growth represents the ability of retailers to absorb higher than inflation increases in their costs year-on-year (such as, for example, due to rises in rents, rates, service charges, staff costs, etc.). This is needed to help maintain the profitability and viability of retailers. Practically, this is achieved by increasing the market share and quantum of sales (revenue) generated.
- 3.17 It is standard practice for retail planning assessments to make a reasonable and robust allowance for the year-on-year growth in the average sales densities of existing and new (comparison and convenience) retail floorspace. However, there is limited evidence detailing actual changes in the turnover and profitability of retailers over time. Furthermore analysis of past data and trends is complicated by the fact that sales density increases have been affected by changes in the use of retail floorspace over the last 20 years: such as, for example, the growth in out-of-centre retailing; Sunday-trading; longer opening hours; and the strong growth of retail expenditure relative to the growth in floorspace. Following the last recession many retailers have struggled to increase or even maintain sales density levels and, together with other financial problems, this has resulted in a number of retailers going in to administration.
- 3.18 In their latest *Retail Planner Briefing Note* (RPBN) Experian Business Strategies (EBS) provide forecasts of annual floorspace productivity growth rates based on two different scenarios:
- **'Constant floorspace scenario'**: based on limited potential for new retail development resulting in greater efficiency of existing floorspace; and

⁴ *The Digital Tipping Point – 2019 Retail Report* by Retail Economics and Womble Bond Dickinson

- **‘Changing floorspace scenario’**: takes account of the impact of new retail development on average retailer sales performance.

3.19 **Table 3.3** below sets out the differences between the two scenarios, based on predicted changes in retail floorspace over time and after making an allowance for ‘non-store’ (SFT) retailing.

Table 3.3: Floorspace Productivity Growth Rates (year-on-year growth %)

	2017	2018	2019	2020	2021-2025	2026-2037
CONSTANT FLOORSPACE:						
Convenience Goods	0.7%	0.0%	0.8%	0.5%	0.4%	0.4%
Comparison Goods	3.7%	2.1%	2.1%	2.4%	3.2%	3.5%
CHANGING FLOORSPACE:						
Convenience Goods	0.7%	0.0%	0.7%	0.4%	0.2%	0.0%
Comparison Goods	3.7%	2.1%	2.1%	2.5%	2.8%	2.3%

Source: Experian Retail Planner Briefing Note 16 (December 2018). Constant Floorspace - Figures 3b and 3c; and Changing Floorspace - Figures 4a and 4b.

3.20 As EBS explain in their RPBN, ongoing budgetary pressures have pushed companies to increase efficiencies from current floorspace; including through redevelopment of existing floorspace, new technology and innovations, and more effective marketing strategies. At the same time, EBS refer to the weak demand for retail property, higher vacancy levels and a significant fall in new retail-led development in centres across the UK. EBS conclude that these trends confirm the **limited prospects** for expansion in retail floorspace over the next few years (*underlined our emphasis*).

3.21 As a result, we prefer to use the national ‘productivity’ growth rates forecast by EBS under the *‘constant floorspace scenario’* for the purpose of our retail assessments.

Changing Retailer Requirements

3.22 The structural and permanent challenges facing “*bricks-and-mortar*” retail are well documented. As described above, challenging economic conditions are impacting on consumer spend and retail sales on the high street, and this is further exacerbated by the forecast growth in online sales and the continued demand for out-of-centre shopping locations from larger format retailers. This has resulted in national multiple retailers reviewing and rapidly adapting their business strategies, requirements and store formats to keep pace with the dynamic changes in the sector and consumer demand.

3.23 This is probably best illustrated by the changes in the grocery sector over the last decade. Following a sustained period of growth over almost 20 years up to 2010, principally driven by new store openings, the focus for the main grocery operators (i.e. Tesco, Sainsbury’s, Asda, Waitrose and Morrisons) has now shifted to growing market share through opening

new smaller convenience store formats (such as Tesco Express, Sainsbury's Local and Little Waitrose) and online sales. Over this period applications for large store formats have slowed to a virtual standstill, in some cases permissions are not being built out and in some extreme cases stores are actually built but then not fitted out and/or opened. At the other end of the grocery spectrum, the 'deep discount' food operators (namely Aldi and Lidl) are increasing their market shares through new store openings across the UK. This inevitably has implications for the scale and type of new floorspace required by food stores in the future. By way of example, Lidl in June 2019 announced a £500m expansion plan in London with the aim of opening in 40 new locations.

3.24 Furthermore, many of the major multiples and traditional high street retailers are changing their store formats and locational requirements. For example, key anchor retailers such as Marks & Spencer, Next and John Lewis are actively seeking larger format units to showcase their full product range and to provide an exciting and engaged shopper environment and experience backed by the latest (digital) technology. As a result, it is the larger centres and out-of-centre retail parks that are often best placed to meet this demand; as larger units are difficult to accommodate within existing traditional high streets and town centre environments, particularly in historic centres covered by conservation areas and listed buildings.

3.25 Marks & Spencer is an example of a major retailer that has closed a large number of its traditional variety stores on high streets (a process that started in 2009 when the retailer reported its worst sales performance). In November 2016, M&S announced its closure programme as part of a radical restructuring plan impacting on its clothing and home outlets. At that point some 18 stores⁵ were shut down. In May 2018⁶, the high street chain said that it had identified 100 low-performing stores for closure or change. The decision to accelerate its programme was reportedly brought about after early results from store closures – like the one in Warrington town centre – which led to an increase in sales at newer out-of-town stores. M&S reported that the closures were vital for the future of the struggling retail business. In January 2019, Marks and Spencer revealed a list of a further 17⁷ stores facing closure. On this basis M&S confirmed the locations of 55 of the 100 affected stores outlined in May 2018. We have seen similar consolidation strategies with Debenhams, House of Fraser and other well-known British retailer names.

⁵ The 18 closures were in: Andover, Basildon, Birkenhead, Bournemouth, Bridlington, London Covent Garden, Dover, Durham, Fareham, Fforestfach, Keighley, Portsmouth, London Putney, Redditch, Slough, Stockport, Warrington and Wokingham. Additionally there were also three relocations were in Greenock, Newry and Crewe.

⁶ On May 22 2018, Marks and Spencer revealed a list of 14 stores facing closure including the one in Walsall (the 14 stores were: Bayswater (Simply Food), London; Clacton-on-Sea, Essex; Darlington, County Durham; East Kilbride, Scotland; Falkirk, Scotland; Fleetwood (outlet), Lancashire; Holloway Road, North London; Kettering, Northamptonshire; Newton Abbot (outlet), Devon; Newmarket, Suffolk; New Mersey Speke, Merseyside; Northampton, East Midlands; Stockton, County Durham and Walsall, West Midlands

⁷ Store closures announced in January 2019: Antrim (the Junction); Ashford, Kent; Barrow; Bedford; Boston; Buxton; Cwmbran; Deal; Felixstowe; Huddersfield; Hull; Luton Arndale; Newark-on-Trent; Northwich; Rotherham; Sutton Coldfield and Weston-super-Mare

-
- 3.26 This further underlines the growing demand from multiple retailers for larger format shop units, and the need for town centres to provide a good mix of large modern units to help attract and retain high street retailers, or potentially risk their relocation to new competing shopping destinations as and when leases expire.
- 3.27 These changes in retailer requirements and market demand will continue to have a significant impact on the UK's town centres and high streets, particularly in those cases where retailers make the decision to relocate from town centres to out-of-centre locations, or even out of the area altogether.

The Retail Sector Crisis

- 3.28 For the reasons set out above the last decade has been the most challenging period in history for the retail sector and retail operators. A combination of the weakness in Sterling, cost inflation, business rates increases, wage costs and other occupancy cost increases have all combined to place increasing pressures on business turnover and profitability. These pressures are all being felt at a time of increased competition from online and out-of-centre retailing.
- 3.29 During this period households and consumers have continued to tighten expenditure, diverting their spending towards non-discretionary categories and own-label/discounted products. A weaker economic outlook, the uncertainty over Brexit, business rates revaluation and the ongoing structural change in the sector are just a few of the "headwinds" facing the UK retail sector. Future trends point to a consolidation, reduction and repurposing of physical retail space, rather than any significant expansion.
- 3.30 The impact of these trends is highlighted by the failure of a number of high profile retailers over the last decade, beginning with the demise of Woolworths in 2008/09. Some of the most recent closures/failures are summarised below⁸:

⁸ Other retailer casualties include East, Warren Evans, Juice Corporation, Select, Links of London, Regis UK / Supercuts and Forever 21.

New Look	announced in March 2018 that it was shutting 60 (10%) of its 600 UK stores and cutting almost 1,000 jobs as it continued to consolidate large debts.
Ikea	reported a near -40% fall in profits in the year to 31 August 2017 and pulled out of opening a new store in Preston in 2018. The retailer blamed higher wages and the cost of investments in its stores and website.
Marks & Spencer (M&S)	in January 2019 M&S announced the latest wave of closures; this was on the back of an announcement in May 2018 where the retailer had stated that it had identified 100 low-performing stores for closure or change. This was part of a radical restructuring plan first announced in November 2016 impacting on its clothing and home outlets.
Poundworld	collapsed in June 2018 resulting in 5,000 job losses and closure of 335 shops.
Toys 'R' Us	the UK's largest toy and children's games/leisure products supplier, went into administration in February 2018 after failing to find a third-party buyer for the business.
Maplin	the electrical/electronic component and gadget business went into administration on the same day as Toys 'R' Us, having failed to find a buyer. This affected more than 200 stores and 2,500 staff.
House of Fraser	went into administration in August 2018.
Coast	the fashion chain with 24 stores, went into administration in October 2018 with closure of all stores.
Evans Cycles	went into administration at the end of October 2018 after failing to agree terms with Halfords and other potential partners and it was immediately bought out of administration by Sports Direct.
HMV	the entertainment/music specialist, went into administration at the end of Christmas 2018. It was subsequently bought out of administration by Canadian retailer Sunrise Records in February 2019. As part of the bailout package 27 stores were set close including its flagship outlet on Oxford Street.
Patisserie Valerie	went in to administration in January 2019. Around 71 of the chain's 200 cafés have closed.
OddBins	the off-licence group with 101 off-licenses part of European Food Brokers (based in Walsall), went into administration in February 2019. The company stated "The deterioration of the High Street, combined with the continuing economic uncertainty surrounding the withdrawal of the UK from the EU, has resulted in an unsustainable, tough physical retail market".
Wine Rack / Bargain Booze	Conviviality Retailing - the major drinks and off-licence supplier that owns Wine Rack and Bargain Booze - went into administration early in April 2018.
L K Bennett	high end fashion retailer, went into administration in March 2019 and was subsequently brought out administration by Byland UK, its Chinese franchise partner. Nevertheless 15 of its 39 store portfolio are set to close as part of the deal.
Greenwoods	the 158 year old menswear retailer went into voluntary liquidation at the end of 2018
Office Outlet	went into administration in March 2019, resulting in 94 store closures. Previously branded as Staples, which also went into administration in 2015.
Karen Millen / Coast	went into administration in August 2019 with the closure of 32 stores and 177 concessions, affecting 1,100 staff. Their online brands were bought out by Boohoo.com.
Boots	confirmed in June 2019 that it will close 200 stores over an 18 month period in an attempt to cut costs. Its estate comprises some 2,500 stores. Simultaneously it announced the opening of a new format 2,787 sq.m (30,000 sq ft) in London's Covent Garden.
Debenhams	a key department store anchor on the high street, went into pre-pack administration in April 2019. The company's 166 stores will initially continue to trade but 50 have been earmarked for closure. The retailer is now owned by its lenders, but two stores are set to close in December 2019 and another 20 in January 2020 when the group completes a restructure.
Mothercare	announced in May 2018 it was to close 50 stores with the potential loss of at least 800 jobs. In November 2019 the chain went into administration with the closure of 79 stores affecting up to 2,500 staff.
Bonmarché	went into administration in October 2019 with closure of 318 stores and affecting c.2,900 employees.
Thomas Cook	went into liquidation in September 2019 affecting 560 stores and 9,000 staff.

3.31 These retailer “casualties” and others confirm the structural and permanent shift that is occurring in the retail sector, shopping patterns and the way households spend their money. This is threatening traditional retailers and forcing a rethink about how high streets

and town centres will function and look in the future. The same debate equally applies to retail parks and shopping centres as they are also being affected by retail closures, particularly in older generation retail schemes. What is clear is that profitable growth is becoming increasingly hard to achieve for retailers, particularly against a backdrop of higher costs on the high streets compared with online and out-of-centre retailing. This is undoubtedly a major contributing factor to the significant number of store closures announced over recent years.

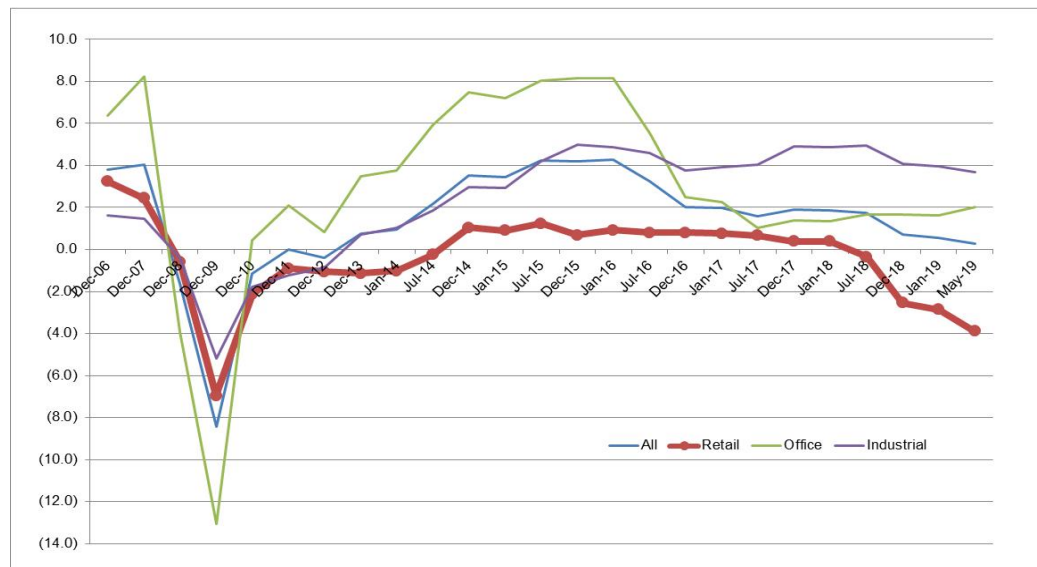
- 3.32 Many high streets and smaller shopping centres will struggle to find the investment needed to survive. Retailers, local authorities, developers and landlords will therefore need to work together to ensure that there is a sustainable long term vision and strategy for town centres. This may require the repurposing of town centres to incorporate other uses such as food and beverage, conversion to residential, creation of additional public space, reusing retail space for offices or using the vacant space as distribution hubs for to fulfil online deliveries.
- 3.33 Notwithstanding the negative news headlines, there are still success stories within the retail sector. For example, Greggs has been one of the high street's recent star performers after reporting an 'exceptional' 11% rise in like-for-like sales for the first 19 weeks of 2019. Primark has also bucked the store closure trend and opened its largest store in the world in Birmingham in April 2019, with a total floor area 14,957 sq.m (161,000 sq.ft); equivalent to the floorspace and layout of a more traditional department store operator.
- 3.34 The most pressing issue for those involved in trying to create town centres that remain vibrant places to visit is how unoccupied and vacant retail space can be brought back into viable use, or repurposed for alternative uses. All key stakeholders - including local authorities, landlords, investors, occupiers and other parties – will need to identify strategies that consider ways of reconfiguring and potentially redeveloping redundant space for alternative uses other than retail. A growing number of landlords are already in the process of repurposing units and shopping centres in response to changing customer demand. At the same time a number of Councils are taking a more proactive role in the regeneration of town centres through the purchase of property assets, including shopping centres.
- 3.35 The trend of reinvention and revitalisation in the sector is also demonstrated by the fact that a number of retailers are continuing to launch new formats that aim at providing consumers with enhanced retail experiences. For example, Pets at Home launched its interactive 'Store of the Future' format in May 2019.
- 3.36 As the role and function of town centres changes, it is clear that the future vitality and viability of high streets will depend on attracting a wider, more diverse mix of uses that go beyond retail, underpinned by new residential development on the edge of and/or in the

airspace above centres to help increase the catchment population and spend available to town centre businesses and facilities. In order to increase footfall and vitality and viability, flexibility is required to encourage centres to diversify and serve a wide variety of uses from residential, Further Education establishments, flexible day/ night uses, to large scale provision such as sports stadia, and other complimentary uses. The Black Country Plan (BCP) should provide strategic support for this, and Tier-two plans can consider more detailed guidance and proposals.

Retail Investment

- 3.37 The rise in the number of retailers entering into administration (e.g. House of Fraser, Debenhams, Mothercare) coupled with the underlying economics of low growth in retail sales and high vacancy levels create a difficult climate for new retail development and investment. The current investment climate is polarised. The UK's top 40-50 centres are likely to remain commercially viable and attract sustainable footfall and expenditure. However, it is the more secondary locations remain vulnerable.
- 3.38 Demand for retail space also continues to be subdued due to the underlying economics. This negative sentiment radiates to property values and where currently, retail property assets are worth less than they were say five years ago. Performance data indicates that the retail sector, recorded a 3.9% year-on-year fall in rents in May 2019⁹ reflecting the structural challenges facing the high street. Correspondingly, and in some locations, it is difficult for owners to justify additional capital expenditure.

Figure 3.2: Average Rental Growth (% Change Year-on-Year)



Source: MSCI

Vacancy Levels

- 3.39 The impact of retail closures in town centres detailed above has led to an increase in national vacancy rates. Experian's figures show that the national average vacancy level (expressed as a proportion of total outlets) stands at 11.57¹⁰% (in 2006 it stood at 7% and in 2013 it was 16%).
- 3.40 Long-term vacancies and concentrations of vacant properties in centres can lead to a '*spiral of decline*', engender feelings of neglect and lack of confidence in town centres, and act as a magnet for crime and antisocial behaviour. On the other hand, redeveloping and bringing vacant and under-used sites and properties back into use can help stimulate vitality and economic viability, and kick-start local growth or repurposing agendas. In those cases where vacancies are long-term and units cannot be let, it will be necessary to consider alternative uses and options for redevelopment. This can include temporary uses that ensure town centres and frontages remain active, with the potential to accommodate business start-ups, pop-up's, art studios and galleries, community/youth centres, etc.
- 3.41 Another option is '*meanwhile uses/leases*', which can facilitate temporary occupation of empty buildings while a permanent solution is being found. Furthermore, local planning authorities can provide greater flexibility for changes of use in areas with high vacancy levels, particularly secondary frontages, through local plan policies, area action plans and other planning tools. As the role and function of town centres change, it is about how centres adapt and how local authorities position themselves in engaging with occupiers, landlords and investors and determine a longer yet future for their centres. In the context of the centres in the Black Country this provides the opportunity to 'recycle' retail space to reduce vacancy rates.

Independents and Markets

- 3.42 Multiples continue to be a powerful force within the retail sector, both as marketable brands, and in their ability to secure prime locations in town centres. However this does not underestimate or undervalue the important role of small independent shops and street markets, which help to improve consumer choice and convenience to the communities they serve, as well as generating significant benefits for town centre economies in terms of local employment and income generation.
- 3.43 In terms of street markets, the *Rhodes Survey (2005)*¹¹ first demonstrated the economic value of markets and the important contribution they make to town centre vitality and viability. This is underlined by the NPPF (paragraph 85(c)), which places weight on the

⁹ LSH research using MSCI data

¹⁰ Source: Experian Goad

need to 'retain and enhance existing markets and, where appropriate, re-introduce or create new ones'. The *Portas Review*¹² also identified markets as an important factor in the future of successful town centres. This review produced 28 recommendations for reforms and whilst the success (or otherwise) of the Portas Pilots and other interventions are still the subject of debate, recommendation 17 for a 'national market day' has been taken up by the retail market industry. In May 2012 the first 'Love Your Local Market Fortnight' (LYLM) was rolled out as an annual national celebration of all things positive about retail markets in the UK. The Ministry of Housing, Communities and Local Government (MHCLG) have also been very proactive in supporting the positive role of markets in the UK and town centre economies.

- 3.44 Street markets therefore continue to make a meaningful and important contribution to towns and cities across the UK. The successful markets we see today are those which have embraced change and adapted alongside the town in which they trade; as the demographics of a town change a successful market will reflect this change and continue to cater for and attract the town's residents creating a vibrant and successful market. This will in turn attract visitors from outside the area and increase the value of the market. Black Country outdoor markets e.g. Walsall, Wolverhampton, Dudley, Bilston therefore play an important role in footfall generation.
- 3.45 In summary, providing for the needs of modern retailers in larger format stores, principally through new retail-led developments, whilst maintaining the viability, representation and mix of independent businesses and market stalls is a difficult balancing act for local planning authorities. It will be a greater challenge going forward with the threat of internet shopping and a fragile economy in the post-Brexit age, but it is vitally important that the diversity of a centre's offer is not undermined by the new retail brands.

Impact of Out-of-Centre Retailing

- 3.46 Alongside the dramatic growth in online shopping and sales over the last decade, it is apparent that the appetite from investors and operators for new retail and leisure floorspace in out-of-centre locations has not diminished. There has been a significant shift of institutional retail investment away from town centres over the last 20 years. In 1993, the proportion of investment held out of town was less than a fifth of that in town centres; today the value of property owned out of town has overtaken that held in town centres.
- 3.47 Although town centre first planning policies and more restrictive conditions on what retail goods can and cannot be sold from some retail warehouses and parks has slowed down the growth of out-of-centre retailing to a degree, the sector continues to mature and move

¹¹ A Policy & Research Review of UK Retail and Wholesale Markets in the 21st Century - The Retail Markets Alliance (2009)

¹² The Portas Review: An independent review into the future of our high streets (2011)

away from 'bulky' goods¹³ retailing to the provision of larger stores selling fashion and homewares that compete directly with the high street. Examples include Next at Home (which now includes a significant proportion of fashion sales) and John Lewis at Home. Furthermore as evidenced by the M&S closures of high street premises the growth has been in more efficient larger format out-of-centre floorspace.

- 3.48 Continuation of this trend will further challenge the future vitality of many high streets as retailers choose edge and out of centre locations ahead of town centres. The impact of these changes will also affect centres differently depending on their function and the future growth in their catchment populations and expenditure. For many towns, the simple fact is that in the future they will require a smaller, more concentrated retail core repositioned for future consumer and retailer needs, and not focused on the past. This will further reinforce the polarisation trend already being witnessed. The impact is likely to be felt across all centres to a greater or lesser extent, manifested through high vacancy rates, falling rent levels, decreasing footfall, weakening multiple retail offer and, potentially, a worsening town centre environment.
- 3.49 Out-of-centre is also not immune from the challenges facing the retail sector. Vacant space in retail parks has increased with the closure of brands such as Toys R Us Poundworld, Office Outlet, etc. (see above). There is likely to be an increase in closures, particularly in the older poorly performing shopping locations, as leases come up for renewal. Additionally occupiers will seek shorter terms and greater incentives from landlords to continue trading in the face of increasing online competition and economic uncertainty. This will, in turn, force down rents and profits across more marginal, secondary shopping locations.

Convergence of Online / Physical Floorspace

- 3.50 An emerging trend is the convergence of online and physical space. Both 'Amazon' and 'eBay' are trying and trialling the use of physical space. The scale of these at present is small but it still illustrates that there is interest and an appetite for physical space from a surprising audience of 'pure-play' online retailers as part of wider multi-channel retail strategy.
- 3.51 Amazon recently announced its plans for 10 "*Clicks and Mortar*" stores in the UK. The aim being to showcase the range of products available on Amazon Marketplace. The first pop-up shop opened at St. Mary's Gate in Manchester in June 2019. Further stores are anticipated to open in Wales, Scotland, the Midlands, Yorkshire and across the South East in coming months. In July 2019, Amazon announced the opening of its second UK store at

¹³ 'Bulky' goods retailing is generally defined as comprising DIY goods, furniture and floor coverings, major household appliances and audio-visual equipment.

St David's Shopping Centre in Cardiff. It will offer more than 30 local and national ecommerce businesses the opportunity to explore customer-facing trade for the first time. The aim of these stores to provide small businesses with the space, technology and support to experience physical retail whilst correspondingly allowing customers to discover new brands on their local high streets.

- 3.52 Potentially there is a growing quantum of retail spaces that is becoming vacant due to retailers downsizing their portfolios (e.g. Marks & Spencer), launching CVAs (Debenhams) or entering into administration (Maplin / Toys-R-Us). Many retailers will become increasingly reluctant to occupy these bigger locations, so pop-up stores with a variety of small or medium businesses may become a more popular and viable method to fill this empty space on a short-term basis, and potentially unique products that will attract shoppers.
- 3.53 For example, eBay opened its first concept store in Wolverhampton in April 2019 on a temporary 'pop up' basis. Designed with the theme of 'Home Grown' in Wolverhampton it aimed to provide a physical space to home grown businesses in the community. The space aimed to celebrate eBay's work to help Wolverhampton's businesses evolve for the 21st Century and to better understand the interaction between physical and online retail and explore the role physical stores can play alongside online sales.

Figure 3.3: 'Home Grown by Wolverhampton' – Physical eBay Store



Source: ©: Lambert Smith Hampton (May 2019)

- 3.54 eBay's partnership with City of Wolverhampton was on the back of research that showed that small scale retailers across the UK do not have an online presence aimed at generating sales through a defined website, social media channel or presence on an online marketplace.
- 3.55 Amazon and eBay are not the only entities trialling physical space; others include Boohoo (fashion retailer), Sonos (speaker systems), Birchbox (cosmetics). At present these represent trials. Whilst the long term implications remain unclear what is certain is that they

are unlikely to take up the same level of space as conventional retailers in the past. The space they do take will form part of a wider set of channels through which sales are generated.

Impact of New Technology and Town Centres

3.56 There are also technological changes impacting on the way the nation's households live, shop, work and play. The growth of online retail sales has been mentioned previously. Online and app-based retail has driven a change in consumer behaviour as shopping at any time and from anywhere is possible. The provision of 5G, smart cities, artificial intelligence and driverless cars are all going to impact on the future of town centres and the way we shop and interact with businesses and people. Digital technology will continue to redefine the interactions among between consumers, commercial businesses, public services and others. The question is how will digital technology help to shape and deliver positive change and growth for the UK's town centres and high streets. At this stage we can only speculate about outcomes, but examples exist of how technology is currently being used to generate more footfall including:

- In Bristol the '*Gromit Unleashed*' sculpture trails. These were first established in 2013 followed up in 2018. They positioned 80 artist-designed 'Gromit' sculptures across the city. Visitors were then invited to go on a smartphone-guided sculpture hunt, allowing them to find and record the various 'Gromits' dotted throughout Bristol. An understanding of place together with public interest provided the necessary first step in getting people interested. Similarly 'Wolves in Wolves' was a public art exhibition in 2017 consisting of 30 two-metre-high wolf sculptures individually decorated by local and international artists, with sponsorship funding provided by public and private sector organisations, that were located throughout Wolverhampton forming a 4.5 mile 'Wolf Trail'.
- Dorchester's free public Wi-Fi was funded¹⁴ on the back of research that showed that consumers stay longer in a town centre if there is free Wi-Fi available. It has enabled retailers to connect with their customers through social media and mobile technology with the aim of encouraging more footfall.

Increased Public Sector Investment

3.57 Due to the underlying crises in the retail sector mainstream financial investors have increasingly exited the sector citing rising vacancy rates, the rise of online shopping and increased costs from business rates, wages and the fall in the value of the pound.

¹⁴ Funded by Dorchester BID, Dorset County Council, West Dorset District Council, Dorchester Town Council and Brewery Square (leisure scheme)

Notwithstanding this trend, low-cost funding available from the Public Works Loan Board ('PWLB') and other funding options has allowed councils to purchase different property assets for both income-generation and re-generation purposes.

- 3.58 Joint research between LSH and Revo entitled '*Fixing Our Broken Town Centres*' has identified that Councils have spent a record £775m buying shopping centres over the past three years, and are expected to outlay a further circa £200m in 2020. The investment and business rationale for the purchase of shopping centres by Council's in their local areas has provided more control of the planning, regeneration and management of their town centres. Recent examples include the purchase of the 28,000 sq.m (302,377 sq.ft) Houndshill Shopping Centre for £47.6m by Blackpool Council in November 2019 after it was placed into receivership. The Council acquired the centre at less than half of the £105m price paid by the previous owner in 2015. The Council is currently considering a restaurant and cinema focused extension to help boost the night-time economy. The authority also owns some of the Blackpool's tourist attractions including Blackpool Tower and the Winter Gardens as well as Blackpool Airport. Blackpool Airport is being repackaged as an office and employment hub and commercial rent/rates revenue earner for Blackpool Council. This distinguishes it from the Tower and Winter Gardens, which are leisure/experience assets.

Grimsey Review

- 3.59 Bill Grimsey's second report, '*The Vanishing High Street*' (2018), proposed changes to high streets to stave off the threat of online shopping and spark resurgence. An overarching theme of the report was to reduce the high street's reliance on retail and repurposing them as public spaces focused on their respective communities. A key proposal was to entirely do away with business rates and instead implement a two per cent sales tax on all transactions both on the high street and online.
- 3.60 The report promotes putting more power in the hands of local councils to decide what is best for their respective locations. It urges a focus on alternatives to retail, like entertainment, education and arts spaces, in order to make high streets relevant and viable once again.

The High Street Task Force

- 3.61 The Ministry of Housing, Communities and Local Government (MHCLG) in late 2018 produced '*The High Street Report*' led by Sir John Timpson. This report suggested that the Government should learn from successful places by assisting local personnel and empowering them with a viable vision to put their own plan into action to facilitate real change, also termed as '*Upside Down Government*' to make town centres successful. The

interim recommendations were accepted by the government and led to the establishment of the £675m *'Future High Streets Fund'*.

- 3.62 The High Streets Task Force supporting local leaders to revitalise high streets and town centres was launched in July 2019. It comprises experts providing tailored guidance and advice to local authorities seeking breathe new life into their local high streets and town centres as they battle against changing consumer habits.
- 3.63 The Task Force, through the provision of expertise, knowledge and training, helps to reinvent town centres as community hubs, while supporting local authorities applying to the government's £675 million Future High Streets Fund. This is a key part of the government's Plan for the High Street, which identifies the need for hands-on support to help local authorities plan for future town centres.
- 3.64 By way of example, Brierley Hill has been shortlisted for the Government's Future High Street Fund following a £16m bid submission by Dudley Council. In addition to the Future High Street Fund the Government launched the High Streets Heritage Action Zone in May 2019¹⁵. Dudley Council secured £2m funding from the Heritage Action Zone to revive Brierley Hill's historic high street

Black Country Area Economic Context

- 3.65 The above national analysis of trends is also relevant in consideration of the planning, funding and delivery of new retail and leisure development and regeneration across the BCLA.
- 3.66 Starting with the West Midlands regions as a whole, according to Experian¹⁶ in 2018 the region registered a sharp slowdown in GVA with higher levels of unemployment when compared to the UK average. The 2019 outlook is for growth in the West Midlands to recover while the unemployment level remains unchanged. The Brexit uncertainty and associated downside risks surpass potential positives in the form of major infrastructure developments such HS2, around Paradise Circus (Birmingham), Birmingham hosting the 2022 Commonwealth Games and Coventry the UK's City of Culture in 2021. Locally, the Midland Metro extension previously mentioned provides the opportunity for the economic regeneration. It will attract investment and regeneration to Brierley Hill and Dudley town centre. It will also link to HS2 supporting economic growth by linking jobs and people
- 3.67 The West Midlands exposure to the professional and other private services sector accounts for roughly a quarter of regional output and an underlying factor in driving healthy GVA growth since the last recession. The manufacturing sector continues to play a crucial

¹⁵<https://historicengland.org.uk/services-skills/heritage-action-zones/regenerating-historic-high-streets/>

role in the regional economy, although its share has lessened over the past decade. Within manufacturing, there are some key sectors such as automotive which has been pivotal in driving growth since 2010 but is now facing challenging conditions and the outlook is highly contentious predicated on the eventual deal on Brexit.

Table 3.4: Average Annual Growth Forecasts

	West Midlands					
Average Annual Growth (%)	2016	2017	2018	2019	2020-22	2019-39
Gross Valued Added	2.3	2.4	0.7	1.1	1.3	1.4
Full Time Equivalent Employment	1.7	1.5	1.2	0.6	0.2	0.2
Unemployment Rate	5.7	5.5	4.9	3	3.1	5.1
	UK					
Average Annual Growth (%)	2016	2017	2018	2019	2020-22	2019-39
Gross Valued Added	1.9	2.1	1.4	1.5	1.6	1.6
Full Time Equivalent Employment	1.4	1.1	0.8	0.7	0.3	0.3
Unemployment Rate	4.9	4.4	4.1	3.9	4	n/a

Source: Experian West Midlands Economic Outlook (2019)

3.68 In relation to the Black Country, it is recognised as being unique in having a unified, endorsed Core Strategy that feeds into Local Enterprise Partnership (LEP) and the associated SEP. It is also the single largest (area and population) shared, statutory development plan in England. The adoption of The Black Country Core Strategy in 2011 sought to achieve growth and economic transformation, jobs, homes and an improved transport network – based on focusing jobs growth on a network of four Strategic Centres (Brierley Hill, West Bromwich, Walsall and Wolverhampton) linked together by high quality public transport; employment land led regeneration corridors for manufacturing and logistics served by road and rail connections to the national network; and regeneration corridors for new high quality residential environments served by public transport, replacing non-viable industrial areas.

3.69 Insight into the underlying economic profile of the area is provided in the 'The Black Country Annual Economic Review' (2019) which provides the following performance management metrics of the area by 2033:

- **Gross Valued Added (GVA)**¹⁷: The area has a GVA of £21.7 billion. This represents an increase of £885m compared to 2016. The Black Country accounts for 16.3% of the West Midlands region's GVA and 1.4% of national GVA.
- **Population growth**: +13,902 (current population estimated at 1.19m).

¹⁶ Experian West Midlands Economic Outlook (2019)

¹⁷ Gross Value Added (GVA) is mainly composed of the income made by employees (earnings) and the business (profits/surplus) as a result of production.

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- **Raising the number of local jobs:** +116,280 (currently estimated at 463,000).
 - **Increase the total employment rate:** +75.1% (currently: +68.3%).
 - **Increase the number of visitors to the area:** from 19.7m currently to 'a leading UK destination'.
 - **Increase net new homes:** +27,990 net new homes (currently 492,890 homes).
 - **High quality employment land:** to create / transform +834ha of employment land to high quality (currently 737ha).
 - **Additional office floorspace in strategic centres:** +814,667 sq.m (42,085 sq.m developed since 2006).
 - **Additional retail floorspace in strategic centres:** +313,228 sq.m (384,000 sq.m estimated in 2006).

3.70 The highest number of jobs in 2017 for the Black Country was in the retail sector (86,000) followed by the business services sector (78,500). The public sector including education employs approximately 74,300 people, while the health sector employs approximately 67,800 people. The advanced manufacturing sector was made up of 57,400 employees in 2017.

3.71 The Black Country has a higher than national average proportion of employment in many sectors including advanced manufacturing (12% vs 9%), transport technologies (8% vs 6%), health (15% vs 14%) and retail (19% vs 15%). The sector action plans being developed as part of the West Midlands Local Industrial Strategy will further understanding of the opportunities for growth in these sectors.

3.72 Furthermore it is estimated that visitors to the Black Country helped generate over £825 million in revenue for the local economy¹⁸. By way of example, according to Dudley Council the Black Country Living Museum, Dudley Castle and Zoo and the Dudley Canal and Tunnel Trust generate 700,000 visitors per annum with aspirations to increase to 1m by 2023. Additionally, the Black Country Living Museum – “Forging Ahead”¹⁹ project costing £23.7m seeks to increase the number of people visiting the attraction to 501,100, operating profitably to £6.7m by 2032, up from £0.5m currently.

3.73 The above sets the scene in terms of the current economic profile of the Black Country area. It profiles a sub-region with an anticipated growth in population and employment.

3.74 Supporting the drivers of transformational growth include, amongst others, retail, sports and the visitor economy. These are sectors that are of relevance to this study. In terms of future retail floorspace aspirations it is the case that these aspirations are indeed based on

¹⁸ <https://www.the-blackcountry.com/news/black-country-tourism-generates-825-million>

¹⁹ The Black Country Annual Economic Review (2019)

previous evidence base, but as this sector evolves the BCLA will need to be mindful of the structural changes and challenges posed by this sector in terms of floorspace, formats and associated employment. This study provides an update assessment of the floorspace forecasts including the changes in market share by type of goods. In retaining and attracting expenditure, it is important that there is a proactive approach adopted by the BCLA through a range of channels such as visitors / tourism, leisure and growth in employment across specific sectors. The strategic centres in the Black Country area will continue to provide a focus for retail, leisure and employment over the longer term.

Summary

- 3.75 This section has illustrated that existing floorspace in town centres face a myriad of challenges. These will continue to grow over the short, medium and long term. This notwithstanding, for the centres within the BCLA area to perform strongly they will need to embrace the new dynamics and build in resilience to adapt seamlessly to future changes where necessary and where perhaps public sector intervention will become increasingly important. Aside from their planning function, it is clear that local authorities will have to take a more proactive role in maintaining and enhancing the vitality and viability of town centres as landlords, developers, investors and managers.
- 3.76 Traditional high street retailers will continue to face significant competition from online and out-of-centre shopping over the medium to long term. It is clear that our town centres and high streets are under pressure to simply retain retail businesses, let alone attract new investment and development. Tackling business rates and occupancy costs to create a more 'level playing field' with online and out-of-centre shopping will therefore be a key challenge at the national, regional and local level.
- 3.77 Against this backdrop, within the BCLA there will be a need to build in resilience and, where possible, "*future-proof*" its centres to the changes in shopping habits, which is likely to result in a move away from high streets as solely retail-led locations to those which offer a wider range of retail, leisure, cultural, heritage, tourist and other amenities/attractions, alongside new employment, residential as well as educational uses²⁰ on the edge of and/or 'on top of' centres to help boost their 'captive' catchment resident and working populations in the most sustainable and commercially effective way. This, in turn, will increase the attraction of centres, encourage more frequent trips and spend, and help to strengthen the

²⁰ By way of example, according to Dudley Council, Dudley College has 3,000 Full Time students. The proposed Black Country and Marches Institute of Technology will attract up to 2,000 students and Resonance Music Institute 800 students by 2022. The contribution these further education establishments currently play and will play in the vitality of centres through increased footfall and expenditure represents a move away from solely retail-led locations for centres.

overall vitality and viability of town centres as high quality places where people choose to live, work, shop, play and use for a wide range of activities.

4. Catchment Area Definition and Shopping Patterns

- 4.1 This section first defines the Study Area that has been adopted for the basis of the quantitative needs assessments set out in **Section 9**. It describes the household telephone interview survey (**HTIS**) methodology and summarises the key headline findings of the market share analysis for convenience and comparison goods. The Study Area is broadly consistent with that adopted in the BCLA 2009 Study to allow like-of-like analysis of strategic shopping and leisure patterns across the BCLA over the last ten years.
- 4.2 The commissioning of original market research enables in-depth analysis of shopping and leisure patterns to be considered at both local and strategic level. This allows the trade draw evaluation of the BCLA centres to be ascertained. The timing of the new research also allows the authorities to record any strategic changes in shopping leisure patterns that may have occurred over the last ten years. These changes may be as a result of new development that has been delivered in, or outside, the Black Country through town centre regeneration projects or through other edge or out of centre schemes. Alternatively, changes may have occurred due to structural changes (technology, travel and pastime) that have been affecting the wider retail and leisure sector over the last decade. Therefore the like for like approach will the Study to capture and record any structural changes that may have occurred over the last 10 years.
- 4.3 The use of this specifically commissioned survey research is fundamental in providing a robust and transparent method to identify the likely capacity for future retail and leisure floorspace across the Study Area and importantly the Authorities network of strategic, town, district and local centres.

Study Area and Zones

- 4.4 The definition of an appropriate Study Area (or catchment) is an important starting point for any retail and town centre assessment. The Study Area has been defined using postcode sectors which cover the four LPA areas in full as well as extending into neighbouring authorities such as Bromsgrove, South Staffordshire, Shropshire, Cannock, Stafford, Lichfield, Telford & Wrekin, Wyre Forest and Birmingham as follows:

Table 4.1: Black Country Centres Study 2019: Study Area Postcode Zones

Zone	Postcode Sector
Zone 1	B 16 0 B 16 8 B 16 9 B 17 0 B 17 8 B 17 9 B 18 4 B 18 5 B 18 6 B 18 7
Zone 2	B 20 1 B 20 2 B 20 3 B 21 0 B 21 8 B 21 9 B 42 1 B 42 2 B 44 0 B 44 8 B 44 9
Zone 3	B 29 4 B 29 5 B 29 6 B 29 7 B 30 1 B 30 2 B 30 3
Zone 4	B 31 1 B 31 2 B 31 3 B 31 4 B 31 5 B 45 0 B 45 8 B 45 9
Zone 5	B 32 1 B 32 2 B 32 3 B 32 4
Zone 6	B 38 0 B 38 8 B 38 9 B 47 5 B 47 6 B 48 7
Zone 7	B 43 5 B 43 6 B 43 7
Zone 8	B 60 1 B 60 2 B 60 3 B 60 4 B 61 0 B 61 7 B 61 8 B 61 9
Zone 9	B 62 0 B 62 8 B 62 9
Zone 10	B 63 1 B 63 2 B 63 3 B 63 4
Zone 11	B 64 5 B 64 6 B 64 7
Zone 12	B 65 0 B 65 8 B 65 9
Zone 13	B 66 1 B 66 2 B 66 3 B 66 4
Zone 14	B 67 5 B 67 6 B 67 7 B 68 0 B 68 8 B 68 9
Zone 15	B 69 1 B 69 2 B 69 3 B 69 4
Zone 16	B 70 0 B 70 6 B 70 7 B 70 8 B 70 9
Zone 17	B 71 1 B 71 2 B 71 3 B 71 4
Zone 18	B 73 5 B 73 6 B 74 2 B 74 3 B 74 4
Zone 19	DY 1 1 DY 1 2 DY 1 3 DY 1 4
Zone 20	DY10 1 DY10 2 DY10 3 DY10 4 DY11 5 DY11 6 DY11 7
Zone 21	DY 2 0 DY 2 7 DY 2 8 DY 2 9
Zone 22	DY 3 1 DY 3 2 DY 3 3 DY 3 4
Zone 23	DY 4 0 DY 4 7 DY 4 8 DY 4 9
Zone 24	DY 5 1 DY 5 2 DY 5 3 DY 5 4
Zone 25	DY 6 0 DY 6 7 DY 6 8 DY 6 9
Zone 26	DY 7 5 DY 7 6
Zone 27	DY 8 1 DY 8 2 DY 8 3 DY 8 4 DY 8 5
Zone 28	DY 9 0 DY 9 7 DY 9 8 DY 9 9
Zone 29	ST19 5 ST19 9
Zone 30	WS 1 1 WS 1 2 WS 1 3 WS 1 4
Zone 31	WS 2 0 WS 2 7 WS 2 8 WS 2 9
Zone 32	WS10 0 WS10 7 WS10 8 WS10 9
Zone 33	WS11 0 WS11 1 WS11 4 WS11 5 WS11 6 WS11 7 WS11 8 WS11 9 WS12 0 WS12 1 WS12 2 WS12 3 WS12 4
Zone 34	WS13 6 WS13 7 WS13 8 WS14 0 WS14 9
Zone 35	WS 3 1 WS 3 2 WS 3 3 WS 3 4 WS 3 5
Zone 36	WS 4 1 WS 4 2
Zone 37	WS 5 3 WS 5 4
Zone 38	WS 6 6 WS 6 7
Zone 39	WS 7 0 WS 7 1 WS 7 2 WS 7 3 WS 7 4 WS 7 9
Zone 40	WS 8 6 WS 8 7
Zone 41	WS 9 0 WS 9 8 WS 9 9
Zone 42	WV 1 1 WV 1 2 WV 1 3 WV 1 4
Zone 43	WV10 0 WV10 6 WV10 7 WV10 8 WV10 9
Zone 44	WV11 1 WV11 2 WV11 3
Zone 45	WV12 4 WV12 5
Zone 46	WV13 1 WV13 2 WV13 3
Zone 47	WV14 0 WV14 6 WV14 7 WV14 8 WV14 9
Zone 48	TF11 8 TF11 9
Zone 49	WV 2 1 WV 2 2 WV 2 3 WV 2 4
Zone 50	WV 3 0 WV 3 7 WV 3 8 WV 3 9 WV 6 0 WV 6 8 WV 6 9
Zone 51	WV 4 4 WV 4 5 WV 4 6
Zone 52	WV 5 0 WV 5 7 WV 5 8 WV 5 9
Zone 53	WV 6 7 WV15 5
Zone 54	WV 7 3 WV 8 1 WV 8 2 WV 9 5
Zone 55	DY12 1 DY12 3 DY14 0 DY14 8 WV16 6 WV15 6 WV16 5

4.5 These zones provide the sampling framework for the HTIS. This zone-by-zone approach also enables more detailed analysis of shopping patterns, market shares and expenditure

Table 4.2: Black Country Centres Study 2019: Experian Based Population Projections

ZONE:	2019	2024	2029	2034	2038	2019-2029	2029-2038	2019-2038
Zone 1	74,963	78,416	81,293	83,937	86,163	8.4%	6.0%	14.9%
Zone 2	134,340	139,039	143,617	147,896	151,349	6.9%	5.4%	12.7%
Zone 3	76,305	78,505	81,204	83,316	84,782	6.4%	4.4%	11.1%
Zone 4	92,302	95,139	97,910	100,529	102,539	6.1%	4.7%	11.1%
Zone 5	41,050	42,319	43,566	44,693	45,667	6.1%	4.8%	11.2%
Zone 6	38,326	39,375	40,566	41,540	42,302	5.8%	4.3%	10.4%
Zone 7	30,464	31,204	31,932	32,547	33,041	4.8%	3.5%	8.5%
Zone 8	55,264	57,020	58,716	60,443	61,773	6.2%	5.2%	11.8%
Zone 9	24,903	25,208	25,447	25,675	25,907	2.2%	1.8%	4.0%
Zone 10	37,741	38,153	38,547	38,898	39,321	2.1%	2.0%	4.2%
Zone 11	17,940	18,522	19,054	19,537	19,919	6.2%	4.5%	11.0%
Zone 12	24,987	25,752	26,542	27,258	27,863	6.2%	5.0%	11.5%
Zone 13	24,909	26,201	27,511	28,819	29,934	10.4%	8.8%	20.2%
Zone 14	64,497	66,691	68,551	70,505	72,060	6.3%	5.1%	11.7%
Zone 15	31,297	32,675	33,965	35,161	36,153	8.5%	6.4%	15.5%
Zone 16	31,696	33,028	34,308	35,535	36,479	8.2%	6.3%	15.1%
Zone 17	32,812	34,091	35,182	36,152	36,908	7.2%	4.9%	12.5%
Zone 18	57,596	58,714	59,859	60,953	61,690	3.9%	3.1%	7.1%
Zone 19	34,575	35,256	36,021	36,876	37,635	4.2%	4.5%	8.8%
Zone 20	70,130	71,286	72,269	73,160	73,862	3.1%	2.2%	5.3%
Zone 21	36,325	37,129	37,843	38,737	39,473	4.2%	4.3%	8.7%
Zone 22	35,743	36,242	36,686	36,942	37,139	2.6%	1.2%	3.9%
Zone 23	46,972	48,930	50,753	52,615	54,157	8.0%	6.7%	15.3%
Zone 24	44,696	45,547	46,395	47,412	48,226	3.8%	3.9%	7.9%
Zone 25	29,312	29,672	29,967	30,115	30,217	2.2%	0.8%	3.1%
Zone 26	8,391	8,473	8,532	8,583	8,592	1.7%	0.7%	2.4%
Zone 27	52,215	52,815	53,389	53,838	54,139	2.2%	1.4%	3.7%
Zone 28	31,629	32,243	32,764	33,223	33,602	3.6%	2.6%	6.2%
Zone 29	15,615	15,879	16,103	16,250	16,329	3.1%	1.4%	4.6%
Zone 30	28,204	29,366	30,576	31,850	32,926	8.4%	7.7%	16.7%
Zone 31	42,212	43,878	45,362	46,950	48,326	7.5%	6.5%	14.5%
Zone 32	50,248	52,289	54,197	56,054	57,608	7.9%	6.3%	14.6%
Zone 33	81,936	83,274	84,419	85,519	86,363	3.0%	2.3%	5.4%
Zone 34	46,387	47,308	48,117	48,843	49,423	3.7%	2.7%	6.5%
Zone 35	53,902	55,323	56,606	57,742	58,681	5.0%	3.7%	8.9%
Zone 36	18,016	18,448	18,788	19,095	19,343	4.3%	3.0%	7.4%
Zone 37	22,160	22,840	23,440	23,984	24,381	5.8%	4.0%	10.0%
Zone 38	18,953	19,259	19,568	19,901	20,140	3.2%	2.9%	6.3%
Zone 39	30,899	31,567	32,114	32,586	33,020	3.9%	2.8%	6.9%
Zone 40	16,849	17,212	17,600	17,913	18,155	4.5%	3.2%	7.8%
Zone 41	27,573	27,990	28,388	28,762	29,043	3.0%	2.3%	5.3%
Zone 42	17,569	18,161	18,795	19,441	19,940	7.0%	6.1%	13.5%
Zone 43	62,665	64,560	66,472	68,338	69,968	6.1%	5.3%	11.7%
Zone 44	36,714	37,436	38,160	38,845	39,331	3.9%	3.1%	7.1%
Zone 45	26,653	27,402	28,122	28,688	29,215	5.5%	3.9%	9.6%
Zone 46	22,636	23,429	24,145	24,843	25,423	6.7%	5.3%	12.3%
Zone 47	50,231	51,431	52,632	53,757	54,727	4.8%	4.0%	9.0%
Zone 48	10,910	11,153	11,352	11,496	11,580	4.1%	2.0%	6.1%
Zone 49	18,044	18,684	19,313	19,968	20,477	7.0%	6.0%	13.5%
Zone 50	64,204	65,679	67,215	68,605	69,619	4.7%	3.6%	8.4%
Zone 51	35,524	36,490	37,192	37,885	38,521	4.7%	3.6%	8.4%
Zone 52	16,357	16,555	16,777	16,973	17,103	2.6%	1.9%	4.6%
Zone 53	18,219	18,656	19,060	19,401	19,717	4.6%	3.4%	8.2%
Zone 54	30,805	31,375	31,919	32,340	32,652	3.6%	2.3%	6.0%
Zone 55	27,997	28,635	29,063	29,334	29,530	3.8%	1.6%	5.5%
Study Area	2,172,862	2,231,924	2,287,884	2,340,258	2,382,434	5.3%	4.1%	9.6%

4.9 For the purposes of the market share analysis, and as the postcode sectors do not necessarily align to the BCLA boundaries, the following zones are defined as being broadly representative of the individual LPA area:

Table 4.3: Black Country Centres Study 2019: Representative Core Zones by Authority

LPA	Zones									
Wolverhampton	42	43	44	47	49	50	51			
Dudley	9	10	19	21	22	24	25	27	28	
Sandwell	7	11	12	13	14	15	16	17	23	32
Walsall	30	31	35	36	37	40	41	45	46	

Household Telephone Interview Survey & Market Share Analysis

- 4.10 NEMS Market Research was commissioned to carry out a HTIS across the defined Study Area and zones between June and July 2019. The questionnaire was designed by LSH in collaboration with the four BCLA and South Staffordshire District Council. In total, some 5,500 interviews were conducted across the 55 zones. Additionally some 550 online interviews were also conducted (based on the same questionnaire as the HTIS). The respondents were from a pre-selected panel of people willing to take part in surveys. All respondents resided from within one of the 55 zones that were used to define the survey area. The rationale for supplementing the telephone interviews with online interviews was to ensure the sample profile reflected the population profile of the person responsible, or jointly responsible, for food and non-food shopping in the household.
- 4.11 A number of measures were put in place by NEMS to ensure each sample was representative of the socio-economic profile of the person responsible for shopping in the household. Responses across the Study Area were also weighted by the population in each zone to ensure that the results of respondents in more sparsely or heavily population areas were not under or over represented in terms of the market share assessment. In addition, these results were further filtered to remove 'null' responses (including "don't know" responses). This is a standard approach that helps to ensure the survey results provide a robust and realistic picture of shopping and leisure patterns. The full 'weighted' survey results are set out in **Volume 4, Appendix 1**, along with the survey methodology and questionnaire.
- 4.12 The survey results help to identify broad patterns and preferences for different types of retail (convenience and comparison goods) shopping purchases and online shopping, as well as leisure use across the Study Area.

-
- 4.13 The key findings are used to inform the baseline market share analysis and the centre/store turnover estimates that underpin both the quantitative and qualitative needs ('gap') assessment²².
- 4.14 The 55 survey zones provide a sufficient sampling framework for the 2019 update. This zone by zone approach enables a more detailed analysis of shopping and leisure patterns and expenditure flows both within and outside the Study Area to be explored and analysed. This aids with the understanding of whether strategic shopping patterns across the Study Area have materially changed since 2009 whilst also identifying whether the wider structural changes to this dynamic sector has changed customer behaviour.

Convenience Goods – Market Share Analysis

- 4.15 Convenience goods retailing is generally defined as comprising everyday essential items (including food, drinks, newspapers/magazines and confectionery), as well as an element of non-durable housing goods (such as washing up liquid, kitchen roll, bin bags, etc.).
- 4.16 The survey-derived market share (%) analysis for all convenience goods shopping is set out in Table 1 of **Appendix 3 (Volume 3)**. It should be noted that for this stage of the analysis the market shares for both convenience and comparison goods retailing **include** expenditure on SFT (which comprises internet sales, mail order shopping, etc.), but exclude 'null' responses (such as 'don't knows', etc.) in accordance with good retail planning practice.
- 4.17 The overall market shares in Table 1 of **Appendix 3 (Volume 3)**, have been derived from the analysis of the responses as to where people normally shop for their main ('bulk') and 'top up' grocery purchases. The market shares for these different types of food shopping are set out in detail in Tables 2 and 4 of **Appendix 3 (Volume 3)**.
- 4.18 In order to avoid the market share analysis of food shopping patterns being 'skewed' by larger superstores and foodstores in the Study Area, the survey also asked respondents where else they normally shop (if anywhere) for their 'main' and 'top up' purchases in addition to the first store identified. The market shares for this 'other' shopping are set out in Table 3 ('other' main food shopping) and Table 5 ('other' top up food purchases) of **Appendix 3 (Volume 3)**.
- 4.19 The responses for 'primary' and 'secondary' food shopping purchase have then been merged through the application of a weighting based on judgements as to the proportion of

²² For the capacity assessment it is common practice in retail assessments to deduct special forms of trading (i.e. purchases over the internet, mail order shopping and market stalls) from average expenditure per capita figures at the outset according to national forecasts derived from Experian Business Strategies. Internet shopping and special forms of trading have therefore been filtered out from the survey results before undertaking the market share assessment.

household expenditure normally accounted for by each type of convenience goods shopping. In this case we have applied an assumed weighting of 60% for main 'bulk' shopping; 15% for secondary main 'bulk' shopping; 15% for primary 'top-up' shopping; and 10% for secondary 'top-up' shopping.

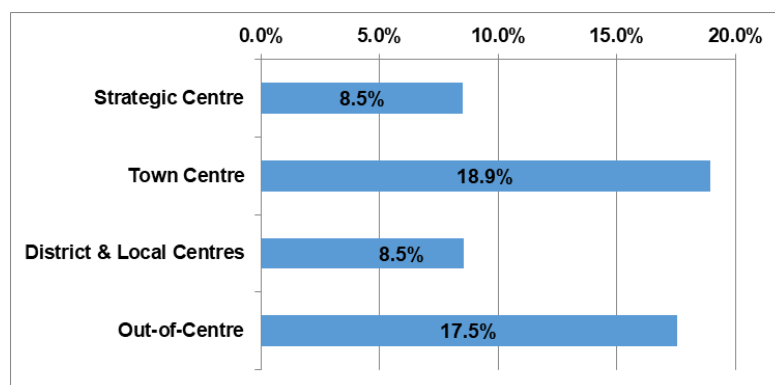
- 4.20 The key findings of the market share analysis are briefly described below.
- 4.21 In terms of the market share of SFT and principally internet shopping, Table 1 (**Appendix 3 (Volume 3)**), shows that the share of all food shopping across the Study Area (i.e. Zones 1-55) is **6%**. SFT's share varies across the Study Area from a low of 0.9% in Zone 49 to a high of 16.5% in Zone 35.
- 4.22 As detailed previously, Experian's latest (RPBN16) (December 2018) shows that the 2019 unadjusted national average market share for non-store (SFT) convenience goods retail sales is **13.4%**. This is higher than the market share of 6% for the wider Study Area. A number of factors may influence this lower than average market share; such as, for example, good access to foodstores at the local level and the extent/quality of the existing internet infrastructure (such as, for example, the logistics for delivery). This highlights the potential for SFT market penetration to increase in the future as online grocery shopping becomes more popular and convenient. If this was to occur, then it would potentially reduce the expenditure available to support the need ('capacity') for new ('physical') retail floorspace over the forecast period to 2038.
- 4.23 Turning to the market share analysis for the main centres and stores in the BCLA area, Table 1 **Appendix 3 (Volume 3)**), shows that they are achieving an overall convenience goods market share ('retention level') of **53.5%** from within the Study Area (Zones 1-55).

Table 4.4: Black Country Centres Study 2019: Convenience Goods Market Shares (incl SFT)

LOCAL PLANNING AUTHORITY	CENTRE TYPE	2019 Market Shares (Incl SFT) (%)	
Wolverhampton	Strategic Centre	Wolverhampton	3.0%
	Town Centre	Bilston	1.6%
		Wednesfield	0.1%
	District & Local Centres		2.7%
	Out-of-Centre		5.0%
	subtotal	12.5%	
Dudley	Strategic Centre	Brierley Hill- Traditional High Street	0.7%
		Brierley Hill- Merry Hill	0.8%
	Town Centre	Dudley	0.6%
		Stourbridge	2.1%
		Halesowen	1.2%
	District & Local Centres		3.1%
Out-of-Centre		6.1%	
	subtotal	14.7%	
Sandwell	Strategic Centre	West Bromwich	1.8%
	Town Centre	Blackheath	1.1%
		Cradley Heath	1.2%
		Great Bridge	1.8%
		Oldbury	1.1%
		Wednesbury	0.7%
		Cape Hill	1.2%
		Bearwood	0.7%
	District & Local Centres		1.9%
Out-of-Centre		4.0%	
	subtotal	15.6%	
Walsall	Strategic Centre	Walsall	2.1%
	Town Centre	Bloxwich	0.9%
		Brownhills	1.3%
		Aldridge	1.2%
		Willenhall	1.3%
		Darlaston	0.9%
District & Local Centres		0.7%	
Out-of-Centre		2.3%	
	subtotal	10.7%	
BCLA AREA		53.5%	

4.24 **Table 4.4** can also be summarised by location category below. This shows the dominance of the town centre and out-of-centre category for convenience goods.

Figure 4.2: Convenience Goods: BCLA 2019 Market Shares (%) by Location Category



LPA: Wolverhampton

4.25 As **Table 4.4** shows, Wolverhampton’s centres are achieving an overall market share of **12.5%** from the Study Area. The strategic centre of Wolverhampton has a market share of 3.0%. The out-of-centre category represents the largest component of market share at 5% from the Study Area.

4.26 Focussing on the broad representative zones (i.e. Zones 42, 43, 44, 47, 49, 50, 51) the analysis shows market share retention of **75.2%** (Table 1, **Appendix 3 (Volume 3)**). This comprises: 20.1% retention for Wolverhampton Strategic Centre, 11.0% for the Town Centres; 17.9% for the District & Local Centres and the Out-of-Centre location category having a sizeable 26.1%. Outflow to Dudley LPA area is 3.91%; Sandwell 3.4%; Walsall 5.2%. Other outflow to centres outside the BCLA Area 7.4% and SFT at 5%.

LPA: Dudley

4.27 **Table 4.4** shows that overall the centres in Dudley are achieving market share retention of **14.7%** from across the Study Area (Zones 1 -55). Of this, the strategic centre of Brierley Hill attains a total market share of 1.6% compared with a significant 6.1% to Out-of-Centre locations. The town centres of Dudley (0.6%), Stourbridge (2.1%) and Halesowen (1.2%) collectively achieve a market share of 3.9%.

4.28 Focussing specifically on the broad representative zones for the LPA area (i.e. Zones 9, 10, 19, 21, 22, 24, 25, 27, 28), the analysis shows a market share retention of **76.5%** (Table 1, **Appendix 3 (Volume 3)**). This comprises: 9% retention for Brierley Hill Strategic Centre (Traditional High Street and Merry Hill), 21.7% for the Town Centres (Stourbridge, 12.5%; Halesowen 6%; Dudley 3.2%); 16.3% for the District & Local Centres and the Out-of-Centre location category having a sizeable 29.6%. Outflow to Wolverhampton LPA area

is 2.8%; Sandwell 11.8%; Walsall 0.2%. Outflow to other centres outside the BCLA Area 5.1% and SFT at 3.6%.

LPA: Sandwell

- 4.29 As **Table 4.4** shows, from the Study Area the centres in Sandwell are achieving the highest market share of retention in the BCLA area of **15.6%**. The strategic centre of West Bromwich has trade retention level of 1.8%. The town centres contribute to the higher level of retention through a combined market share of 7.8%.
- 4.30 Looking at the broad representative zones comprising the LPA area (i.e. Zones 7, 11, 12, 13, 14, 15, 16, 17, 23, 32); the analysis shows a market share retention of **70.9%** (Table 1, **Appendix 3 (Volume 3)**). This comprises: 10.2% retention for West Bromwich Strategic Centre, 34.1% for the Town Centres (Great Bridge 9.5%; Cape Hill 6.1%, Oldbury 5.6%; Blackheath 3.6%; Cradley Heath 3.3%; Wednesbury 3.1%; Bearwood 2.8%); 6.1% for the District & Local Centres and the Out-of-Centre location category is 20.5%. Outflow to Wolverhampton LPA area is 0.9%; Dudley 7.7%; Walsall 5.5%. Outflow to other centres outside the BCLA Area is 9.5% and SFT at 5.5%.

LPA: Walsall

- 4.31 **Table 4.4** illustrates that the centres in Walsall achieve comparatively the lowest level of retention across the BCLA area of some **10.7%**. The strategic centre of Walsall achieves a retention level of 2.1% and the combined town centres achieve a trade retention of 5.6%. The out-of-centre category achieves a retention level of 2.3%.
- 4.32 In summary, a review of the broad representative zones comprising the LPA area (i.e. Zones 30, 31, 35, 36, 37, 40, 41, 45, 46), shows a market share retention of **75%** (Table 1, **Appendix 3 (Volume 3)**). This comprises: 16.1 % retention for Walsall Strategic Centre, 36.5% for the Town Centres (Brownhills 10.4%; Aldridge 8.7%, Willenhall 8.0%; Bloxwich 7.1%; Darlaston 2.3%); 5.7% for the District & Local Centres and the Out-of-Centre location category is 16.6%. Outflow to Wolverhampton LPA area is 5.1%; Dudley 0%; Sandwell 2.3%. Outflow to other centres outside the BCLA Area 10.5% and SFT at 7.2%.

Comparison Goods – Market Share Analysis

- 4.33 Comparison goods²³ are generally defined as items not obtained on a frequent basis and include clothing, footwear, household and recreational goods. The household survey comprised questions on the main groupings of non-food expenditure, as defined by Experian in the latest Retail Planning Briefing Note 16, including: clothing and footwear,

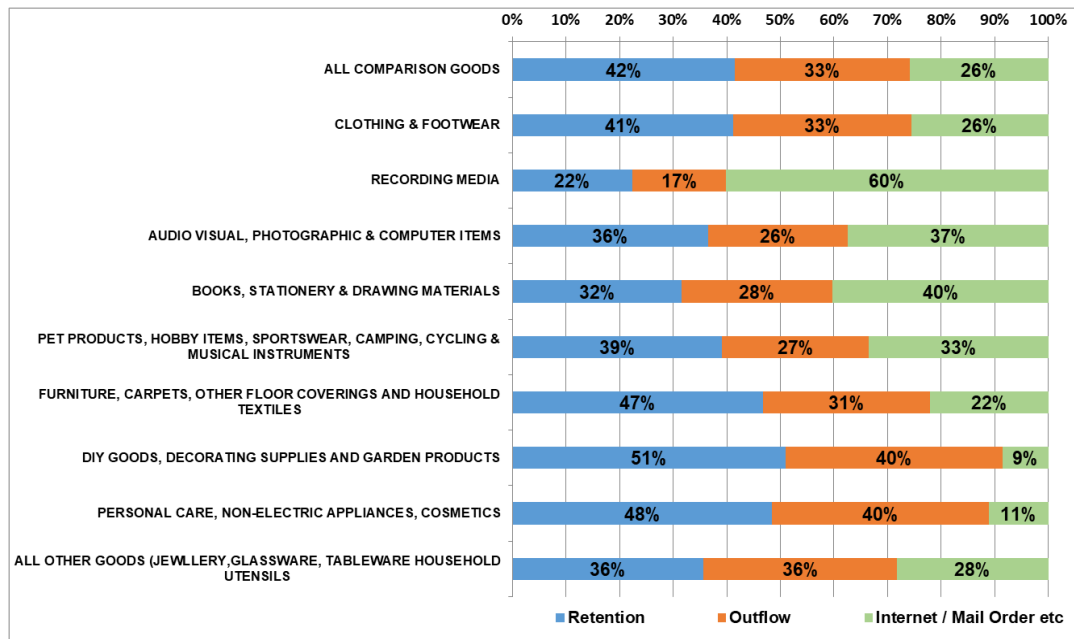
²³ Please note that comparison goods and non-food shopping have the same meanings.

recording media, electrical goods, books, furniture and carpets, DIY and garden products, medical goods and other non-food goods.

- 4.34 Table 1 (**Appendix 7 (Volume 3)**) shows the market shares (%) for all comparison goods shopping purchases made both within and outside the Study Area. These total market shares have been informed by the shopping patterns for the different types of comparison goods expenditure set out in Tables 2-10 (**Appendix 7 (Volume 3)**). The market share analysis (%) takes account of the distribution and weight of spend (£) by households on the different comparison goods categories. This ensures that that the resultant shares are not 'skewed' by any particular comparison goods expenditure category. This is a standard approach for retail assessments. As for the analysis of convenience goods, the market shares include expenditure on special forms of trading (SFT) but exclude all 'null' responses.
- 4.35 Table 1 (**Appendix 7 (Volume 3)**) shows that SFT's market share of all non-food shopping across the total Study Area is **25.9%**. Experian's latest Retail Planner Briefing Note 16 shows that the national average market share for non-store (SFT) comparison goods retail sales is **23.8%** in 2019 (see **Section 3**).
- 4.36 Focussing on the individual representative core zones for the BCLA, this market share varies from 27.2% for Sandwell; 23% for Wolverhampton; 21.7% for Walsall and 21.1% for Dudley.
- 4.37 While SFT market shares for the Study Area is above the national average, there is potential for SFT to increase its market share penetration further in the future; for example, Experian forecast average SFT non-food market shares will increase to 26.8% by 2023 and 26.7% by 2036. If the SFT market share for the Study Area was to increase by the same rate (proportionally) as forecast by Experian, then it will reduce the residual expenditure available to support the need ('capacity') for new ('physical') retail floorspace over the forecast period to 2038.
- 4.38 Turning to the market shares for the main centres and out-of-centre stores and shopping facilities in the Study Area, Table 1 (**Appendix 7 (Volume 3)**) shows that they are achieving an overall 'retention level' of **41.6%** across the whole Study Area.
- 4.39 Within the core zone areas for each individual LPA, Dudley is achieving the highest comparison goods market share (65.6%) in its core area compared to 55.3% for Wolverhampton, 42.3% for Walsall and 39.0% to Sandwell. Within these core zones, the highest retention is for Brierley Hill Strategic Centre (46%) influenced by the market share of Merry Hill Shopping Centre (solus market share of 44.7%) followed by Wolverhampton City Centre (34.7%); Walsall (26%) and West Bromwich Strategic Centre (13.3%).
- 4.40 **Figure 4.3** below shows the 'retention' by type of comparison goods expenditure in the Study Area (all 55 Zones), the market share of SFT and the 'leakage' ('outflow') of

expenditure to competing centres, stores and shopping facilities located outside the BCLA area.

Figure 4.3: Comparison Goods Market shares for the Study Area (Zones 1-55)



4.41 **Figure 4.3** shows that the highest proportions of expenditure ‘outflow’ and ‘retention’ are in the same categories such as ‘DIY/gardening’ (51% retention and 40% outflow), ‘personal care’ (48% retention and 40% outflow) furniture, floor coverings, household textiles’ (47% retention and 31% outflow) and ‘clothing & footwear’ (41% retention and 33% outflow). Online shopping mainly dominates the categories of ‘recording media’ (60%); ‘books and stationery’ (40%) and ‘audio-visual, photographic and computing’ (37%).

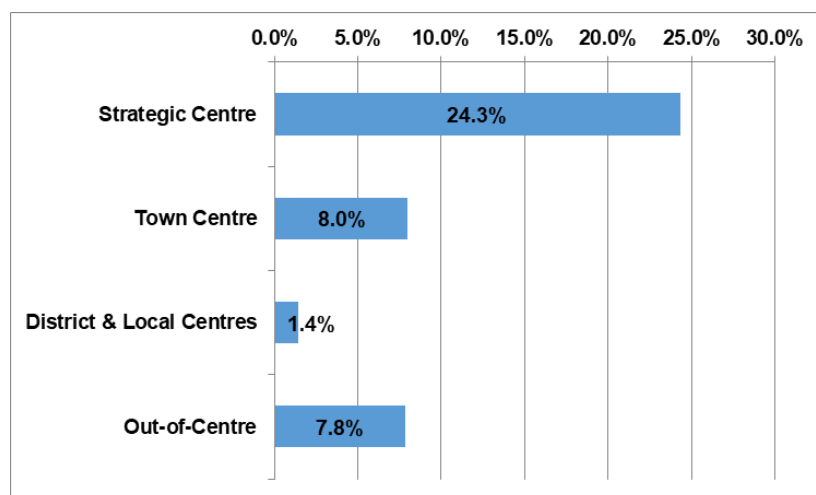
4.42 The market share analysis for the main centres and stores in the BCLA area, Table 1 (**Appendix 7 (Volume 3)**) shows that they are achieving an overall comparison goods market share (‘retention level’) of **41.6%** from within the Study Area.

Table 4.5: Black Country Centres Study 2019: Comparison Goods Market Shares (incl SFT)

LOCAL PLANNING AUTHORITY	CENTRE TYPE		2019 Market Shares (Incl SFT) (%)
Wolverhampton	Strategic Centre	Wolverhampton	5.9%
	Town Centre	Bilston	0.8%
		Wednesfield	0.2%
	District & Local Centres		0.4%
	Out-of-Centre		2.4%
	subtotal		9.6%
Dudley	Strategic Centre	Brierley Hill- Traditional High Street	0.3%
		Brierley Hill- Merry Hill	11.9%
	Town Centre	Dudley	1.0%
		Stourbridge	1.0%
		Halesowen	0.8%
District & Local Centres		0.6%	
Out-of-Centre		0.7%	
	subtotal		16.2%
Sandwell	Strategic Centre	West Bromwich	2.5%
	Town Centre	Blackheath	0.4%
		Cradley Heath	0.1%
		Great Bridge	0.3%
		Oldbury	1.1%
		Wednesbury	0.4%
		Cape Hill	0.2%
		Bearwood	0.3%
District & Local Centres		0.3%	
Out-of-Centre		3.7%	
	subtotal		9.4%
Walsall	Strategic Centre	Walsall	3.8%
	Town Centre	Bloxwich	0.3%
		Brownhills	0.2%
		Aldridge	0.4%
		Willenhall	0.3%
		Darlaston	0.1%
District & Local Centres		0.1%	
Out-of-Centre		1.0%	
	subtotal		6.3%
BCLA AREA			41.6%

4.43 **Table 4.5** can be summarised by location category. This shows the dominance of the strategic centres being led by Merry Hill Shopping Centre.

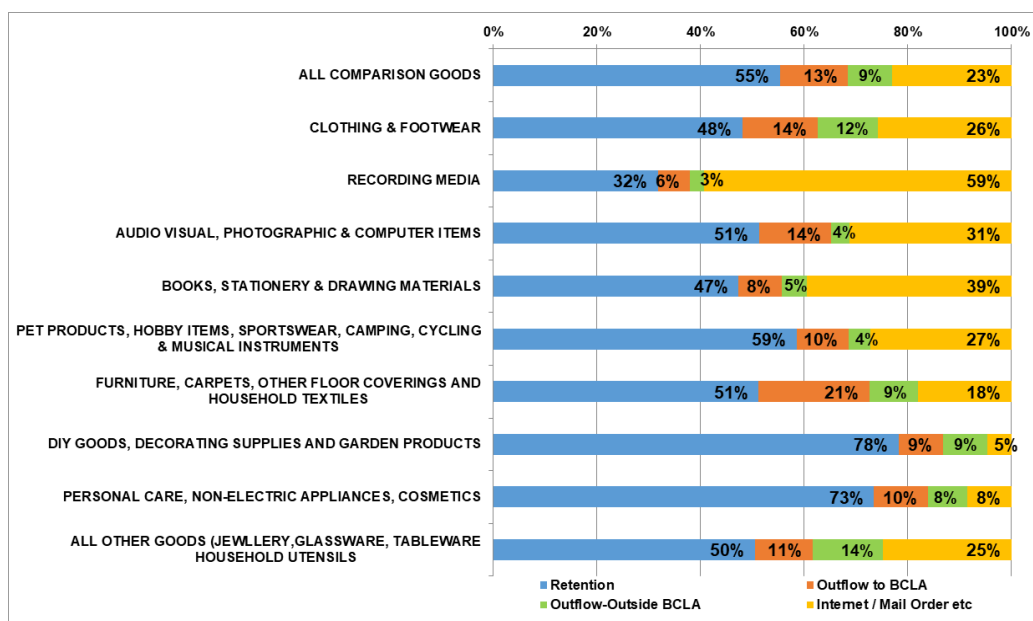
Figure 4.4: Comparison Goods: BCLA 2019 Market Shares (%) by Location Category



LPA: Wolverhampton

- 4.44 As **Table 4.5** shows, Wolverhampton's centres are achieving an overall market share of **9.6%** from the Study Area (Zones 1–55). The strategic centre of Wolverhampton has a market share of **5.9%**. In comparison the out-of-centre category has a market share of 2.4% from the Study Area.
- 4.45 By focussing on the broad representative 'core' area for the LPA area (i.e. Zones 42, 43, 44, 47, 49, 50, 51) the analysis shows market share retention of **55.3%** (Table 1, (**Appendix 7 (Volume 3)**). This comprises: 34.7% retention for Wolverhampton Strategic Centre, 6.6% for the Town Centres; 1.9% for the District & Local Centres and 12.1% for the Out-of-Centre location category. Outflow to Dudley LPA area is 6.5%; Sandwell LPA area 4.1%; Walsall 2.6%. Outflow to other centres outside the BCLA Area 8.5% and SFT at 23%.
- 4.46 The highest level of retention (**Figure 4.5**) is in the category of DIY goods (78%), followed by Personal Care (73%) and Pet Products (59%). The highest flow to the other BCLA is in the category of furniture, carpets, floor coverings (21%). The highest outflow outside the BCLA is in the category of all other goods (14%). The highest proportion of SFT is in the category of Recording Media (59%).

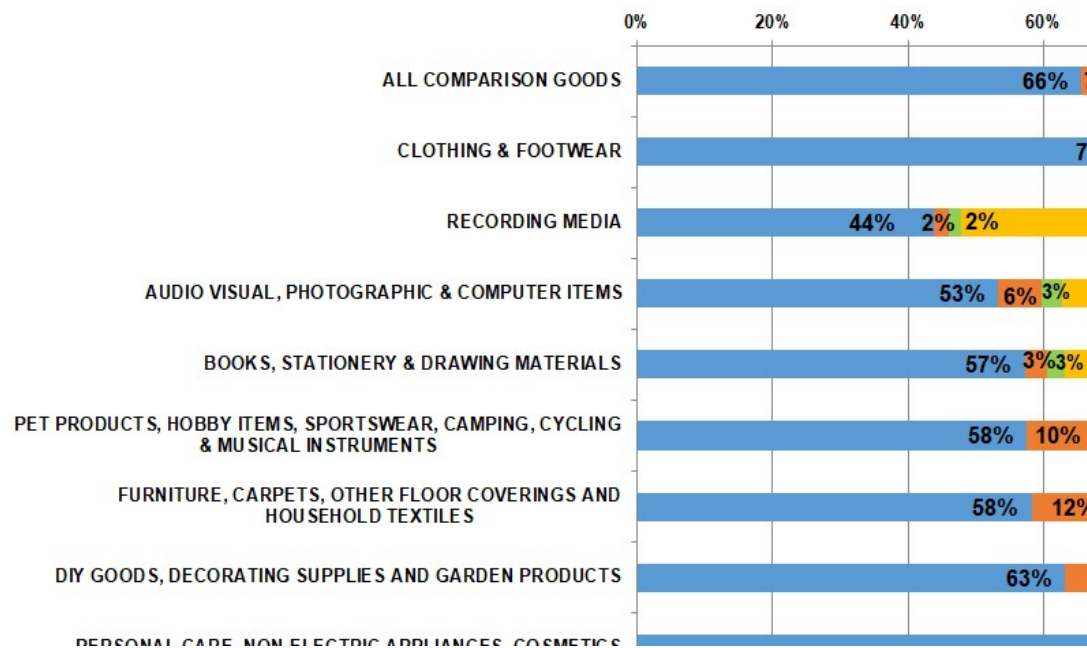
Figure 4.5: Comparison Goods Market Shares: Wolverhampton LPA Representative 'Core' Zones



LPA: Dudley

- 4.47 **Table 4.5** shows that centres in Dudley are achieving market share retention of **16.2%**. Of this, the strategic centre of Brierley Hill attains a total market share of 12.1% which is influenced by the influence of Merry Hill Shopping Centre (11.9%). Out-of-Centre facilities by comparison have a market share of 0.7%. The town centres of Dudley, Stourbridge and Halesowen collectively achieve a market share of 2.7%.
- 4.48 Focussing on the broad representative zones for the LPA area (i.e. Zones 9, 10, 19, 21, 22, 24, 25, 27, 28) the analysis shows a market share retention of **65.6%** (Table 1, (**Appendix 7 (Volume 3)**). This comprises: a 46% retention for Brierley Hill Strategic Centre (Traditional High Street (1.4%) and Merry Hill Shopping Centre (44.7%); 14.1% for the Town Centres (Stourbridge 5.8%; Halesowen 3.7%; Dudley 4.6%); 3.0% for the District & Local Centres and 2.5% for the Out-of-Centre locations. Outflow to Wolverhampton LPA area is 2.8%; Sandwell 4.3%; Walsall 0.2%. Outflow to other centres outside the BCLA Area is 6% and SFT at 21.1%.
- 4.49 The analysis also shows that the highest level of retention (**Figure 4.6**) is in the category of Personal Care (80%), followed by Clothing & Footwear (73%). The highest flow to the other BCLA is in the category of DIY goods (17%). The highest outflow outside the BCLA is in the category of DIY and the all other goods category (both at 11% respectively). The highest proportion of SFT is in the category of Recording Media (52%).

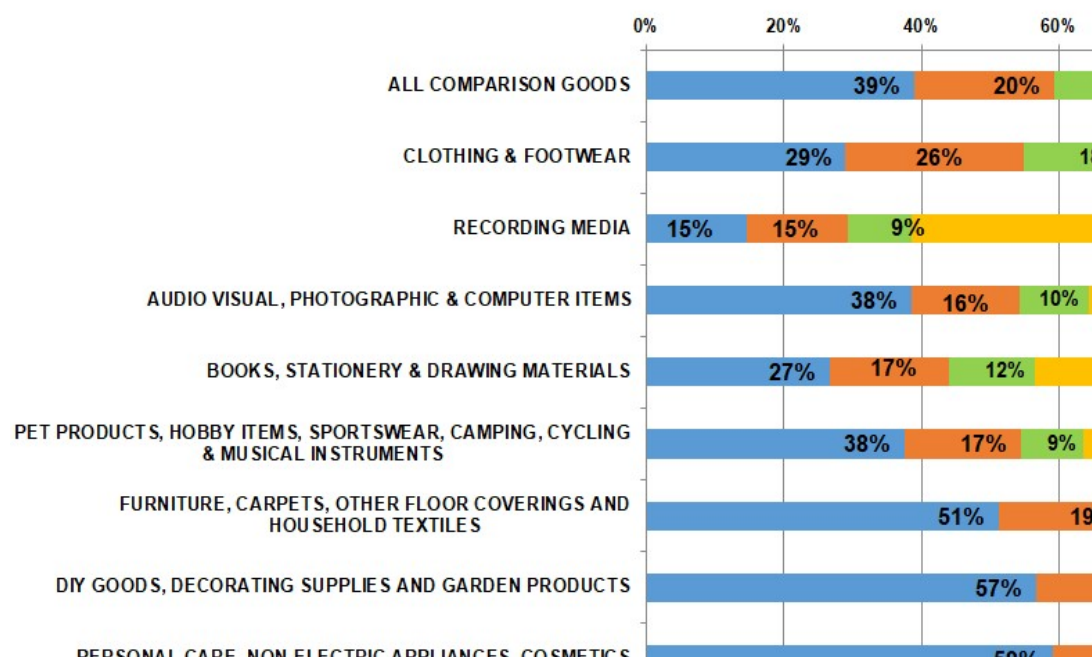
Figure 4.6: Comparison Goods Market Shares: Dudley LPA Representative 'Core' Zones



LPA: Sandwell

- 4.50 As **Table 4.5** shows, from the Study Area the centres in Sandwell are achieving a market share of retention in the BCLA area of **9.4%**. The strategic centre of West Bromwich attains a trade retention of 2.5%. The town centres contribute through a combined market share of 2.9%. The Out-of-Centre floorspace has a retention level of 3.7%.
- 4.51 A review of the broad representative core zones comprising the LPA area (i.e. Zones 7, 11, 12, 13, 14, 15, 16, 17, 23, 32) the analysis shows a market share retention of **39%** (Table 1, (**Appendix 7 (Volume 3)**). This comprises: 13.3% retention for West Bromwich Strategic Centre, 13.7% for the Town Centres (Oldbury 5.7%; Great Bridge 2%; Cape Hill 1.5%; Blackheath 1.2%; Cradley Heath 0.3%; Wednesbury 1.8%; and Bearwood 1.3%); 1.6% for the District & Local Centres and the Out-of-Centre location category is 10.3%. Outflow to Wolverhampton LPA area is 1.4%; Dudley 15.4%; Walsall 3.5%. Outflow to other centres outside the BCLA Area is 13.5% and SFT at 27.2%.
- 4.52 The highest level of retention (**Figure 4.7**) is in the category of Personal Care (59%), followed by DIY goods (57%). The highest flow to the other BCLA is in the categories of Clothing & Footwear and DIY (26% respectively). The highest outflow outside the BCLA is in the category of all other goods category (20%). The highest proportion of SFT is in the category of Recording Media (61%).

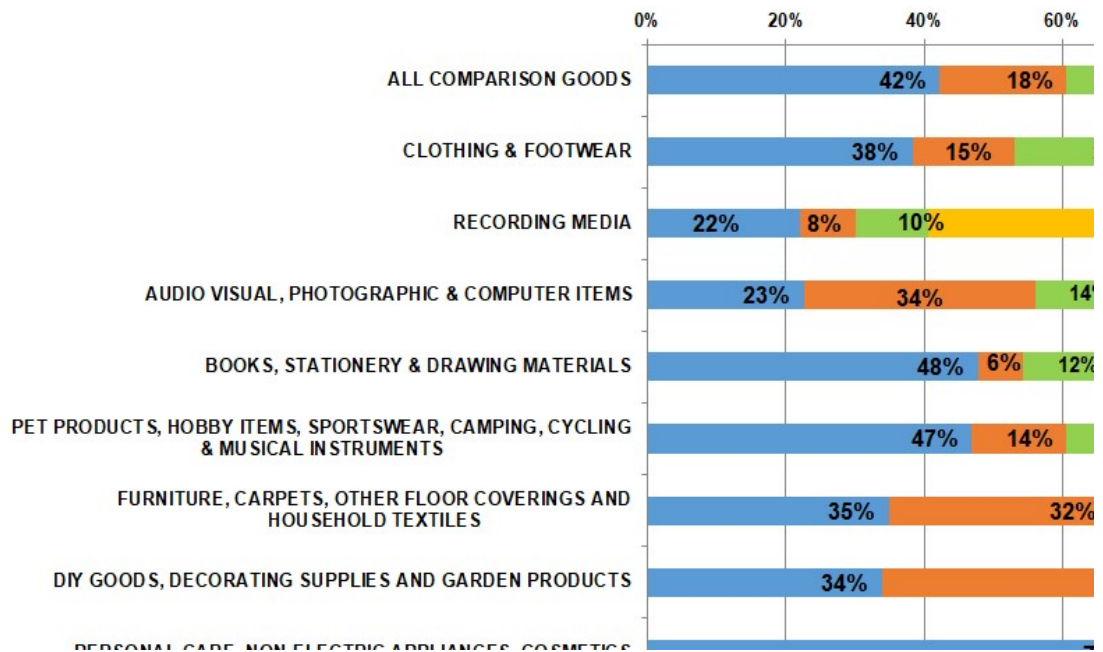
Figure 4.7: Comparison Goods Market Shares: Sandwell LPA Representative 'Core' Zones



LPA: Walsall

- 4.53 **Table 4.5** illustrates that the centres in Walsall achieve comparatively the lowest level of retention across the BCLA area of **6.3%**. The strategic centre of Walsall achieves a retention level of 3.8% and the combined town centres achieve trade retention of 1.4% and the District Centres a minimal 0.1%. The out-of-centre category achieves a retention level of 1%.
- 4.54 In summary, a review of the broad representative zones comprising the LPA area (i.e. Zones 30, 31, 35, 36, 37, 40, 41, 45, 46) show a market share retention of **42.3%** (Table 1, **(Appendix 7 (Volume 3))**). This comprises: 26% retention for Walsall Strategic Centre, 10.3% for the Town Centres (Brownhills 1.6%; Aldridge 3.4%, Willenhall 2.2%; Bloxwich 2.8%; Darlaston 0.3%); 0.8% for the District & Local Centres and the Out-of-Centre location category is 5.2%. Outflow to Wolverhampton LPA area is 6.9%; Dudley 1.4%; Sandwell 10%. Outflow to other centres outside the BCLA Area 17.8% and SFT at 21.7%.
- 4.55 The highest level of retention within the broad LPA area (**Figure 4.8**) is in the category of Personal Care (72%), followed by Books & Stationery category (48%) and Pet Products category (47%). The highest flow to the other BCLA is in the category of DIY Goods category (44%). The highest outflow outside the BCLA is in the categories of all other goods and clothing and footwear (25% respectively). The highest proportion of SFT is in the category of Recording Media (60%).

Figure 4.8: Comparison Goods Market Shares: Walsall LPA Representative 'Core' Zones



Summary

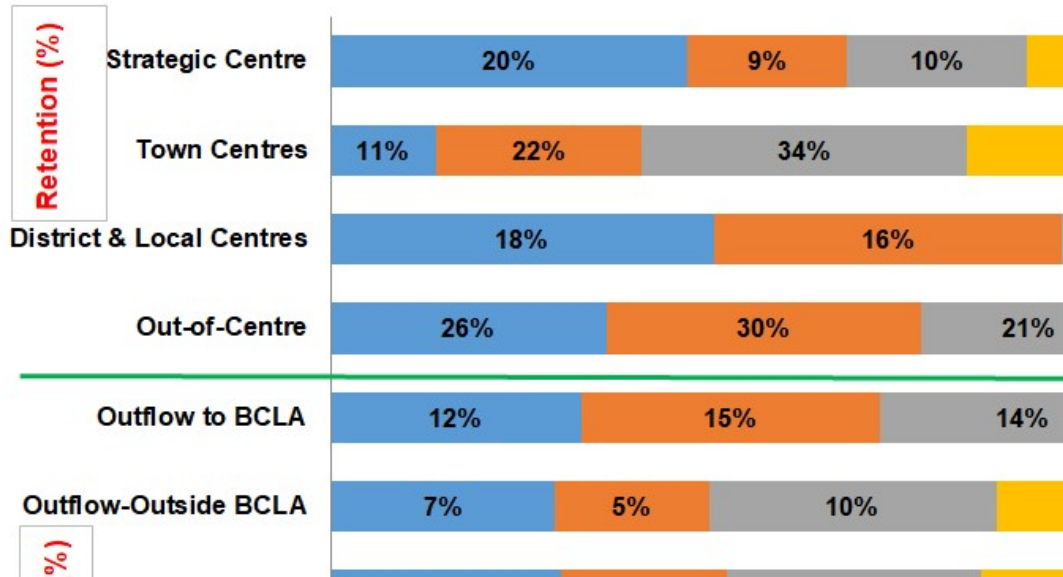
4.56 In summary the key market share headlines are as follows:

Convenience Goods

- Study Area (Zones 1-55), SFT is 6% compared with an Experian average of 13.4% for 2019. In broad terms the individual LPAs have a SFT market share of 5% (Wolverhampton); 3.6% (Dudley), 5.5% (Sandwell) and 7.2% Walsall.
- The overall convenience goods market share retention by the BCLA from the Study Area (Zones 1-55) is 53.5% comprising (by LPA) Wolverhampton (12.5%); Dudley (14.7%); Sandwell (15.6%) and Walsall (10.7%).
- The strategic centres have a market share of between 1.6% (Dudley LPA) and 3.3% (Wolverhampton LPA). Whilst this is a relatively low level of retention it is to be expected across such a wide Study Area.
- In contrast, the town centres across all the BCLA have market retention rates of between 1.7% (Wolverhampton LPA) and 7.8% (Sandwell LPA).
- Across the Study Area, the market share of out of-centre floorspace in the BCLA ranges from 2.3% (Walsall LPA) to 6.1% (Dudley LPA). Across the individual BCLA this represents the highest market share by location category.

- Focussing on the representative core zone areas, the retention levels (by LPA) are of the following order: Wolverhampton (75.2%); Dudley (76.5%); Sandwell (70.9%) and Walsall (75%). The broader breakdown by individual LPA is shown in **Figure 4.7**:

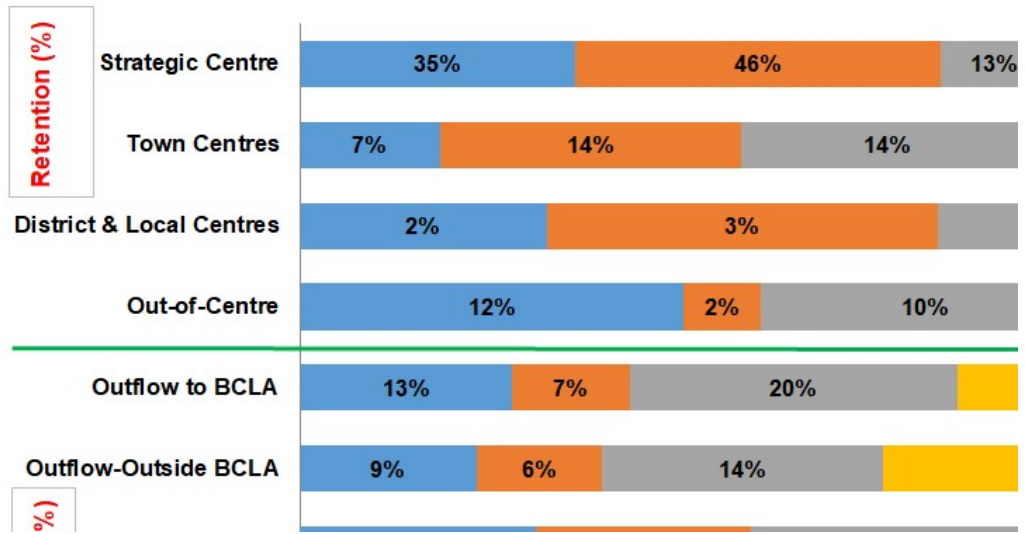
Figure 4.9: BCLA Convenience Goods Market Shares by Representative 'Core' Zones



Comparison Goods

- Study Area (Zones 1-55), SFT is 25.9% compared with an Experian average of 23.8% for 2019. In broad terms the individual LPAs have a SFT market share of 27.2% (Sandwell); 23% (Wolverhampton); 21.7% (Walsall) and 21.1% (Dudley).
- The overall comparison goods market share retention by the BCLA from the Study Area (Zones 1-55) is 41.6% comprising (by LPA) Wolverhampton (9.6%); Dudley (16.2%); Sandwell (9.4%) and Walsall (6.3%).
- Focussing on the representative core zone areas, the retention levels (by LPA) are of the following order: Wolverhampton (55.3%); Dudley (65.6%); Sandwell (39.0%) and Walsall (42.3%). The broader breakdown by individual LPA is shown in **Figure 4.8**:

Figure 4.10: BCLA Comparison Goods Market Shares by Representative 'Core' Zones



5. Town Centre Health Checks: Methodology

- 5.1 **Sections 6-8** provide a review of the health check assessment for the BCLA centres (strategic, town, district and local centres).
- 5.2 Health checks are recognised as important planning 'tools' for appraising and monitoring the changes in the overall vitality and viability of town centres, and informing both plan-making and decision-taking at the local level.
- 5.3 In accordance with the PPG (Paragraph: 006 Reference ID: 2b-006-20190722), there are a number of key performance indicators (**KPIs**) that are widely used (where the information exists) to help assess and monitor the overall health and performance of centres. These include:
- the diversity of uses (e.g. retail and services offer);
 - proportion of vacant street level property;
 - commercial yields on non-domestic property;
 - customers' views and behaviour;
 - retailer representation and intentions to change representation;
 - commercial rents;
 - pedestrian flows;
 - accessibility – this includes transport accessibility and accessibility for people with different impairments or health conditions, as well as older people with mobility requirements;
 - perception of safety and occurrence of crime;
 - state of town centre environmental quality;
 - balance between independent and multiple stores
 - extent to which there is evidence of barriers to new businesses opening and existing businesses expanding; and
 - opening hours/availability/extent to which there is an evening and night time economy offer.
- 5.4 In addition to the above, and considering the prevalence digital technology on all facets of consumer behaviour and lifestyle, we also provide a high level review of digital infrastructure including vehicle charging points.
- 5.5 In this case the most reliable KPIs have been gathered (where possible) for the centres to help inform the assessment of their overall strengths and weaknesses in in terms of their retail and leisure provision, the opportunities for new sustainable development and growth, and any potential current and future threats to their overall vitality and viability. We have referred to a number of datasets and research to help assess the relative vitality and viability of the centres, as referenced throughout the report.

5.6 The general methodology is for the health check assessments is set out below:

Engagement of Key Stakeholders

5.7 As part of the town centre health checks, LSH contacted a number of key stakeholders identified by the BCLA Authorities particularly for the strategic centres to discuss on the challenges and issues in these centres. Their anonymised contribution is incorporated in the health check assessments.

Retail Composition & Diversity of Uses

5.8 The strategic and town (including Walsall District) centre health check assessments have been informed by analysis of Experian Goad reports for each centre. Where Experian Goad reports are not available for specific centres, LSH has carried out site visits, audits and observations of the respective centres to inform our health check assessments.

5.9 In brief, the Goad reports set out the number and proportion of units in each use classification across the centres (i.e. convenience, comparison and service uses, and vacant units). They allow for benchmarks with the UK national average for all circa 2,000 centres and shopping locations covered by Experian Goad. It should be noted that 'services' as defined by Experian Goad are sub-divided into the following three subcategories:

- Retail services – Class A1 and certain sui generis uses (including hairdressers, beauty salons, travel agents, launderettes, opticians, etc.);
- Leisure services - comprise cafés and restaurants (Class A3), betting shops (sui generis) and fast food/ takeaway outlets (Class A5); and
- Financial and professional services - cover all Class A2 uses (such as banks, estate agents, etc).

Goad Town Centre Definitions and Floorspace

5.10 The health checks provide an effective 'gap' analysis tool to help identify retail types and categories that are under or over represented in centres. This is based on benchmarking against Goad UK averages for all circa 2,000 centres and shopping locations covered by Experian.

5.11 It should be noted that in our description of each centre's town centre boundary we have referred to the boundaries defined by the respective LPAs. However, where Experian Goad data is relied on for composition, the area surveyed by Goad is not necessarily identical to the LPAs' identified town centre boundaries. As such, it is possible that the number of units set out in our analysis may relate directly to the LPAs' defined centre boundaries.

5.12 The floorspace figures shown in the report are also derived from the relevant Goad Plan which show only the 'footprint' floorspace and the site area without the building lines. They should therefore not be read as a definitive report of floorspace, but do provide a useful means of comparison between centres, as all outlets are measured in a consistent manner with a 'footprint' floorspace and the site area without the building lines.

Vacancies

5.13 The number and scale of vacancies in a centre, and the length of time properties have been vacant, represents a KPI to help assess a centre's overall vitality and viability. For example, high vacancy levels, or a concentration of vacancies in certain areas/streets, could point to underlying weaknesses in terms of retailer demand and/or the fact that vacant units are not meeting demand and are not 'fit-for-purpose'. Notwithstanding this, vacancies can arise in even the strongest centres due to the natural 'churn' in businesses opening and closing at any point in time. This KPI must therefore be used and interpreted with care.

Multiple and Independent Retailers

5.14 The Experian Goad Category Reports also provide analysis on multiple retail representation. A multiple is defined by Experian Goad as being part of a network of nine or more outlets. It is widely accepted that a good presence and mix of multiples in a centre, alongside a strong independent offer, helps to increase the overall attraction and performance of shopping centres. Multiples are a strong draw for customers and they help to generate frequent shopping trips and footfall, and linked expenditure for other shops, businesses and services.

Street/Covered Markets

5.15 Whether or not a centre has a market, and the quality and offer of a market, can give an indication as to whether a centre is vital and viable. Information regarding the health of the markets discussed in this report has been obtained from our own research and observations of the centres, as well as stakeholder consultation. In line with Paragraph 85(c) of the NPPF, existing markets should be retained and enhanced and, where appropriate, reintroduced or new ones created, ensuring that markets remain attractive and competitive.

Retailer Demands & Requirements

- 5.16 Evidence of requirements ('market demand') from retail and leisure operators for representation in a town centre can provide a further indication of the overall health and attraction of centre, and investor confidence. In this case we have drawn on standard published sources to inform our assessment of current market demand; including CoStar and the Requirements List. However, it should be noted that this published information is not definitive, as many retailers and leisure operators prefer not to announce their requirements as it can undermine their negotiating position with potential landlords. Furthermore, market demand is often opportunity-driven; for example in response to the marketing of new development and regeneration initiatives.

Commercial Rents: Prime Zone A Retail Rents

- 5.17 The level of rent that businesses are prepared to pay for retail space, and the commercial yields achieved provide a further indication of the relative strength of the centre and its prime retail pitch. However, it should be noted that Prime Zone A rents and yields are not available for all centres, particularly smaller centres where there are more limited transactions. Therefore, an assessment of Prime Zone A rents and yields is only provided where available.

Customer Views and Behaviour

- 5.18 Our assessment of customers' views and behaviours draws on the findings of the household survey. The household survey comprised in total 5,500 telephone interviews plus an additional 550 online interviews across 55 zones and asked specific questions regarding respondents likes and dislikes about the town or city centres that were closest to them.

Environmental Quality

- 5.19 Environmental quality is an important KPI to help assess a centre's overall vitality and viability. An assessment of environmental quality (including cleanliness and attractiveness, public realm, security, treatment of buildings and open spaces) has been undertaken using our own research and observations of the centres, as well as stakeholder consultation.

Accessibility

- 5.20 A centre's vitality and viability can also be impacted by the ease of accessibility by different modes of travel, and the level and quality of car parking. This assessment has been informed by our observations of how easy a centre is to access; mobility time and cost;

public transportation; traffic management and signage; barriers; car parking; and access by other modes. Consultation with key stakeholders has supplemented our research.

Barriers to New/Existing Businesses

- 5.21 To inform the health check especially of the higher order centres a broad review of potential barriers to new and existing businesses has been undertaken looking at factors such as availability of grants and a broad review of retail rates. This has been further supplemented by consultation with key stakeholders.

Extent of the Evening Economy

- 5.22 A centre's evening economy is increasingly becoming an important element for evaluation of town centres. The evening economy acts as a footfall draw to town centres and the analysis provides an indication of provision and type of provision and linkages with other cultural and leisure amenities.

Digital Facilities

- 5.23 Whilst not a PPG indicator, LSH consider that this an important element for centres as they transform to attract a wider draw. Importance is given to the prevalence of digital infrastructure including Wi-Fi availability, electric vehicle charging across a centre.

6. Health Checks: Summary for Strategic Centres

6.1 This section provides a synopsis of the qualitative review of the health checks for the ‘**Strategic Centres**’ within the BCLA area. The detailed health checks are in **Appendices 1 – 5 (Volume 2)**. This output is relevant in terms of assessing their health and in highlighting any qualitative gaps and potential prospects which need to be met in planning and managing the future of these centres.

Wolverhampton City Centre

6.2 Wolverhampton is a major city for the Black Country as well as wider Greater Birmingham region. It ranks within the top 100 centres in the UK. It is therefore a centre of strategic importance. Coupled with the wide range of investment and range of proposed uses that is either planned, or underway, the centre is anticipated to reaffirm its significant role in the hierarchy of the Black Country centres.

6.3 However, both the Experian Goad data and the Council’s own monitoring data indicate a vacancy rate of circa 20%. This is high in the context of the current provision in the centre and is a reflection of the state of the national retail economy.

6.4 With the level of vacant floorspace and potential planned investment, it has to be recognised that this will not necessarily be retail led. The sustainability and future patronage of the centre is likely to be led by other uses. It is with this outlook that the future of the centre needs to be assessed. It will be about the reuse and repurposing of vacant space as opposed to creating more retail floorspace. Specifically on retail, it will be about enhancing the offer and qualitative improvements. Alternative means of uses to encourage footfall and patronage will become more important. In fact, the respondents to the HTIS indicated that that the main improvements requested included enhancing the retail offer, quality of the environment, safety and security.

6.5 The future direction is predicated on attracting additional footfall. This may be through new residential development, repurposing of existing vacant space to create and attract interest or through qualitative improvements of the leisure and associated provision. The provision of Grade A office provision to focus employment in the centre will also contribute to additional footfall. In fact, it will build on the strategy of the City Centre AAP which is to consolidate the shopping core and encourage complementary uses of leisure, office and residential uses; and the need for planning ‘flexibility’ to capture future investment.

Brierley Hill

- 6.6 This centre incorporates both the traditional High Street and Merry Hill Shopping Centre. The traditional Brierley Hill High Street as a solus entity (i.e. excluding Merry Hill) represents a retail area that serves its immediate hinterland and local community. The HTIS shows that respondents are seeking a better retail offer, including parking and enhancing the quality of the environment. The high street has a circa 20% vacancy rate, which is high in the context of the current provision in the centre. The future of the centre is dependent on establishing an evening economy and identifying a focus for the High Street. Dudley Council has recently secured funds from the High Street Heritage Action Zone and the centre is a recipient of the Future High Streets Fund.
- 6.7 Merry Hill Shopping Centre is a key element of the Brierley Hill matrix. Economically it overshadows the traditional High Street. It is a regional centre of significance and ranks within the top 100 retail centres nationally (Experian). It is also the top ranked centre in the BCLA area. It has a wide catchment area that encompasses the Black Country and beyond. The centre represents the single largest quantum of managed floorspace within the BCLA area. Combined with the surrounding Brierley Hill High Street, and collectively, this represents a major quantum of floorspace that justifies its standing as a strategic centre within the BCLA area.
- 6.8 Both the Experian Goad data and the Council's own monitoring data indicate a circa +13% vacancy rate which is higher than the national average. This is however lower than that for the traditional High Street or Wolverhampton City Centre. Whilst the centre has vacancies, it is a managed centre and as with all retail floorspace it too is under increasing competition from online retailing. It is therefore continually repositioning itself. It is understood that the current plans (over a seven year period) for the centre include a comprehensive refurbishment, covering the centre's entrances, malls and shop fronts. This will also include a 13,935 sq.m (150,000 sq.ft) leisure extension incorporating a restaurant quarter to complement the existing food offer in the centre. Whilst this is a managed centre it provides an indication of future direction on how town centres within the BCLA should be responding and providing policies that support repositioning.
- 6.9 The outputs of the HTIS indicated that the majority of the respondents (who frequented Merry Hill Shopping Centre) considered the compactness, free parking, proximity to home, high quality shops and attractive environment as key likes in visiting the centre. The scale and attraction of the centre is underpinned by 22 million visitors.
- 6.10 Moving forward the arrival of the Midland Metro extension with stations both at Merry Hill and Brierley Hill (terminus) will generate regeneration and economic benefits facilitated by better connectivity.

West Bromwich

- 6.11 West Bromwich Town Centre is the fourth largest centre in the Black Country whose role has somewhat diminished in recent years. The centre continues to have an industrial base and has witnessed a long period of decline. In its core area it benefits from new modern retail development. This has excellent public realm and linkage to a major Tesco Extra store and a good range of national multiple retailers. This development is integrated well into the centre.
- 6.12 However the centre as a whole does not perform as well in all places where there are concentrations of vacancies. Current vacancy levels are circa 19% which is well above national average.
- 6.13 It is recognised that the centre is large and that and that the regeneration initiative in securing the Tesco Extra and associated national multiples has established a strong retail core but that this has had an impact on the remaining elements. In a subdued commercial and consumer market compounded by the effects of online shopping there is a need for a 'refresh' in terms of the future vision for the centre. This is to account for the contraction in the retail sector and also to identify alternative uses for vacant floorspace and non-performing and declining areas.
- 6.14 It is therefore recommended that the extent of the PSA is considered as part of the Sandwell Plan process with the High Street area potentially reclassified as a separate Local Centre to cater for specialist retail and the associated community.
- 6.15 There is no significant evening economy in the centre. There is the prospect of reconsidering the future of Queen's Square for a wider range of potential uses, including non-retail town centre uses. With the closure of 'The Public' (a multi-purpose venue and art gallery) there is a need for a more significant evening leisure use to anchor New Square (alongside the existing Odeon). The potential to provide this use within Queen's Square – within the one large vacant unit, or in a series of vacant units within a co-ordinated environment, should be explored. This is likely to require further refurbishment and conversion.
- 6.16 The Metro line is a key asset for the centre. A stop and turning point for trams in the centre is anticipated to increase capacity to Birmingham and benefit from the associated footfall this may bring.
- 6.17 On the periphery of the town centre there is evidence of a number of well-designed residential development uses with innovative design and public realm which contribute positively to the areas vibrancy and is well connected to the retail core. This potentially provides a model for the future where the key anchor is unlikely to be led by the retail

sector and where the residential sector and associated footfall are drivers for the alternative use of space across the centre.

Walsall

- 6.18 Walsall also represents a large retail centre and ranked third highest in the BCLA area. Much of the town centre accommodation appears dated and often in a poor state of repair, including active marketed units, demonstrating lack of investment in commercial property. It is also acknowledged that whilst there are some new retail units on Digbeth and Lower Hall Lane that they have yet to secure tenants. This is reflection of the state of the current commercial market.
- 6.19 The centre has a high amount of vacancies; some 17.8% of the total floorspace is vacant and this represents a quarter of all the units (25.3%). Hence 1 in 4 shops are vacant, and this represents one of the biggest challenges for Walsall. Vacant units are distributed throughout the centre but are particularly prevalent within the Old Square shopping centre, on Bridge Street and on the north-western end of Park Street. Within the centre there are some key vacancies: TJ Hughes which anchored the Saddlers Centre has recently closed which is likely to have a significant impact on other units. The Marks & Spencer's store that anchored both The Saddlers Centre and Park Parade has also recently closed. Debenhams remains active in the Old Square Shopping Centre but appears underutilised and there is already an accumulation of vacancies within the Centre. It is acknowledged that some positive action has been taken: the former BHS store on Park Street is now occupied by an open plan space for small 'independent businesses' and appears to be well used. However, overall the town centre appears is still in critical condition.
- 6.20 Compounding the rate of vacancies is the fact that the environmental quality of the primary shopping area is variable. The built form is mixed with the main shopping streets having some historic character properties, some generic modern accommodation and some 1960s/70s units in poor condition. There is a particular concentration of poor quality 1960s/70s units with overhead canopies on Digbeth and High Street which creates a poor environment. It is also observed that there is insufficient quality public or green spaces and suitable leisure offer to attract people to the town centre.
- 6.21 Notwithstanding the above, investment has been made in relation to The Art Gallery. This is a high profile example of quality contemporary architecture. However, the main focus for this is on the canalside, which is away from the retail core. On its 'town centre' side it sits within a rather low grade and featureless public space, surrounded by blank frontages, and somewhat hidden from Park Street. It therefore offers little wider benefit to the town centre environment in terms of connectivity or as a focus for activity and vibrancy.

-
- 6.22 Additionally, the development of Crown Wharf on the edge of the centre has attracted several major national retailers and is operating quite independently of the town centre with its own surface level customer parking. Although it is recognised that this is within the town centre boundary it should be seen as a major threat to the high street as it is poorly integrated and not providing spill-over benefits to the primary shopping area. This indicates that the centre of gravity of the retail core is moving northwards.
- 6.23 It is observed that the main shopping area is a day time destination and not much by way of a night time economy. It is recognised that the new cinema adjacent to Waterfront North represents a new commercial leisure offer albeit it is further away from the retail core.
- 6.24 In the future Walsall will be benefitting from significant service enhancement e.g. to Wolverhampton and Birmingham New Street. To capitalise on this, it will be necessary to ensure that there is legibility to ensure that there is clear physical and visual connections linking the key destinations of the town centre. The Town Centre AAP and Regeneration Strategy coming forward will help to address these identified issues.
- 6.25 It is clear that the centre is expansive with various disparate areas. The focus for the future will be a consolidation of existing floorspace, especially of the retail core and where alternative uses will dominate.

Summary

- 6.26 The broad review of the strategic centres highlights the following:
- The strategic centres represent key retail centres for the BCLA and will also remain as the main focus for high level retail, office, cultural and service activity.
 - The strategic centres will continue to be a focus for the individual BCLA; however, the role of retail is likely to be diminished in the future.
 - The size and composition of the strategic centres is reflective of their legacy industrial base and of subsequent cycles in the retail sector.
 - Notwithstanding their importance, a central theme across the centres is that they all exhibit a high vacancy rate of circa 20% and above (except for the purpose built and managed Merry Hill Shopping Centre). This means that up to a quarter or a fifth of the floorspace is not in economic use. It is also an indication of overprovision and the need for contraction and consolidation and managing change of the retail core areas.
 - The vacancies also represent a potential for regeneration through significant direct intervention by the BCLA. This will be necessary to repurpose the centres to make them fit for purpose for the future.
 - Future growth is likely to be based on consolidated core retail areas with qualitative improvements to the remainder and where non-retail uses will define a centre's future role and purpose. In short, the aim will be to ensure less reliance on retail to generate

footfall and to generate alternative uses (potentially mixed uses) that function both during the day and into the evening. There will be a need to encourage complementary uses alongside new employment, residential as well as educational uses and the need for planning 'flexibility' to capture future investment.

7. Health Checks: Summary for Town Centres

7.1 This section provides a synopsis of the qualitative review of the health checks for the 'Town Centres' within the BCLA area. These are "Tier-two centres" in the BCCS Policy CEN2 hierarchy and include Walsall's 'District Centres'. Detailed health checks are provided in **Appendices 6 – 22 (Volume 2)**. This output is relevant in terms of assessing their health and in highlighting any qualitative gaps and potential prospects which need to be met in planning and managing the future of these centres.

LPA: Wolverhampton: Centre - Bilston

- 7.2 The centre has a good range of national multiples, with convenience goods dominating. Morrisons provides the main edge-of-centre anchor, though other large convenience retailers such as Lidl contribute to this type of floorspace.
- 7.3 Multiples are dispersed throughout the centre, with a mixture of charity shops, high street banks and low cost fashion brands. In relation to services, Bilston is in the relatively strong position of having two of the main national banks with Lloyds Bank located on Church Street and Barclays Bank located on Hall Street. Bilston Market represents a focus of retail activity and further focal point for the local community.
- 7.4 In terms of the environmental quality, the High Street benefits from being partially pedestrianised, with wide pathways but with no planting and street furniture. However, the exterior of many of the buildings along High Street/Church Street are dated due to their 1960/70s precinct style and the public realm of Church Street varies from moderate to high quality. Bilston is part of the WMCA Regional Town Centre Task Force which is helping bring forward regeneration, such as the purchasing of the derelict Pipe Hall.
- 7.5 Bilston has a vacancy rate of 14% by outlet, which is above the national average.
- 7.6 In terms of accessibility, Bilston is located on the West Midlands Metro line. The tram stop, Bilston Central, is located adjacent to the bus station and can be accessed by pedestrians via Church Street. This provides substantial footfall to the centre. The stop is serviced by a regular service to both Wolverhampton and Birmingham.
- 7.7 Bilston's designation as town centre is correct and reflects its broad role in the hierarchy of centres. In broad terms the centre's key strengths and weaknesses to be addressed are as follows.

Table 7.1: Centre: Bilston – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good mix of national multiples and independent retailers and successful market. • Well maintained plants and street furniture in the centre. • The town centre is highly accessible with a good level of connectivity to the local bus and tram network. • A number of heritage assets in close proximity to the centre, providing character opportunities. • Bilston is part of the WMCA Regional Town Centre Task Force which is helping address the centre's weaknesses, such as the purchasing of the derelict Pipe Hall. • The nearby Bilston Urban Village residential-led scheme is delivering large scale regeneration that can support the town centre. 	<ul style="list-style-type: none"> • Priority to reduce above average vacancy rate. • Priority to improve quality of units that are dated and in a poor state of repair. • Priority to improve poor pedestrian areas in secondary locations. • Priority to improve evening economy especially family oriented provision.

LPA: Wolverhampton: Centre - Wednesfield

- 7.8 Wednesfield is a smaller compact town centre by comparison to other town centres in the BCLA area. Convenience goods provision dominates its retail composition. There is an under-representation of both comparison goods units and leisure services across the centre. The vacancy rate stands at 14%, which is above the national average.
- 7.9 The centre's evening economy is centred primarily on pubs and there is an under representation in family orientated evening provision.
- 7.10 In terms of the environmental quality of the centre, the public realm of High Street varies from moderate to high quality, incorporating well maintained plants and street furniture at the centre's core. Along the southern side of the High Street are market stalls. The outdoor market makes an important contribution to the character of the centre
- 7.11 The local area is defined by a mixture of 60s and 70s style commercial buildings. There are a number of early to mid-19th and 20th Century houses that have been converted to commercial units on Church Street. The general condition of the pavement in the pedestrianised area appears to be good.
- 7.12 There is a significant level of free parking and bus services which makes Wednesfield accessible by all modes of transport. The edge-of-centre extended Sainsbury's and the proximity of Bentley Bridge Retail & Leisure Park (edge/out-of-centre) provide large scale retail and leisure offer, and the public realm encourages linked trips to Wednesfield Centre, Wednesfield Centre occupies a complementary niche of providing smaller shops, outdoor market and services/ community uses.

7.13 Whilst the size of the town centre may be smaller than other Town Centres in the Black Country Tier-two hierarchy, Wednesfield performs an important strategic role, serving the shopping, community and civic needs of particularly the eastern area of Wolverhampton. Alongside Bilston, it is one of only two town centres within Wolverhampton's administrative area. Its designation therefore should be retained.

7.14 In broad terms the centre's key strengths and weaknesses to be addressed are as follows.

Table 7.2: Centre: Wednesfield – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good national multiple representation for a centre of its size, and Market.. • Highly accessible. • Good provision of free parking. • Strong edge-of-centre convenience anchor (Sainsbury's). • Strong retail service sector. • Well maintained plants and street furniture in High Street. • A number of heritage assets in close proximity to the centre, providing character opportunities. 	<ul style="list-style-type: none"> • Priority to reduce above average vacancy rate. • Priority to improve units that are dated and in a poor state of repair. • Priority to improve poor pedestrian areas in secondary locations. • Priority to improve evening economy especially family oriented provision.

LPA: Dudley: Centre - Dudley

7.15 Dudley is a large town centre with some 362 commercial units that provide a range of main town centre uses.

7.16 The town is anticipated to undergo significant change with the Council seeking to deliver additional residential, retail, leisure and commercial development. The Council also seeks to deliver a new Bus and Midland Metro Interchange. In addition to these there are other investment initiatives that will increased footfall through addition visitors, residents and workers including:

- Black Country & Marches Institute Of Technology (IoT) - the new IoT will focus its provision on advanced manufacturing, modern construction methodologies and medical engineering, all of which are critical transformational sectors for the local and regional economy.
- Castle Hill Vision - improvements and investments to the castle, zoo and Castle Hill Woodland. Dudley Zoo and Castle is a collaboration between the zoo, the Council and other stakeholders.
- Portersfield Major Mix-Use Development - £82m of private investment to regenerate an area of central Dudley, offering a mix of retail and residential opportunities.

- Black Country Living Museum (BCLM): “Forging Ahead” - a £23m capital project that will deliver a new visitor welcome area, dedicated learning centre, and industrial quarter and town centre set in the 1940s-60s.
 - new (replacement) leisure centre being constructed at Flood Street.
- 7.17 In terms of retail composition the centre is a comparison goods led centre and also has a strong representation from national multiples. These are distributed throughout the centre, with a mixture fashion stores, home stores, charity shops and high street banks making up the majority of multiples.
- 7.18 In terms of leisure uses the centre is has large number of public houses and there is an undersupply of other evening uses given the size of the town. Particularly there is an under representation in family orientated evening provision.
- 7.19 By way of accessibility, the shopping centres and the various streets leading to and from it benefit from pedestrianisation. The central portion of High Street is pedestrianised, with wide pathways. Castle Street operates a one way system. High Street and Castle Street are accessible via a series of dropped kerbs. The Churchill shopping centre is also accessible via Birdcage Walk, connecting the centre and the High Street to the bus station.
- 7.20 The vacancy rate is above the national average at 17%.
- 7.21 A high proportion of respondents to the HTIS suggested enhancing the retail offer (more multiple and independent shops and better quality market offer) as well as free / more car parking.
- 7.22 The heritage assets contribute to historic character of Dudley town centre. For example, the conversion of the old fire house to offices and the Old Glass House restaurant have ensured that the historic building can contribute to the historic character of Dudley.
- 7.23 Dudley is a vital and viable centre and its designation as town centre is correct and reflects its broad role in the hierarchy of centres. The centre’s key strengths and weaknesses are as follows:

Table 7.3: Centre: Dudley – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good range of uses, good national multiple representation, contributing to mix of uses in the core retail area. • Highly accessible, especially by bus. • Good retail service sector representation. • Well maintained plants and street furniture on High Street/Castle Street. • A number of heritage assets in close proximity to the centre, providing character opportunities. • Free car parking for two hours. • Large number of community facilities. • Dudley Town Hall/Concert Hall 	<ul style="list-style-type: none"> • Priority to update shopping centres and 1960s/70s shopping units. • Priority to reduce high vacancy rate. • Priority to improve fixed market stalls position especially obstruction when not in use. • Priority to improve poor pedestrian areas in secondary locations. • Lack of a large anchor convenience retail superstore to prevent further retail decline and enhance the centre’s vitality and viability

LPA: Dudley: Centre - Stourbridge

- 7.24 Stourbridge is a medium sized market town that has undergone significant change resulting from investment into a number of regeneration programmes in the town including the redevelopment of the Crown Centre and Town Square.
- 7.25 The centre has a good range of national multiples (multiples), with Tesco providing a main anchor foodstore use, together with Waitrose and Aldi additionally contributing to the convenience goods floorspace.
- 7.26 The main entrance to the Ryemarket Shopping Centre is via pedestrianised forecourt off the High Street, with a secondary entrance from Market Street. High Street, Lower High Street and Market Street are not pedestrianised and have narrow pathways. The streets are accessible via a series of dropped kerbs.
- 7.27 Though the exterior appearance of the Ryemarket Shopping Centre is dated, the majority of the buildings along the High Street appear to have been built in the late 19th and early 20th Century and have maintained their historic character. The public realm of High Street, Crown Square and Ryemarket Square is of a moderate to high quality, incorporating well maintained plants and some street furniture at the centre's core.
- 7.28 The centre is highly accessible with the Stourbridge Interchange station located on Foster street East, adjacent to Stourbridge Town Station. Bus services are available to Wolverhampton, Dudley, Birmingham City Centre and Merry Hill Shopping Centre.
- 7.29 The vacancy rate at 9% is below the national average.
- 7.30 Stourbridge's night time economy is varied. There is a reasonable supply of night time uses given the size of the town and any further reduction in evening activity generating uses should be avoided.
- 7.31 Stourbridge is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre's key strengths and weaknesses are as follows:

Table 7.4: Centre: Stourbridge – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good mix of national multiples and independent retailers including a Tesco Extra and a Waitrose • Well maintained plants and street furniture in the centre. • The town centre is highly accessible with a high level of connectivity to the local bus network, and pedestrian linkages across and under the ring road from the surrounding residential areas • Lower than average vacancy rates. 	<ul style="list-style-type: none"> • Priority to update shopping centre and a number of dated shopping units; • Priority to improve poor pedestrian areas characterised by narrow pavements along the High Street and Market Street and in secondary locations.

LPA: Dudley: Centre - Halesowen

- 7.32 Halesowen has undergone significant change with regeneration focussed on the redevelopment of the Cornbow Shopping Centre, the expansion of the Bus Station and improvements to the road network.
- 7.33 The centre is led by convenience provision represented by Asda and Iceland. There are a good range of national multiples distributed throughout the centre, with a mixture of charity shops and high street banks making up the majority of multiples outside of the shopping centre. The multiples within the shopping centre are focussed on fashion stores, stationery goods with some convenience goods. Halesowen is in the strong position of having five of the main national banks with Halifax, TSB, HSBC and the located on high Street and Co-operative Bank and Santander located on Hagley Street.
- 7.34 The vacancy rate at 14% is above the national average.
- 7.35 In terms of accessibility The Shopping Centre and the various streets leading to and from it benefit from pedestrianisation. High Street and Hagley Street are fully pedestrianised, with wide pathways. A large number of bus services pass through the centre. Halesowen's central bus station is located on Queensway adjacent to the Cornbow Centre. Bus services are available to Walsall, Merry Hill Shopping Centre and Birmingham City Centre which aids with footfall to the centre.
- 7.36 Considering the size of Halesowen there is a substantial amount of parking available, much of which is free for up to two hours. The integration of the ASDA and Cornbow Shopping centre parking encourages dwell times to the centre (as those who have visited the supermarket can have the parking fee refunded).
- 7.37 Though the exterior of the Shopping Centre and many of the buildings along High Street/Hagley Street appear visually dated, the public realm of High Street/Hagley Street incorporates well maintained plants and street furniture at the centre's core. The shop frontages throughout the town are in a good condition overall.
- 7.38 In addition to a range of main town centre uses there are a reasonable number of community facilities that support the town centre which help to contribute to the overall function and performance of the area.
- 7.39 Halesowen is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre's key strengths and weaknesses are as follows:

Table 7.5: Centre: Halesowen – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good range of uses, good national multiple representation, maintaining size of retail core. • Highly accessible, especially by bus. • Strong convenience anchor in Asda. • Well maintained plants and street furniture in High Street/Hagley Street. • A number of heritage assets in close proximity to the centre, providing character opportunities. 	<ul style="list-style-type: none"> • Priority to update shopping centre and retail units. • Priority to improve poor pedestrian areas in secondary locations.

LPA: Sandwell: Centre - Blackheath

- 7.40 Blackheath appears to have remained largely unchanged over the last decade with marginal variations in the number of commercial units and floorspace. The centre provides a reasonable range of retail goods and services, with some community facilities.
- 7.41 The centre has a moderate range of 16 national multiples, with Sainsbury’s and Lidl being important anchors. These multiples are generally distributed throughout the centre with no clear clustering.
- 7.42 The current vacancy rate at 10% is lower than the national average.
- 7.43 Blackheath predominantly comprises four main streets connected to the central Market Place roundabout, circled by the A4099 (Archer Way). There is a clear prioritisation of vehicles and traffic flow over pedestrians.
- 7.44 The accessibility and quality of the pedestrian environment varies throughout Blackheath. There are no defined pedestrian crossing points along High Street, though a number of dropped kerb points are present.
- 7.45 The environmental quality is variable across the centre with the most dated frontages noticeable amongst the independent commercial units, with the national multiples generally being in better condition.
- 7.46 Blackheath is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre’s key strengths and weaknesses are as follows:

Table 7.6: Centre: Blackheath – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Centre with a reasonable range of retail goods and services, with some community facilities. • Good bus service links. • Good range of uses, good national multiple representation. 	<ul style="list-style-type: none"> • Priority to improve tired frontages of some commercial unit. • Priority to improve on the lack of continuity in paving and landscaping. • Priority to improve the variable quality of the pedestrian environment.

LPA: Sandwell: Centre – Cradley Heath

- 7.47 Cradley Heath is a linear centre, spanning the length of High Street, including sections of Cradley Road and Graingers Lane.
- 7.48 The retail composition of the centre shows that the convenience goods provision is above the national average in contrast to the centre’s comparison goods provision.
- 7.49 The centre has a small number of national multiples including three convenience stores and a high street bank, and a limited range of community facilities.
- 7.50 Some 16% of Cradley Heath’s commercial units are vacant, which represents 15% of the total floorspace, all of which is above the national average.
- 7.51 The majority of the centre’s frontages are in need of refurbishment and modernisation to improve the current tired and neglected appearance. An increase in street furniture and other decorative schemes such as planting could help to make the area both more attractive and more functional.
- 7.52 Cradley Heath is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre’s key strengths and weaknesses are as follows:

Table 7.7: Centre: Cradley Heath – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Within walking distance from a transport interchange with rail and bus facilities; • Strong convenience anchor (Tesco Extra). • Significant levels of free parking at Tesco. 	<ul style="list-style-type: none"> • Priority to stem decline in number of units and floorspace. • Priority to reduce above average vacancy rate.

LPA: Sandwell: Centre – Great Bridge

- 7.53 Great Bridge is a traditional linear centre along Market Place and Great Bridge. A Lidl store and the site of the outdoor market represent the centre at its western edge with a large Wilko store is present in the heart of the centre.

- 7.54 To the immediate north lies the A461 and this provides access to a retail park comprising a Asda, Boots, Poundland and Poundstretcher as well as fast food restaurants (McDonalds and KFC). Although this is technically within the town centre it appears to operate independently of it, with an abundance of car parking and reliance on car access. There is no real integration with the traditional town centre.
- 7.55 The comparison goods provision is lower than the national average and convenience provision (particularly floorspace) is above the national average. This over-representation of convenience goods is attributed to the relatively large Lidl which represents 48% of all convenience floorspace in the centre.
- 7.56 Great Bridge has a relatively low level of vacancies at 6% which is below the national average.
- 7.57 The centre is dominated by road traffic, to the detriment of pedestrian movement. The centre is easily accessible by road, although generally congested. Conversely the retail park is more accessible and convenient than the traditional centre for those travelling by car. Overall, the centre is well served by regular bus services.
- 7.58 The environmental quality of the centre is undoubtedly poor. Aside from the issues of the secondary pedestrian environment to vehicle traffic, the public realm is particularly dated and in poor condition. Street furniture is highways dominated, of standard design and clutters the street.
- 7.59 Great Bridge is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre's key strengths and weaknesses are as follows:

Table 7.8: Centre: Great Bridge – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Low vacancy rate. • Anchored by Lidl and outdoor market. • Healthy diversity of uses. • Ample car parking. 	<ul style="list-style-type: none"> • Priority to reduce heavy traffic through centre. • Priority to improve public realm. • Priority to improve physical environment. • Priority to improve connectivity between centre and retail park. • Priority to improve provision of community facilities.

LPA: Sandwell: Centre – Oldbury

- 7.60 Oldbury predominantly consists of the Sainsbury's supermarket/parking, the Sandwell Council offices, and a variety of commercial units along Halesowen Street, Church Street, and Birmingham Street.
- 7.61 Both comparison and convenience goods provision is under the national average. The large Sainsbury's dominates the centre against the other much smaller traditional

commercial retail units. There are a high proportion of financial and business services towards the eastern end of Birmingham Street, with the preponderance of vacancies towards the western end.

- 7.62 Oldbury contains an estimated nine national multiple's including two high street banks and a mixture of convenience goods and leisure services. The lack of national multiples is related to the immediate proximity of the Oldbury Green Retail Park which features over 12 multiples. This retail park likely draws a significant amount of visitors compared to Oldbury's traditional high street. In comparison the centre accounts for both the low level of multiples and the low levels of comparison goods stores.
- 7.63 The centre is supported by a small range of community facilities including five churches, two schools a library, health centre and Sandwell Council's main offices.
- 7.64 Oldbury's evening activity is limited; and it is important to ensure the perception of, and actual safety of the centre after the majority of commercial units have closed.
- 7.65 The centre has vacancy rate of 16% which is above the national average.
- 7.66 The general environmental quality of Oldbury is good. The character of the centre is varied, there is a uniformity of red brick buildings interspersed with smooth rendered white buildings.
- 7.67 Oldbury is currently defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. In terms of monitoring it should be noted that the centre's position is reflective of its previous historical industrial heritage and context and therefore needs to be balanced against its current role and function. In this context, consideration has to be paid to the centre's Civic and office employment function and the potential inclusion of the Oldbury Green Retail Park into the town centre boundary, as part of the Sandwell Plan making process.
- 7.68 The centre's key strengths and weaknesses are as follows:

Table 7.9: Centre: Oldbury– Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Generally high quality environment. • Historic buildings give character to the centre. 	<ul style="list-style-type: none"> • Priority to improve linkages to the Retail Park. • Improve comparison goods provision. • Reliant on Sainsbury's as anchor, improve mix of uses within the centre.

LPA: Sandwell: Centre – Wednesbury

- 7.69 Wednesbury is structured similar to a traditional market town centre, with roads converging around the central Market Place. The principal retail streets are the pedestrianised Union Street, High Street and Lower High Street. Retail uses are also found on adjacent

secondary streets. A large Morrison's supermarket anchors the centre from the west of Lower High Street. The site adjoins Walsall Street to the north, which provides access to the main road network. The centre has a large outdoor market on Union Street.

- 7.70 The comparison goods provision is lower than the national average and convenience provision (particularly floorspace) is above the national average. This over-representation of convenience goods is attributed to the relatively large Morrisons which represents 64% of all convenience floorspace in the centre. Union Street provides a focus for a relatively strong comparison sector for the centre, but there are concerns for the sustainability of this, as seen by growing vacancies.
- 7.71 Leisure services are under-represented in terms of both number of units and floorspace. The leisure provision is dominated by takeaways. There is only one restaurant and five public houses.
- 7.72 The centre has vacancy rate of 15% which is above the national average.
- 7.73 The centre has an attractive environment. Market Place and surrounding historic building mix provides a historic focus as also seen in the street frontages. However this is somewhat let down by the public realm, which is dominated by on-street parking and highways infrastructure.
- 7.74 Whilst the centre is vital and viable at present, it shows signs of decline with the potential need for diversification of town centre uses on Union Street and the potential consolidation elsewhere. Improvements to enhance the public realm would aid raising the local distinctiveness of the centre.
- 7.75 Wednesbury is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre's key strengths and weaknesses are as follows:

Table 7.10: Centre: Wednesbury – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Some strong townscape features (e.g. Market Place). • Significant historic building mix in the centre. • Strong market function retained. • Strong convenience representation (Morrison's). • Highly accessible by public transport with bus station. • Pedestrianised street offers ease of pedestrian movement. • Good provision of community facilities. 	<ul style="list-style-type: none"> • Improve pedestrian environment particularly the Central junction that is dominated by highways. • Improve environment around Union Street/Outdoor market/Bus station. • Improve quality of leisure provision.

LPA: Sandwell: Centre – Cape Hill

- 7.76 Cape Hill primarily consists of the Windmill Shopping Centre, Cape Hill Road, and sections of surrounding roads: Waterloo Road, High Street, Shireland Road, and Windmill Lane.
- 7.77 The comparison goods provision is lower than the national average and convenience provision is above the national average. The over-representation of convenience goods floorspace can mostly be attributed to the large Asda which represents 44% of all convenience floorspace in the centre followed by Windmills Market and PAK Supermarkets.
- 7.78 Leisure services are under-represented in terms of both number of units and floorspace. Cape Hill's evening economy is dominated by takeaways (20 in number) compared with one pub and four restaurants. This significantly limits its evening activity.
- 7.79 There is a good presence of national multiples, most of which are located within the Windmill Centre, with the remainder situated along Cape Hill Road. There are a good number of community facilities, with a variety of religious institutions, two primary schools, and a health centre. Cape Hill also benefits from its adjacency to a large green space with Victoria Park.
- 7.80 The centre has a low vacancy rate of 6% which is considerably below the national average.
- 7.81 Outside of the Windmill Centre the environmental quality of the area is generally very poor, with the majority of the shop frontages in need of significant maintenance and modernisation. Despite having a lower than average number of vacant units (proportionally), the low quality of the occupied properties makes the area feel like it is in a state of decline despite figures suggesting otherwise.
- 7.82 Despite the issues with the environmental quality of the area, the centre functions well. The Windmill Centre has a potentially larger draw with the rest of the centre serving the local populous.
- 7.83 Cape Hill is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre's key strengths and weaknesses are as follows:

Table 7.11: Centre: Cape Hill – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong comparison goods offer compared to nearby centres. • Windmill Centre as a whole provides a strong anchor. • Low level of vacancies. • Good accessibility especially by bus. 	<ul style="list-style-type: none"> • Improve quality of frontages. • Improve provision of street furniture and provide investment in public realm.

LPA: Sandwell: Centre – Bearwood

- 7.84 Bearwood covers the entirety of Bearwood Road, stretching to Waterloo Road in the north and Hagley Road in the south in a traditional linear high street form. The centre also includes sections of a number of smaller roads such as Three Shires Oak Road and Sandon Road.
- 7.85 The comparison goods provision is lower than the national average and convenience provision is above the national average. Collectively, the large amount of floorspace is predominantly made up of Aldi, Iceland, The Market and The Co-op plus other smaller units which collectively make up 52% of Bearwood’s convenience goods floorspace.
- 7.86 Leisure services are comparable to national averages in both number of units and floorspace. The centre is also supported by a small range of community facilities consisting of churches, schools and a health centre.
- 7.87 The vacancy rate of 10.3% is marginally above the national average.
- 7.88 The character and period style of Bearwood’s buildings vary considerably (ranging from the late 19th Century up until present day). This creates a contrasting environment that works well in many places such as the blending of terracotta buildings around Bearwood Shopping Centre; however less so in other areas such as the sudden change in building height and style with the Co-op and its surroundings. Heavy vehicular traffic through the centre has a clear and obvious negative impact on the environmental quality of the centre.
- 7.89 Physically, many of the centre’s frontages are tired and in need of refurbishment and modernisation in order to draw out the benefit of many of the visually attractive buildings. Additionally, the area would benefit from some investment in street furniture and the general public realm.
- 7.90 Bearwood is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre’s key strengths and weaknesses are as follows:

Table 7.12: Centre: Bearwood – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong convenience anchor (Aldi). • A number of attractive buildings. • Very accessible by bus 	<ul style="list-style-type: none"> • Improve poor quality frontages. • Improve provision of street furniture and provide investment in public realm.

LPA: Walsall: Centre – Aldridge

- 7.91 The centre is focused around the dated Aldridge Shopping Centre, with other key areas being Anchor Road and High Street. The centre is almost entirely contained within the

bounds of Little Ashton Road (north), The Croft (east), Portland Road (south), and the Aldridge Bypass (west).

- 7.92 Both the comparison and convenience goods provision is lower than the national average. However for convenience goods, and in terms of floorspace, there is an over-representation due to the large floorplates of Morrisons and Iceland.
- 7.93 The centre has a good range of national multiples, including Morrison’s, Iceland and Home Bargains. The majority of the multiples within the shopping centre are comparison goods retailers.
- 7.94 The centre has a low vacancy rate of 4%, which is significantly below the national average.
- 7.95 With the closure of the Preggo and Portobello restaurants, the High Street now contains four restaurants and a Public House towards Anchor Road. This defines Aldridge’s night time economy and a further reduction in evening activity generating uses should be avoided.
- 7.96 Aldridge offers substantial catchment areas and are dominated by low density residential properties. These areas are contained by Green Belt land and as such their closest retail and leisure destination is the town centre.
- 7.97 In addition to a wide range of main town centre uses there are a reasonable number of community facilities that support the town centre which help to contribute to the overall function and performance of the centre.
- 7.98 In terms of character, the local area is dominated by the early 1970s style of the shopping centre which continues through to High Street and an eastern section of Anchor Road. Buildings along the western side of Anchor Road are predominantly comprised of commercial units, converted from early to mid-20th century houses.
- 7.99 The significant level of free parking and large number of bus services make Aldridge highly accessible with all modes of transport.
- 7.100 The centre is performing well in relation to its size, and provides vital services for local residents and visitors.
- 7.101 Aldridge is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre’s key strengths and weaknesses are as follows:

Table 7.13: Centre: Aldridge – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good range of uses, good national multiple representation, supporting the retail core. • Low vacancy rate. • Very accessible by bus. 	<ul style="list-style-type: none"> • Improve physically dated shopping centre. • Improve on leisure provision.

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| <ul style="list-style-type: none"> • Strong convenience anchor (Morrisons). • Well maintained plants and street furniture in 'The Square'. | |
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LPA: Walsall: Centre – Bloxwich

- 7.102 Bloxwich is a linear centre focused on the High Street. The core shopping area extends between the junctions with Wolverhampton Road and Church Street. The centre boundary is somewhat larger than this and includes a large number of community uses, and some residential development. It also includes an Asda store that lies a short distance to the south-east of the retail core. In addition to the units on High Street, the centre also includes Market Place - a small square with temporary outdoor market (3 days/week) – located off High Street within the retail core. Market Place is also adjacent to recent retail development including a Wilko, Iceland and Home Bargains.
- 7.103 Both the comparison and convenience goods provision is lower than the national average.
- 7.104 The vacancy rate at 10.1% is marginally higher than the national average.
- 7.105 In addition to the retail uses the town centre offers a good range of community uses.
- 7.106 Bloxwich has a train station but this is somewhat disconnected from the retail core, located some 10 minutes' walk away.
- 7.107 The retail centre is located directly adjacent to surrounding housing, providing a significant catchment population that is able to easily access the centre via the streets off High Street.
- 7.108 The public realm is generally looking rather dated and in need of investment. Pedestrians have to compete with street clutter, railings, bus movement and heavy traffic. Market Place is a good and well-positioned asset, but its environment could be better, and the adjacent units could provide more active frontages.
- 7.109 The public realm and built environment is generally in need of enhancement throughout. Asda, although on the edge-of-centre, is poorly connected for pedestrians to the High Street. The parking strategy, both here and elsewhere, could be better planned and managed to encourage more linked trips and longer dwell times.
- 7.110 Bloxwich is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre's key strengths and weaknesses are as follows:

Table 7.14: Centre: Bloxwich – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good range of uses. • Good multiple representation. • Excellent range of community uses. 	<ul style="list-style-type: none"> • Improve pedestrian environment / public realm, • Calm traffic on High Street.

<ul style="list-style-type: none"> • Good accessibility by bus. • Walking distance to large catchment. 	<ul style="list-style-type: none"> • Improve linkage between Asda and High Street. • Improve parking to serve the retail core and to encourage linked trips.
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LPA: Walsall: Centre – Brownhills

- 7.111 Brownhills is a typical linear high street with predominantly small commercial units on either side of its designated High Street.
- 7.112 The comparison goods provision is lower than the national average and convenience provision is above the national average in terms of floorspace. The over-representation of convenience goods floorspace can mostly be attributed to the large 1,290 sq.m Tesco which represents 39% of all convenience floorspace.
- 7.113 Leisure provision is heavily focused towards takeaways which make up 65% of all leisure services.
- 7.114 The vacancy rate of 26% is considerably high when compared to the national average. Much of this can be explained by the concentration of vacancies at the wholly vacant Ravens Court.
- 7.115 The centre features a good range of community uses with several churches, a medical centre, community centre and primary school. National multiples are also well represented for the size of the centre; these tend to be located towards the north western end of High Street.
- 7.116 A large proportion of the buildings at the centre of High Street, including Ravens Court are 1970s structures, many of which are in need of some modernisation. Generally most frontages are well kept with the exceptions of Ravens Court and Silver Court.
- 7.117 Physically, the centre is performing reasonably well, though a number of commercial units would benefit from the refurbishment and modernisation of their frontages. Additionally, the area would benefit from some investment in street furniture and the general public realm.
- 7.118 Brownhills is currently defined as a town centre in the Joint Core Strategy and the designation should be maintained. The centre’s key strengths and weaknesses are as follows:

Table 7.15: Centre: Brownhills – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Comparatively high comparison goods provision. 	<ul style="list-style-type: none"> • Priority to reduce vacancy rate. • Priority to improve frontages on derelict Ravens Court. • Priority to improve Breaks in high street form (Kwik Fit etc.). • Priority to improve quality and separation of Silver Court.

LPA: Walsall: Centre – Willenhall

- 7.119 Willenhall is centred on Market Place with commercial units extending to a number of streets including (amongst others) New Road, Wolverhampton Street and Stafford Street.
- 7.120 Both the comparison and convenience goods provision is lower than the national average. However for convenience goods, and in terms of floorspace, there is an over-representation due to the large floorplate of Morrisons.
- 7.121 Despite lower than average levels of service provision, there is a good range of leisure services across the centre. This includes a variety of cafes, takeaways, public houses, and restaurants. Hence unlike other town centres this is not solely dominated by takeaways.
- 7.122 The centre has a vacancy rate of 15%, which is higher than the national average.
- 7.123 Willenhall Market operates on a Wednesday, Friday and Saturday during which the majority of Market Place is closed to traffic. The pedestrianisation of Market Place allows people to flow more freely through the centre.
- 7.124 Willenhall features a wide range of community uses which include several churches, a library, and a community hub.
- 7.125 Willenhall is not as well connected in terms of bus services. Although New Road features a number of stops and services to Walsall and Wolverhampton.
- 7.126 Willenhall has a distinctive historic environment with most of the town centre falling within a Conservation Area. However, this potential is not fully realised, with the environmental quality generally in need of improvement. There are poor quality commercial frontages exacerbated by vacancies with many in need of significant repair. The area would benefit significantly from improvements in the physical environment, specifically targeting poor quality frontages.
- 7.127 Willenhall is performing well in relation to its size, and provides vital services for local residents and visitors.
- 7.128 Willenhall is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained. The centre's key strengths and weaknesses are as follows:

Table 7.16: Centre: Willenhall – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good balance of comparison and convenience goods. • High number of listed buildings and a distinctive local character. • High level of parking and very accessible by private vehicle. 	<ul style="list-style-type: none"> • Improve to reduce high vacancy rate. • Improve public transport connectivity. • Improve on poor environmental quality.

LPA: Walsall: Centre – Darlaston

- 7.129 Darlaston is centred upon King Street, expanding in all directions to include the roads of Crescent Road, Church Street, Pinfold Street, and Walsall Road.
- 7.130 As with a range of other town centres in the BCLA, both the comparison and convenience goods provision is lower than the national average. However for convenience goods, and in terms of floorspace, there is an over-representation due to the large floorplate of Asda which represents 85% of all convenience floorspace in the centre. National multiples are also well represented for the size of the centre and are located on King Street.
- 7.131 The centre has a vacancy rate of 14% which is higher than the national average.
- 7.132 Considering the size of Darlaston, the centre features a fair range of community uses with several churches, a medical centre, a library and a town hall.
- 7.133 The environmental quality of Darlaston varies significantly throughout the centre. Generally. The commercial units along King Street and Church Street are of a much better quality than elsewhere. The commercial units situated along Pinfold, Walsall Road, and Darlaston Road generally have very poor quality frontages that are damaged and dated.
- 7.134 Darlaston does not have a sizeable number of commercial units yet the centre's boundaries are extensive with the potential for consolidation to the core retail area.
- 7.135 Darlaston remains a vital and viable town centre. It is defined as a town centre though it is advised that the boundaries are reduced, which could be explored through a Tier-two plan review, and that an effort is made to concentrate key town centre uses towards the centre. The centre's key strengths and weaknesses are as follows:

Table 7.17: Centre: Willenhall – Key Strengths & Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong anchor (Asda) with good connections to the town centre. • Attractive listed buildings. • Pedestrianised King Street. • King Street is anchored by Asda. 	<ul style="list-style-type: none"> • Improve poor quality frontages in some areas • Potential consolidation of extensive town centre boundary.

Summary:

- 7.136 The preceding analysis has shown the diverse range, characteristics and issues facing each town centre. The strategic review of these centres highlights the following:
- the town centres provide an important focus for day-to-day shopping and particularly convenience goods shopping;
 - in relation to other uses such as leisure, community and cultural activity this varies and in some instances is considerably limited;

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- whilst the centres are vital and viable it is clear that there is an element of overcapacity in retail floorspace as denoted by the level of vacancies across the majority of the centres - reflective of their past usage and status;
 - in the current and rapidly evolving retail and economic climate there is a need for a review and / or consolidation of core areas and perhaps even centre boundaries, which could take place through Tier-two plan reviews, such as BCLA AAPs/ SADs;
 - consolidation may result in the need for strategies to be in place, such as by BCLAs exploring regeneration and funding scheme interventions if centres are to maintain their role in the hierarchy and to manage this consolidation;
 - as with the strategic centres the future of these centres is unlikely to be retail led and therefore a mix of uses should be encouraged;
 - through consolidation there are better prospects to focus on the core retail area and undertake targeted interventions such as upgrading frontages;
 - there is considerable variation in the environmental quality of the centres and there is a need to focus on the distinctiveness of each centre e.g. historic heritage and buildings and improve on the physical fabric and associated public realm including more greening of the environments;
 - there needs to be a determined effort on increasing footfall and dwell times to the centres, for example, where free parking is provided as part of a foodstore located within a centre there is a need to ensure that there is better connectivity to the retail core;
 - in the majority of cases there is a lack of an evening economy, especially family oriented provision and a mix of uses should be encouraged to enhance the character and perception of centres; and
 - in a large number of cases where major roads run through the centres there is a need to ensure that appropriate traffic calming measures are in place facilitating better pedestrian flows and improving the environmental quality of the centres.

8. District and Local Centres

- 8.1 This section provides a high level overview of the Tier-three centres in the Black Country (detailed as 'District and Local Centres' in policies CEN2 and CEN5 of the Black Country Core Strategy).
- 8.2 The Core Strategy identifies 93 Local Centres which perform a crucial function serving the needs of the Black Country local communities, particularly day-to-day shopping provision.
- 8.3 Core Strategy paragraph 4.33 facilitated the designation of new Local Centres through Tier-Two Plans and since the adoption of the Core Strategy existing clusters of centre-use provision have been designated new Local Centres in Wolverhampton: Chapel Ash Local Centre through the Wolverhampton City Centre Area Action Plan (2016), and in Walsall: Blackwood Local Centre through the Walsall Sites Allocations Document (2019).
- 8.4 In terms of the individual BCLA the following provides a brief overview by LPA area. Furthermore, a sample of individual centres is detailed in **Volume 2, Appendix 23**.

City of Wolverhampton LPA Area: Overview

- 8.5 Wolverhampton's Tier-three centres consist of a network of 28 District & Local Centres. These centres are diverse in terms of size and structure but all perform the crucially important function of serving the local communities of Wolverhampton, particularly for day-to-day shopping and services. Together with Wolverhampton's City Centre and the Town Centres of Bilston and Wednesfield this gives a spatial structure to the urban area contributing to the distinctive character and identity of Wolverhampton and the Black Country.
- 8.6 The location and distribution of District & Local Centres reflects the historic growth of Wolverhampton, with the Town Centres of Wednesfield in the eastern and Bilston to the south-eastern areas of the city, meaning that District & Local Centres are mainly concentrated to the north-eastern, southern and western areas of the city.
- 8.7 District & Local Centres are often anchored by foodstores whose presence encourage linked trips. These include both long-established units, such as the medium-sized Co-operative at Tettenhall District Centre, and new-build stores such as the extended Lidl Store serving Finchfield Local Centre. In addition, Local Centres such as at Aldersley can comprise a small number of units that nevertheless serve an important shopping function for the local area. In addition, District & Local Centres have been subject to important regeneration schemes, such as at Blakenhall Gardens where new unit shops and residential provision as part of a mixed-use scheme provides a focal point linking and consolidating the Dudley Road (Blakenhall) District Centre.

Dudley MBC LPA Area: Overview

- 8.8 Dudley's Tier-three Centres consist of a network of 18 District and Local Centres. These centres are diverse in terms of their size and structure, but all perform the very important function of serving the local communities of Dudley, particularly for day-to-day shopping and services. Together with the Strategic Centre of Brierley Hill and the Town Centres of Dudley, Stourbridge and Halesowen, this network gives an important spatial structure to the urban area, both in terms of historic legacy in contributing to the distinctive character and identity of Dudley and the Black Country, but also in terms of as a focus for future growth.
- 8.9 The location and distribution of District and Local Centres reflects the historic growth of across Dudley. There are foodstore anchor stores that serve a number of Dudley's Tier-three Centres, most notably in the District Centres, which help in encouraging linked trips to these centres. These anchor convenience retail stores include both long-established units, such as the Co-operative at Kingswinford District Centre and new-build stores such as the Aldi Store serving Wollaston Local Centre.

Sandwell MBC LPA Area: Overview

- 8.10 Sandwell's Tier-three Centres comprise a network of 12 District and 18 Local Centres. These range in size, with some local centres being only a few shops and a supermarket, at the other end of the scale Carters Green Local centre has 90+ units.
- 8.11 They serve the local communities' need for day-to-day shopping and services. Generally, these centres are convenience and service orientated, with comparison retail limited or absent in these centres, so dominant uses include Hair Salons, Hot Food Takeaways, Newsagents, Off Licences etc.
- 8.12 Distribution of Tier-three centres is generally uniform across the borough, but are not present in Sandwell Valley - the principal greenspace of Sandwell and the major industrial area of the Black Country New road and Oldbury to Smethwick industrial area (which is centred on a historic canal/rail corridor).
- 8.13 Sandwell is noticeably poly-centric, with the Strategic Centre of West Bromwich being less dominant for the borough than is the case of other Metropolitan Borough Strategic Centres. The Borough was historically 6 towns, which were reorganised into two boroughs of West Bromwich & Warley, with Sandwell coming into existence in 1974 with their amalgamation.
- 8.14 Sandwell's Town Centres are all 'anchored' by a substantial food store, either within the centre or directly on the edge.
- 8.15 In recent years, limited range discounters, particularly Aldi & Lidl, have increased their convenience retail presence in Sandwell, not always within the framework of centres.

Walsall LPA Area: Overview

- 8.16 Walsall's Tier-three centres consist of a network of 35 Local Centres, the greatest number in the Black Country. These centres are diverse in terms of size and structure but all perform the crucially important function of serving their local communities for day-to-day shopping and services. These Local Centres surround Walsall's centrally located Town Centre and its accompanying Tier-two District Centres (Aldridge, Bloxwich, Brownhills, Darlaston and Willenhall) to all sides; each representing distinctive urban areas with their own local character and identity.
- 8.17 The location and distribution of its Local Centres reflects the historic and continuing industrial, employment and residential growth of Walsall.
- 8.18 Foodstore anchors serve Local Centres and encourage linked trips. These vary in size and age, such as the smaller established Martin's Newsagents and Post Office in Beechdale to the larger, newly built Aldi store at Coppice Farm.
- 8.19 Regeneration schemes include a shopping parade and mixed-use developments of centre-uses to the frontage along the A4148 at Fulbrook including a new dentist, takeaway, butchers and first-floor apartments.

Summary

- 8.20 Based on the current evidence LSH endorse the Tier-three centres currently identified. The Black Country Plan should emphasise the important role played by Tier-three centres in serving the Black Country. Given the large number of centres they do face challenges with vacancy rates and given no identified future retail capacity, they will be vulnerable to being impacted if future expenditure is lost to their catchments, hence the importance of having a locally set threshold for undertaking of NPPF impact tests.
- 8.21 Growth identified for the Black Country over the plan period (particularly housing and employment) provides the opportunity to ensure their vitality and it will be important that this future growth is served particularly by Tier-three centres. As with the BCCS it will be important for the BCP to facilitate that Tier-Two Plans can designate future Local Centres where there are clusters of existing centre-use provision in the current urban area to serve existing and future communities, such as has taken place for Chapel Ash, Wolverhampton, and Blackwood, Walsall; and potential new Local Centres in the future such as at Hagley Road, Sandwell and Rough Hay, Walsall. The boundaries of Tier-three Centres (together with the boundaries of Tier-one and Two Centres) can be adjusted through Tier-two Plans.

9. Quantitative Retail Needs Assessment

- 9.1 This section sets out the results of the quantitative retail need ('capacity') assessment for new retail (comparison and convenience goods) floorspace across the four BCLA area covering the period from 2019 to 2038 and broken down into five year periods (i.e. 2024, 2029, 2034). Data is also provided to inform the Black Country Plan Review. This assessment updates and supersedes the findings of the BCLA's 2009 evidence-based study (the **2009 BCLA Study**).

The CREAT^e Model: Key Baseline Assumptions & Forecasts

- 9.2 The **CREAT^e** economic model has been specifically designed and developed by LSH over a number of years to assess the capacity for and impact of new retail (convenience and comparison goods) development and investment.
- 9.3 The (Excel-based) model adopts a transparent 'step-by-step' approach in which all the key assumptions and forecasts can be easily tested, in accordance with good practice guidance. The model is underpinned by the survey-derived market share analysis, which helps to inform the assessment of the current (convenience and comparison goods) turnovers and trading performance of existing centres, shops and stores at the base year.
- 9.4 It has been assumed for the purpose of the capacity assessment that the local retail markets in the four BCLA areas are in '**equilibrium**' at the base year. In other words all existing centres and stores are broadly assumed to be trading in line with their expected ('benchmark') turnover levels at the base year. This approach is reasonable, robust and realistic in this case as it reflects the impact of the economic downturn and the significant growth in internet sales on the trading levels and performance of retailers and stores across the UK. It also reflects the potential impact of Brexit uncertainty persisting on the economy and retail sector going forward. Further to this, there is no qualitative evidence from the health check assessments to clearly show that any of the main centres and stores in the local authority areas are significantly over-trading or under-trading at the base year (2019).
- 9.5 On this basis any **residual expenditure** available to support new retail floorspace over the development plan periods is derived from the difference between the forecast growth in 'current' (survey-derived) turnover levels (based on population and expenditure growth),

and the constrained growth in 'benchmark' turnovers²⁴ based on applying robust year-on-year 'productivity' ('efficiency') growth rates to all existing and new retail floorspace²⁵.

- 9.6 It is important to restate that long-term forecasts should be treated with caution, as they will be influenced by unforeseen changes in economic, demographic and market trends. As a result we advise that greater weight should be placed on the short term forecasts carried out over a five year period (see PPG, para 004). Notwithstanding this, each Council will need to take account of the forecast capacity for new retail floorspace over their plan periods to inform the Black Country Plan and site allocations (formulated through Tier-two plans). As the NPPF (paragraph 85 (d)) states that they should '**allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead**'. Therefore, whilst this Study assesses retail capacity up to 2038, the BCLA should be mindful of placing emphasis on forecasts over the medium term ten-year period to 2029.
- 9.7 The updated capacity forecasts set out in this section are intended as a broad guide to enable the BCLA to assess the broad strategic options for the spatial distribution of new retail-led floorspace and development over the plan period to 2038, and to make informed policy choices about where any forecast need (if identified) should be met, in accordance with the advice set out in the NPPF (paragraph 85). It follows that the allocation of sites to meet any identified need over the next five years, and over the lifetime of the development plan, will depend on a range of key considerations, including the suitability, viability and availability of sites in or on the edge of existing centres, and the potential to expand existing centres to accommodate forecast need, if identified.
- 9.8 The key steps in the retail capacity assessment, and the main assumptions and forecasts underpinning the CREAT^e Model are described in more detail below.

Base Year Population and Projections

- 9.9 The 2019 ('base year') population estimates and projections (to 2024, 2029, 2034 and 2038) for the Study Area and zones have been informed by Experian Business Strategies.
- 9.10 The Experian Business Strategies data by zone has been used as it accounts for broad geography and any associated growth variation over time and this methodology reflects

²⁴ In this case, under the 'equilibrium' approach, the 'benchmark' turnovers at the base year (2019) are assumed to be the 'current' turnovers derived from the market share analysis.

²⁵ The 'efficiency' growth rates are informed by *Experian's latest Retail Planner Briefing Note 16* (Figures 4a and 4b) These year-on-year turnover growth rates help to maintain the viability and vitality of existing centres and stores over time, particularly against the backdrop of increasing occupancy costs (e.g. rents, business rates, service charges, etc.) and labour costs. It should be noted that individual centres, stores and shopping facilities will be capable of achieving higher and/or lower annual 'efficiency' growth depending on a range of trading factors (including the size, quality and type of retail floorspace).

best practice when undertaking capacity modelling. By way of explanation, and in using the Experian projections, the following should be noted:

- LSH has been informed by the BCLA that the household projections which are normally used as part of the process to project housing need are based on the 2014-ONS projections²⁶. However the BCLA wide projections assume that the amount of housing built in each authority will be exactly the right amount to meet individual housing needs up to 2038. In reality the BCLA confirm that this will not be the case as the Black Country Plan is a Joint Plan and there will be 'exporting' of housing need across the BCLA and beyond. The 2014-based projections are therefore not necessarily a definitive guide to population growth.
- Furthermore, conducting a review of the growth projections based on 2014 ONS data against those derived from Experian show that the annual rate of growth over time is on average circa 0.5% per annum [comparing ONS data, the representative Experian zones or the Study Area as a whole (Zones 1-55)]. On this basis the Experian Business Strategies data by zone has been used as it accounts for broad geography and any associated growth variation over time and this methodology reflects best practice when undertaking capacity modelling.

Table 9.1: Population Growth Compared: ONS v/s Experian

Source: ONS Data: 2014-based Subnational Population Projections		
LPA	Growth 2019-2038 (%)	Growth 2019-2038 (% pa)
Wolverhampton	10.14	0.51
Dudley	5.54	0.28
Sandwell	13.78	0.68
Walsall	10.35	0.52
BCLA Area Average	9.96	0.50

Source: Experian Business Strategies		
By Representative Zones		
LPA	Growth 2019 -2037 (%)	Growth 2019 -2037 (% pa)
Wolverhampton	9.66	0.51
Dudley	5.31	0.33
Sandwell	12.83	0.63
Walsall	9.71	0.51
Average	9.38	0.49
Study Area (Zones 1-55)		
Study Area	9.11	0.49

²⁶ ONS website: web link as follows:

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/localauthoritiesinenglandtable2>

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- 9.11 Based on the growth rate above, and as shown in **Table 4.2** previously, the Study Area population (Zones 1-55) is forecast to increase by +9.6% (+209,572 people) between 2019 and 2038.

Base Year Expenditure Per Capita and Forecasts

- 9.12 Table 2 (of **Appendices 2 and 6 (Volume 3)**) set out the expenditure per capita estimates for convenience goods and comparison goods for each study zone; after making an allowance for special forms of trading (SFT)²⁷.
- 9.13 The base year (2019) average expenditure per capita figures have been derived from our in-house Experian MMG3 GIS (please note all expenditure and turnover figures are expressed in 2017 prices).
- 9.14 The expenditure per capita figures by zone have been grown year-on-year based on the latest *Experian Retail Planner Briefing Note 16 (RPBN)* published in December 2018. As described in **Section 3**, Experian forecast more limited year-on-year growth in convenience and comparison goods expenditure than previous forecasts.
- 9.15 Our allowance for SFT at the local level has been informed by the results of the household survey, benchmarked against Experian's SFT market share forecasts for convenience and comparison goods. The survey-derived shares have necessarily been adjusted downwards to reflect the fact that a proportion of online food and non-food sales are sourced from traditional stores rather than from dedicated ('dotcom') warehouses²⁸. This is in compliance with the advice set out in Experian's latest RPBN. The **adjusted** SFT market share for comparison goods is 19.4% in 2019, which is above the adjusted Experian national average figure of 17.9%. In contrast the locally adjusted SFT market share for convenience goods of 1.8% is below the national average of 4%.
- 9.16 Clearly if the growth in SFT (online shopping) is higher or lower in the Study Area than the national projections, then this would effectively alter the total available expenditure to support existing and new floorspace over the forecast period.

Total Available Expenditure

- 9.17 Table 3 of **Appendices 2 and 6 (Volume 3)** forecasts the growth in total available convenience goods and comparison goods retail expenditure respectively across the Study Area and zones between 2019 and 2038 (excluding SFT)²⁹.

²⁷ SFT comprises non-store sales via the internet, mail order, stalls and markets, door-to-door and telephone sales.

²⁸ Drawing on Experian's latest research we have assumed that some 30% of SFT convenience goods sales and 75% of comparison goods sales are sourced from traditional ('physical') retail space.

²⁹ Total expenditure is derived by multiplying the population and average expenditure per capita levels together.

- 9.18 The tables shows that total convenience goods expenditure is forecast to increase by +6.6% (+£465.2m) for the Study Area as a whole; from £4,425.6m in 2019 to £4,890.8m by 2038. Total comparison goods expenditure growth is forecast to be significantly higher, +88.4% (+£5,072.9); from £5,735.7m to £10,808.6m.
- 9.19 The growth in comparison goods expenditure significantly outstrips convenience goods spend over the study period. This effectively means that there should be greater capacity potential for new comparison goods floorspace than for convenience goods retailing; although this will be dependent on the level of retail commitments in the pipeline and the forecast growth in the 'productivity' levels of existing floorspace and stores.

Market Share Analysis (excluding SFT)

- 9.20 **Section 4** described the headline results of the survey-derived (%) market share analysis, including SFT. For the purpose of the retail capacity assessment, and in line with accepted approaches, the market share analysis has been adjusted for both convenience goods and comparison goods to exclude SFT³⁰ (Table 1, **(of Appendices 4 and 8 (Volume 3))**).
- 9.21 The next key stage in the capacity assessment involves allocating the baseline convenience and comparison expenditure (£ million) within the Study Area and zones to the identified centres, stores and floorspace based on the survey-derived market shares. This helps to establish the current 'baseline' (2019) trading performance for the main centres and stores across the three local authority areas based on expenditure drawn from the Study Area only. It should be noted that no allowance is made at this stage for any potential 'inflow' (trade draw) of expenditure to centres and stores from outside the defined Study Area.
- 9.22 For both convenience goods and comparison goods the 'baseline' turnovers are projected forward to 2024, 2029, 2034 and 2038 assuming no changes in market shares (see **Appendices 4 and 8 (Volume 3)**). This 'constant market share approach' is standard practice for retail capacity and impact assessments. However, the BCLA will be aware that it is a highly theoretical approach as it does not, for example, take account of the potential impact that new retail investment and development (both within and outside the BCLA area) can have on existing shopping patterns, market shares and turnovers over time.

'Inflow' (Trade Draw) from outside Study Area

- 9.23 In order to provide a complete picture of the current trading (turnover) performance of the main centres and stores across the BCLA area we have necessarily made informed

³⁰ This is in accordance with the standard approach for retail assessments, which make a deduction for SFT at the outset from the expenditure per capita figures.

judgements with regard to the likely 'inflow' (trade draw) from outside the widely defined Study Area. The 'inflow' assumptions take account of:

- the scale, offer and location of all existing centres and stores in the respective local authority areas;
- the likely extent of their catchment areas;
- the competition from centres, stores and shopping facilities outside the Study Area; and
- the likely retail expenditure derived from people who live outside the Study Area (including tourists, visitors and commuters) in the Study Area's main centres and stores.

9.24 We have also taken account of the previous 2009 study and retail assessment to help inform our judgements.

9.25 Although the assessment of 'inflow' is not a straightforward exercise, due to the complex nature of overlapping catchments and shopping patterns, it is reasonable to assume that for comparison goods retailing the Study Area's larger centres will draw a proportion of their shoppers and trade from outside the defined Study Area.

9.26 On the other hand the local centres and smaller villages will generally draw the majority of their shoppers and trade from within their more localised catchments, with limited or no 'inflow' from outside the Study Area.

9.27 The 'inflow' of convenience goods expenditure to the main centres and stores from outside the wider Study Area will also be more limited than for comparison goods, as households generally carry out their main food shop at their more local and convenient stores, and do not generally travel longer distances for food purchases.

Total Turnover of Centres and Stores

9.28 The assessment of the total turnover of all the main centres and stores within the BCLA is based on the expenditure allocated to these centres/stores according to their survey-derived market shares at 2019, and our judgements as to the total "inflow" of trade to these centres/stores from outside the defined Study Area. The detailed (convenience and comparison) goods turnovers are appended to this report as follows:

- For **City of Wolverhampton** area the base year and predicted turnovers of the main centres/stores are set out in Table 1 (**Appendix 5A (Volume 3)**) for convenience goods and Table 1 (**of Appendix 9A (Volume 3)**) for comparison goods.
- For **Dudley MBC** area, the turnover forecasts for 2019 to 2038 are set out in Table 1 (**Appendix 5B (Volume 3)**) for convenience goods and Table 1 (**Appendix 9B (Volume 3)**) for comparison goods.

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- For **Sandwell MBC** area, the turnover forecasts for 2019 to 2038 are set out in Table 1 (**Appendix 5C (Volume 3)**) for convenience goods and Table 1 (**Appendix 9C (Volume 3)**) for comparison goods.
 - For **Walsall Council area**, the turnover forecasts for 2019 to 2038 are set out in Table 1 (**Appendix 5D (Volume 3)**) for convenience goods, and Table 1 (**Appendix 9D (Volume 3)**) for comparison goods

Retail Floorspace Commitments

- 9.29 The next stage in the retail capacity assessment takes into account the retail floorspace and predicted turnovers of all the major food and non-food commitments³¹ and any policy-led floorspace allocations in the BCLA at the time of preparing this study.
- 9.30 Based on information provided for the BCLA area the major planned/committed retail schemes are detailed by individual LPA below. Table 2 in **Appendices 5A to 5D (Volume 3) (convenience goods)** and **Table 2 Appendices 9A to 9D (comparison goods)** set out the predicted convenience and comparison goods turnovers of the permitted retail floorspace based on the available evidence, including Mintel's latest UK Retail Rankings Report).
- 9.31 The major planned / committed retail schemes in the City of Wolverhampton LPA area by type of goods are:

³¹ Commitments are commonly defined as retail floorspace with planning permission and/or under construction at the time of preparing this study.

Table 9.2: City of Wolverhampton LPA Area: Commitments: Convenience Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	Wolverhampton - City Centre	17/01102/OUT	Westside Leisure - Outline application for leisure (Class D2), food and drink (Class A3), hotel (Class C1), retail (Class A1), drinking establishments (Class A4), multi-storey car park and public realm	14,392	651
[2]	Wolverhampton - Edge-of-City Centre	16/00598/PAOTH	Interchange: Railway Station - Wolverhampton Railway Station Railway Drive City Centre Wolverhampton West Midlands WV1 1LE	825	144
[3]	Blakenhall District Centre (Dudley Road)	18/00132/FUL	Community Centre: Proposed part change of use from Industrial building to form 4 Retail units.	314	110
[4]	Wolverhampton - Out-of-Centre	13/00871/FUL	Pountney Street, unit shops - Proposed change of use of the existing basement	1,098	384
[5]	Wolverhampton - Out-of-Centre	16/00678/FUL	Aldi Portobello: Land Between New Street South Street Portobello	1,505	878
TOTAL				18,134	2,167

Notes:

[1] Assumed that of the maximum amount of A1 Class space permitted is 1,860 sq.m gross. Of this the convenience /comparison split will be 50% / 50% and the gross to net ratio applied is 70%.

[2] Four small commercial outlets (falling within any combination of Class A1, A3, A4 and A5). These units are to be 100 sq.m, 120 sq.m, 150 sq.m, 170 sq.m and 285 sq.m (totalling 825 sq.m GEA). On this basis assumed that A1, A3, A4 & A5 will be split equally (825/4=206.3 sq.m). It is assumed that for the A1 component this is likely to comprise convenience goods only. The gross to net applied for the convenience goods element is 70%.

[3] Assumed that of the total floorspace of 314 sq.m permitted the convenience /comparison split will be 50% / 50% and the gross to net ratio applied is 70%.

[4] Assumed that of the total permitted floorspace of 1,098 sq.m the convenience /comparison split will be 50% / 50%. It is also assumed that 1,098 sq.m represents a gross figure and therefore netted down using a gross to net factor of 70%.

[5] Assumed up to 1,254 sq.m convenience; 251 sq.m max sales area for comparison goods. Assumed this is gross and on this basis netted down by 70%.

Table 9.3: City of Wolverhampton LPA Area: Commitments: Comparison Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	Wolverhampton - City Centre	17/01102/OUT	Westside Leisure - Outline application for leisure (Class D2), food and drink (Class A3), hotel (Class C1), retail (Class A1), drinking establishments (Class A4), multi-storey car park and public realm Land At Salop Street/Peel Street/Pitt Street/School Street And Ring Road St Marks Wolverhampton	14,392	651
[2]	Blakenhall District Centre (Dudley Road)	18/00132/FUL	Community Centre: Proposed part change of use from Industrial building to form 4 Retail units.	314	110
[3]	Wolverhampton - OTC	19/00349/FUL	Installation of 697sqm mezzanine and elevational changes to Unit F. St Johns Retail Park Church Street City Centre Wolverhampton West Midlands WV2 4SJ	697	488
[4]	Wolverhampton - OTC	13/00871/FUL	Pountney Street, unit shops - Proposed change of use of the existing basement area to create a mixed use development comprising retail units, bar, restaurant, creche and indoor parking Basement Of Former J W Braithwaite Pountney Street Wolverhampton West Midlands WV2 4HX	1,098	384
[5]	Wolverhampton - OTC	16/00678/FUL	Aldi Portobello: Land Between New Street South Street Portobello Wolverhampton West Midlands. Proposed new Food Retail Store (Use Class A1), with associated car parking, servicing and landscaping (amended proposal following earlier approval).	1,505	176
TOTAL				18,006	1,809

Notes:

- [1] Assumed that of the maximum amount of A1 Class space permitted is 1,860 sq.m gross. Of this the convenience /comparison split will be 50% / 50% and the gross to net ratio applied is 70%.
- [2] Assumed that of the total floorspace of 314 sq.m permitted the convenience /comparison split will be 50% / 50% and the gross to net ratio applied is 70%.
- [3] Assumed that the 697 sq.m is a gross figure therefore netted down by 70%
- [4] Assumed that of the total permitted floorspace of 1,098 sq.m the convenience /comparison split will be 50% / 50%. It is also assumed that 1,098 sq.m represents a gross figure and therefore netted down using a gross to net factor of 70%.
- [5] Assumed up to 1,254sq.m convenience; 251sq.m max sales area for comparison goods. Assumed this is gross and on this basis netted down by 70%.

9.32 The major planned / committed retail schemes in the Dudley MBC area by type of goods are:

Table 9.4: Dudley MBC LPA Area: Commitments: Convenience Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	Dudley-Town Centre	P18/0590	Demolition, remodelling and remediation; redevelopment to allow: retail, service and leisure accommodation (use classes A1, A2, A3, A4, A5, D2); student accommodation (Use Class C2); dwelling houses (C3); hotel accommodation (C1); offices (B1a); non-residential institution uses (D1); car showroom (sui generis) taxi rank; public space; highways, access and pedestrian connectivity works; car parking; landscaping; associated works (outline, all matters reserved)	2,322	1,625
[2]	Lye-Out-of-Centre	P15/0845	Former Clarkson Place Unit, Thorns Road, Lye, DY5 2LD; Erection of retail store (Aldi) (A1) with associated car parking and landscaping.	1,805	1,003
[3]	Kingswinford-Out-of-Centre	P16/1461	Former Ibstock Brick Ltd Stallings lane. Outline application for mixed use development comprising residential (C3); Retail (A1); Leisure (D2) ad a Public House (A4).	7,205	2,522
[4]	Wollescote-Out-of-	P16/1653	Former Hare and Hounds PH, Wynnall Lane, erection of an A1 Retail Store (Co-op).	365	233
TOTAL				11,697	5,383

Notes:

- [1] A1 shops (food): maximum 2,322 sq.m, netted down by 70%.
- [2] Planning Statement accompanying application provides 1805 sq m of gross A1 retail floorspace and some 1,254 sq.m net. The net floorspace figure is broken down into 1,003 sq.m net convenience goods and 251 sq.m net for comparison goods.
- [3] Indicative masterplan accompanying application shows 7,205 sq.m gross area proposed for retail. It is assumed that of the total permitted gross floorspace of 7,205 sq.m the convenience /comparison split will be 50% / 50%. This is thereafter netted down using a gross to net factor of 70%.
- [4] Planning Statement accompanying application provides 365 sq.m of gross A1 retail floorspace and some 233 sq.m net. It is assumed that the net floorspace proposed is for convenience goods only.

Table 9.5: Dudley MBC LPA Area: Commitments: Comparison Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	Dudley - Town Centre	P18/0590	Demolition, remodelling and remediation; redevelopment to allow: retail, service and leisure accommodation (use classes A1, A2, A3, A4, A5, D2); student accommodation (Use Class C2); dwelling houses (C3); hotel accommodation (C1); offices (B1a); non-residential institution uses (D1); car showroom (sui generis)' taxi rank; public space; highways, access and pedestrian connectivity works; car parking; landscaping; associated works (outline, all matters reserved)	4,180	2,926
[2]	Lye-Out-of- Centre	P15/0845	Former Clarkson Place Unit, Thorns Road, Lye, DY5 2LD; Erection of	1,805	251
[3]	Kingswinford- Out-of- Centre	P16/1461	Former Ibstock Brick Ltd Stallings lane. Outline application for mixed use development comprising	7,205	2,522
TOTAL				13,190	5,699

Notes:

[1] A1 shops (non-food): maximum 4,180 sq.m gross netted down by a ratio of 70%.

[2] Planning Statement accompanying application provides 1805 sq.m of gross A1 retail floorspace and some 1,254 sq.m net. The net floorspace figure is broken down into 1,003 sq.m net convenience goods and 251 sq.m net for comparison goods.

[3] Indicative masterplan accompanying application shows 7,205 sq.m gross area proposed for retail. It is assumed that of the total permitted gross floorspace of 7,205 sq.m the convenience /comparison split will be 50% / 50%. This is thereafter netted down using a gross to net factor of 70%.

9.33 The major planned / committed retail schemes in the Sandwell MBC area by type of goods are:

Table 9.6: Sandwell MBC LPA Area: Commitments: Convenience Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	West Bromwich-Town Centre	DC/13/56479	3 Bull Street West Bromwich Ringway West Bromwich B70 6EU. mixed use development including retail, restaurant and five apartments.	300	210
[2]	West Bromwich-Town Centre	DC/16/59740	Proposed mixed use development consisting of 4 No. ground floor commercial units with 49 No. apartments above with undercroft car parking to rear and cycle and refuse storage Car Park Victoria Street West Bromwich	295	103
[3]	West Bromwich-Edge of Town Centre	DC/18/62210	Staples Limited Tildasley Street West Bromwich B70 9SJ. Proposed variation of condition 1 of planning permission DC/18/62210 (Proposed change of use to supermarket (Class A1), external alterations including new store access, loading bay extension, trolley bay canopy, and alterations to car park and landscaping) to remove loading bay extension and replace with rear access ramp and new ramp to customer service entrance.	1,973	1,052
[4]	Great Bridge-Town Centre	DC/15/58596	87 Whitehall road and land adjacent to West Bromwich, Great Bridge. 2 No. retail units with 2 No. two bedroom flats above and two storey building comprising of 8 No. two bedroom flats with associated parking.	150	105
[5]	Oldbury Town Centre-Edge of	DC/17/61306	9 Oldbury Green Retail Park Oldbury Ringway Oldbury B69 3DD. Proposed installation of mezzanine floor.	465	326
[6]	Cradley Heath - Town Centre	DC/17/61336	Land Adj 149 Halesowen Road Cradley Heath B64 6HX. Proposed 2 storey building comprising of 3 shops at ground floor with 2 No. one bedroom flats above and associated parking (revised application - DC/17/60463).	128	90
[7]	Wednesbury - Out-of-Centre	DC/15/57967	Johal Supersave 90 Oxford Street Wednesbury WS10 0PY - replacement shop with five apartments above	203	142
[8]	Smethwick Local Centre - Town Centre	DC/15/58733	Site Of 2 To 4 Cape Hill Smethwick. Proposed three storey development comprising of 3 No. retail units at ground floor and 6 No. 2 bed apartments at first and second floor.	202	141
[9]	Smethwick Local Centre - Town Centre	DC/17/60690	Proposed construction of a ground floor retail unit, first floor showroom with exterior rear display area and 2 No. 2 bed loft apartments at second floor with balconies and associated car parking and bin storage to rear. Land Adjacent To 3-5 St Pauls Road Smethwick	340	238
[10]	Tipton Local Centre-In-Centre	DC/17/60958	Lidl UK & Car Repairs & Testing Centre 119 Horseley Heath Tipton DY4 7AH. Demolition of existing buildings and proposed construction of a replacement foodstore with associated access, parking, cycle parking, landscaping, and associated works.	262	183
TOTAL				4,318	2,590

Notes:

- [1] Assumed gross to net ratio of 70% and that all the floorspace is for convenience goods.
 [2] Assumed gross to net ratio of 70% and that 50% of the floorspace is for A1 convenience goods and that 50% is for A3 uses.
 [3] Aldi application, as per planning and retail statement net sales area of 1,315 sq.m. It is assumed that of this 80% of all the floorspace is for convenience good and that remainder 20% is for comparison goods.
 [4] Assumed gross to net ratio of 70% and that all the floorspace is for convenience goods.
 [5] Assumed gross to net ratio of 70% and that all the floorspace is for convenience goods.
 [6] Assumed gross to net ratio of 70% and that all the floorspace is for convenience goods.
 [7] Assumed gross to net ratio of 70% and that all the floorspace is for convenience goods.
 [8] Assumed gross to net ratio of 70% and that all the floorspace is for convenience goods.
 [9] Assumed gross to net ratio of 70% and that all the floorspace is for convenience goods.
 [10] Assumed gross to net ratio of 70% and that all of the net additional floorspace proposed is for convenience goods.

Table 9.7: Sandwell MBC LPA Area: Commitments: Comparison Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
[1]	West Bromwich-Edge-of-Town Centre	DC/18/62210	Staples Limited Tildasley Street West Bromwich B70 9SJ. Proposed variation of condition 1 of planning permission DC/18/62210 (Proposed change of use to supermarket (Class A1), external alterations including new store access, loading bay extension, trolley bay canopy, and alterations to car park and landscaping) to remove loading bay extension and replace with rear access ramp and new ramp to customer service entrance.	1,973	263
[2]	Great Bridge Town Centre	DC/18/61411	Poundland Unit 1 Great Bridge Retail Park Great Bridge Street West Bromwich B70 0EN. Proposed installation of new mezzanine floor for retail area (290m2 gross floor area).	290	203
[3]	Oldbury Town Centre-Edge-of-Town Centre	DC/07/48773	Land Bounded By Bromford Road, West Bromwich Street, Fountain Lane, Oldbury Edge Of Centre. ection 73 application to vary conditions 4 and 21 of planning permission DC/03/40338 as amended by DC/06/46890 - Full permission for reclamation and regeneration of former foundry, industrial and other land to provide comprehensive mixed use redevelopment including community leisure, recreational, retail and restaurant uses and associated car parking, landscaping, public transport and highway improvements.	12,077 sqm - open A1 comparison goods and 15,276, restricted A1 comparison goods	8,940 10,693
TOTAL				2,263	20,099

Notes:

[1] Aldi application, as per planning and retail statement net sales area of 1,315 sq.m. It is assumed that of this 80% of all the floorspace is for convenience good and that remainder 20% is for comparison goods.

[2] The gross floorspace is 290 sq.m to which a gross to net ratio of 70% has been applied.

[3] Permission for 1,858 sq.m (health & fitness); 12,077 sq.m –open A1 comparison goods and 15,276 sq.m, restricted A1 comparison goods. A gross to net ratio of 70% as been applied.

9.34 The major planned / committed retail schemes in the Walsall Council area are for convenience goods only as follows:

Table 9.8: Walsall LPA Area: Commitments: Convenience Goods

	CENTRE	PLANNING REF	SCHEME	Gross Floorspace (sq m)	Net Floorspace (sq m)
	Willenhall TownCentre-In-Centre	18/0438	Proposed demolition of existing class A1 retail (Budgens) store. Erection of new class A1 retail store (Aldi) with associated amendments to access, car parking, servicing, landscaping. Improvement works to the existing	1,831	195
TOTAL				1,831	195

Notes:

[1] The net additional floorspace proposed is 278 sq.m gross (Existing: 1,553 sq.m and proposed 1,831 sq.m); the applied gross to net ratio of 70% and that all of this space is for convenience goods.

CREAT[®] Capacity Forecasts – Approach

9.35 In order to robustly assess the potential capacity for new **convenience goods** floorspace up to 2038 we have necessarily tested two trading scenarios for different types and formats of food/convenience retailing in order to convert the residual expenditure (after taking account of new commitments) into a (net) sales area figure:

- **‘Superstore format’ trading scenario** – we have first assumed that the residual expenditure could support one of the ‘top 6’ foodstore operators (i.e. Tesco, Sainsbury’s, Asda, Morrisons, Waitrose and Marks & Spencer), which together could achieve an average sales density of approximately **£12,500 per sq.m** in 2019 (2017 prices) based on the latest Mintel UK Retail Rankings; and
- **‘Supermarket/discounter’ trading scenario** – we have also tested the impact on the capacity forecasts of assuming the residual expenditure is taken up by a supermarket (e.g. Co-op, Budgens, etc.) and/or ‘discount’ retailer (principally Aldi and Lidl) trading at a slightly lower average sales levels of circa **£7,000 per sq.m** in 2019. However, it should be noted that both Aldi and Lidl have increased their company average sales densities significantly over recent years due to their expansive store opening programmes and their increasing market share of the grocery sector. If this trend continues then we consider that the gap between the ‘top 6’ grocers and the main discounters will narrow further over time.

9.36 For **comparison goods** it is assumed that new floorspace will achieve average sales levels of circa **£6,000 per sq.m** in 2019³².

9.37 As stated previously, it has been assumed that the local retail market is in ‘equilibrium’ at the base year, as there is no qualitative evidence to show that existing stores/floorspace at the local level are significantly over and/or under trading.

9.38 To reiterate that in accordance with good practice, it has also been assumed that the baseline average sales levels for all new and existing convenience and comparison goods floorspace will experience a year-on-year growth in turnover ‘efficiency’ (floorspace ‘productivity’) levels in line with the latest forecasts set out in Experian’s *Retail Planner Briefing Note 16* (Figures 3a and 3b).

³² The average sales density of circa £6,000 per sq.m at 2017 is assumed to be broadly equivalent to the average sales performance of retail units in prime shopping locations, and has been informed by different research evidence including the latest Mintel UK Retail Rankings Report. However, average turnover levels do inevitably vary between different locations, different retail formats and different operators. Where this is the case it will have implications for assessing the capacity for, and impact of new retail floorspace. The BCLA will therefore need to take this into account when considering applications for different operators and different types of retail floorspace in edge and out of centre locations. For example ‘bulky goods’ DIY retail warehouse operators typically trade at lower average sales levels, whereas electrical goods retailers and some fashion operators can achieve much high average turnover levels.

9.39 Finally, whilst the forecast extends to 2038, it has to be acknowledged that this is an ultra-long term timescale in forecasting floorspace capacity. The retail sector is dynamic and subject to the vagaries of economic and market trends as detailed in **Section 3** previously. In this way, the forecast over the longer term to 2038 should be viewed with caution with more weight being given to short (5 years i.e. to 2024) to medium (10 years i.e. 2029) forecasts (as also detailed under NPPF paragraph 85 (d)).

City of Wolverhampton LPA Area: Capacity Forecasts

9.40 The following sets out the convenience and comparison goods capacity forecasts for the main centres and stores in the City of Wolverhampton LPA area based on the above analysis of population, expenditure and turnover growth over the forecast period, and the predicted trading performance of all known retail commitments. The detailed capacity tabulations for convenience and comparison goods are set out in **Appendix 5A** and **9A (Volume 3)** respectively.

Convenience Capacity

9.41 Table 3 (**Appendix 5A, Volume 3**) sets out the total residual capacity for new convenience goods floorspace after allowing for the turnover of all known commitments. Tables 4-8 disaggregate this total capacity for the 'strategic centre' (i.e. Wolverhampton City Centre); 'town centres' (i.e. Bilston & Wednesfield), collectively the smaller 'district & local centres' and the 'out-of-centre' retail floorspace.

9.42 The table below summarises the convenience goods capacity for the main centres and stores over the period to 2038.

Table 9.9: City of Wolverhampton LPA Area: Convenience Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE		STORE FORMAT							
		Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
		2024	2029	2034	2038	2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)		-£16.5	-£12.6	-£9.2	-£6.5	-£16.5	-£12.6	-£9.2	-£6.5
Strategic Centre	Wolverhampton	-566	-487	-421	-370	-1,011	-869	-752	-660
Town Centre	Bilston	36	77	111	138	65	138	199	246
	Wednesfield	2	5	7	9	4	9	12	15
District & Local Centres		45	117	176	223	81	209	315	397
Out-of-Centre		-810	-678	-569	-483	-1,446	-1,210	-1,016	-863
CITY OF WOLVERHAMPTON COUNCIL AREA		-1,293	-965	-696	-484	-2,308	-1,724	-1,242	-864

- 9.43 Focussing on capacity findings for the 'superstore format' the forecasts show no LPA area-wide capacity for new convenience goods floorspace between up to 2038 after taking into account all known commitments. The same applies to the forecast capacity for new 'supermarket/discounter format' floorspace, with no identified LPA area-wide capacity up to 2038.
- 9.44 In contrast, the global Wolverhampton forecast in the BCLA 2009 Study showed capacity up to 3,051 sq.m net by 2026.
- 9.45 In terms of the strategic centre of Wolverhampton, there is no forecast capacity based on either formats to 2038.
- 9.46 In terms of the 'town centres' there is identified capacity of a modest 146 sq.m net ('superstore format') to 261 sq.m net ('supermarket/discounter format') by 2038. Similarly the capacity for 'District & Local Centres' is between 223 sq.m net ('superstore format') and 397 sq.m net ('supermarket/discounter format') by 2038.
- 9.47 The out-of-centre category shows no identified capacity over the forecast period to 2038.

Comparison Capacity

- 9.48 Table 3 (Appendix 9A, Volume 3) sets out the total LPA area-wide capacity for new comparison goods floorspace after allowing for the turnover of all known commitments. Tables 4-8 disaggregate this total capacity by centre. The table below summarises the comparison goods capacity for the main centres and stores over the period to 2038.

Table 9.10: City of Wolverhampton LPA Area: Comparison Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE		2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)		-£7.7	-£10.1	-£6.6	-£4.0
Strategic Centre	Wolverhampton	-485	-555	-218	-19
Town Centre	Bilston	-6	-15	27	53
	Wednesfield	-2	-4	6	12
District & Local Centres		-40	-44	-23	-10
Out-of-Centre		-573	-600	-469	-391
CITY OF WOLVERHAMPTON COUNCIL AREA		-1,106	-1,218	-676	-356

- 9.49 The table shows no identified capacity over the period to 2038 after allowing for all known commitments.
- 9.50 In contrast, the BCLA 2009 Study identified a global Wolverhampton LPA area forecast up to 31,002 sq.m net by 2026.

Dudley MBC LPA Area: Capacity Forecasts

9.51 The following sets out the convenience and comparison goods capacity forecasts for the main centres and stores in the Dudley MBC LPA area based on an analysis of population, expenditure and turnover growth over the forecast period, and the predicted trading performance of all known retail commitments. The detailed capacity tabulations for convenience and comparison goods are set out in **Appendix 5B** and **9B (Volume 3)** respectively.

Convenience Capacity

9.52 Table 3 (**Appendix 5B, Volume 3**) sets out the total residual capacity for new convenience goods floorspace after allowing for the turnover of all known commitments. Tables 4-8 disaggregate this total capacity for the 'strategic centre' (i.e. Brierley Hill); 'town centres' (i.e. Dudley, Stourbridge & Halesowen), collectively the smaller 'district & local centres' and the 'out-of-centre' retail floorspace.

9.53 The table below summarises the convenience goods capacity for the main centres and stores over the period to 2038.

Table 9.11: Dudley MBC LPA Area: Convenience Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE	STORE FORMAT							
	Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
	2024	2029	2034	2038	2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)	-£48.4	-£44.3	-£41.0	-£38.3	-£48.4	-£44.3	-£41.0	-£38.3
Strategic Centre Brierley Hill (Traditional High St +Merry Hill)	36	78	112	138	65	139	199	247
Town Centre Dudley	-1,027	-1,012	-1,000	-990	-1,834	-1,807	-1,785	-1,768
Stourbridge	49	106	152	189	88	189	272	337
Halesowen	27	58	83	103	48	103	148	184
District & Local Centres	72	154	221	274	128	275	395	490
Out-of-Centre	-2,946	-2,785	-2,653	-2,549	-5,260	-4,974	-4,738	-4,552
DUDLEY MBC AREA	-3,788	-3,402	-3,085	-2,835	-6,765	-6,076	-5,509	-5,063

9.54 The global capacity findings for both the '*superstore format*' and new '*supermarket/discounter format*' indicate no capacity for new convenience goods floorspace until 2038.

9.55 By way of comparison, the global forecast for Dudley MBC in the 2009 BCLA Study also showed no capacity over the study period to 2026.

9.56 There is a very modest amount identifiable forecast capacity for the strategic centre of Brierley Hill (between 138 sq.m net ('*new superstore format*') and 247 sq.m net ('*supermarket/discounter format*')) by 2038. This pattern is repeated for the District and Local Centres (between 274 sq.m net ('*new superstore format*') and 490 sq.m net

(‘supermarket/discounter format’) by 2038. However there is no identified capacity for the ‘town centre’ category.

Comparison Capacity

9.57 Table 3 (**Appendix 9B, Volume 3**) sets out the total LPA area-wide capacity for new comparison goods floorspace after allowing for the turnover of all known commitments. Tables 4-8 disaggregate this total capacity by centre. The table below summarises the comparison capacity for the main centres and stores over the period to 2038.

Table 9.12: Dudley MBC LPA Area: Comparison Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE		2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)		-£27.5	-£34.2	-£31.2	-£29.5
Strategic Centre	Brierley Hill (Traditonal High St +Merry Hill)	-111	-263	472	905
Town Centre	Dudley	-1,959	-1,970	-1,916	-1,885
	Stourbridge	-8	-19	34	66
	Halesowen	-6	-15	26	51
District & Local Centres		-5	-12	21	40
Out-of-Centre		-1,854	-1,862	-1,823	-1,800
DUDLEY MBC AREA		-3,944	-4,141	-3,186	-2,623

9.58 The table shows no capacity to 2038 after allowing for all known commitments. For the individual centres, the strategic centre of Brierley Hill shows a low quantum of floorspace capacity by 2038, some 905 sq.m net. For the ‘town centres’ the cumulative forecast is negative with very modest quantum identified by 2038 for the centres of Stourbridge (66 sq.m net) and Halesowen (51 sq.m net). The same applies to the ‘district & local centres’ category with a quantum of 40 sq.m net forecast by 2038.

Sandwell MBC LPA Area: Capacity Forecasts

9.59 The following sets out the convenience and comparison goods capacity forecasts for the main centres and stores in the Sandwell MBC LPA area based on an analysis of population, expenditure and turnover growth over the forecast period, and the predicted trading performance of all known retail commitments. The detailed capacity tabulations for convenience and comparison goods are set out in **Appendix 5C** and **9C (Volume 3)** respectively.

Convenience Capacity

9.60 Table 3 (**Appendix 5C, Volume 3**) sets out the total residual capacity for new convenience goods floorspace after allowing for the turnover of all known commitments. Tables 4-8

disaggregate this total capacity for the 'strategic centre' (i.e. West Bromwich); 'town centres' (i.e. Blackheath, Cradley Heath, Great Bridge, Oldbury, Wednesbury, Cape Hill & Bearwood), collectively the smaller 'district & local Centres' and the out-of-centre retail floorspace.

9.61 The table below summarises the convenience goods capacity for the main centres and stores over the period to 2038.

Table 9.13: Sandwell MBC LPA Area: Convenience Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE		STORE FORMAT							
		Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
		2024	2029	2034	2038	2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)		-£16.8	-£11.8	-£7.6	-£4.1	-£16.8	-£11.8	-£7.6	-£4.1
Strategic Centre	West Bromwich	-984	-936	-897	-866	-1,757	-1,672	-1,601	-1,546
Town Centre	Blackheath	24	52	75	93	43	93	134	166
	Cradley Heath	0	32	59	80	-1	57	105	142
	Great Bridge	8	55	94	125	14	99	169	223
	Oldbury	-235	-206	-182	-163	-420	-368	-325	-292
	Wednesbury	17	35	51	63	30	63	91	113
	Cape Hill	28	60	87	108	50	108	155	193
	Bearwood	15	32	46	58	27	58	83	103
District & Local Centres		-238	-187	-146	-113	-425	-335	-260	-201
Out-of-Centre		47	153	241	309	85	274	430	552
SANDWELL MBC AREA		-1,318	-909	-572	-307	-2,353	-1,622	-1,021	-547

9.62 The global capacity findings for both the 'superstore format' and new 'supermarket/discounter format' indicate no capacity for new convenience goods floorspace until 2038.

9.63 By way of comparison, the global Sandwell MBC forecast in the BCLA 2009 Study forecast capacity up to 6,431 sq.m net by 2026.

9.64 The strategic centre of West Bromwich indicates shows there is no forecast capacity based on either formats up to 2038.

9.65 The capacity that has been identified for the other centres and locations is as follows:

- Town centres: Cumulatively 363 sq.m net in 2038 (based on the superstore format). Using the 'supermarket/discounter format' floorspace the cumulative total rises to 648 sq.m net by 2029.
- The smaller 'district & local centres' show no capacity up to 2038.

Comparison Capacity

9.66 Table 3 (**Appendix 9C, Volume 3**) sets out the total LPA area-wide capacity for new comparison goods floorspace after allowing for the turnover of all known commitments. Tables 4-8 disaggregate this total capacity by centre. The table below summarises the comparison capacity for the main centres and stores over the period to 2038.

Table 9.14: Sandwell MBC LPA Area: Comparison Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE		2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)		-£81.3	-£97.1	-£110.3	-£123.1
Strategic Centre	West Bromwich	-197	-227	-82	3
Town Centre	Blackheath	-3	-7	12	24
	Cradley Heath	-1	-2	3	5
	Great Bridge	-104	-108	-89	-78
	Oldbury	-11,316	-11,329	-11,267	-11,230
	Wednesbury	-4	-8	15	28
	Cape Hill	-2	-5	9	17
	Bearwood	-3	-6	11	21
District & Local Centres		-3	-6	11	20
Out-of-Centre		-31	-72	130	249
SANDWELL MBC AREA		-11,662	-11,770	-11,248	-10,940

- 9.67 The table shows no capacity to 2038 after allowing for all known commitments.
- 9.68 By way of comparison, for the global Sandwell MBC LPA area, the BCLA 2009 study showed a capacity up to 14,731 sq.m net by 2026.
- 9.69 The current capacity findings show the 'strategic centre' of West Bromwich having no identified capacity by 2038. The 'town centres' also collectively indicate no capacity up to 2038 due to the commitments detailed in Oldbury. This notwithstanding, the individual town capacity figures indicate very minimal quantum as follows: Blackheath (24 sq.m net); Cradley Heath (5 sq.m net); Wednesbury (28 sq.m net), Cape Hill (17 sq.m net) and Bearwood (21 sq.m net).
- 9.70 The smaller 'district & local centres' show a nominal capacity of 20 sq.m net by 2038.

Walsall LPA Area: Capacity Forecasts

- 9.71 The following sets out the convenience and comparison goods capacity forecasts for the main centres and stores in the Walsall LPA area based on an analysis of population, expenditure and turnover growth over the forecast period, and the predicted trading performance of all known retail commitments. The detailed capacity tabulations for convenience and comparison goods are set out in **Appendix 5D and 9D (Volume 3)** respectively.

Convenience Capacity

- 9.72 Table 3 (**Appendix 5D, Volume 3**) sets out the total residual capacity for new convenience goods floorspace after allowing for the turnover of all known commitments. Tables 4-8 disaggregate this total capacity for the 'strategic centre' (i.e. Walsall); 'town centres' (i.e.

Bloxwich, Brownhills, Aldridge, Willenhall, Darlaston), collectively the smaller 'district & local centres' and the 'out-of-centre' retail floorspace.

9.73 The table below summarises the convenience goods capacity for the main centres and stores over the period to 2038.

Table 9.15: Walsall LPA Area: Convenience Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE	STORE FORMAT							
	Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
	2024	2029	2034	2038	2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)	£1.0	£4.7	£7.8	£10.4	£1.0	£4.7	£7.8	£10.4
Strategic Centre Walsall	48	102	147	183	86	183	263	326
Town Centre Bloxwich	20	44	63	78	37	78	112	139
Brownhills	30	64	92	114	53	114	164	204
Aldridge	29	61	88	109	51	109	157	195
Willenhall	-142	-109	-82	-60	-254	-195	-146	-108
Darlaston	20	43	62	77	36	77	111	137
District & Local Centres	17	36	52	65	30	65	93	115
Out-of-Centre	54	116	167	206	97	207	297	369
WALSALL MBC AREA	76	357	589	771	135	638	1,052	1,377

9.74 The capacity findings under the 'superstore format' shows a capacity of 357 sq.m net for new convenience goods floorspace up to 2029 after taking into account all known commitments (which could support one small format store). This figure increases to 589 sq.m net by 2034 rising to 771 sq.m net by 2038 (supporting up to two small format stores).

9.75 Turning to the forecast capacity for new 'supermarket/discounter format' floorspace, the table shows a forecast capacity of 135 sq.m net by 2024, increasing to 638 sq.m net by 2029; 1,052 sq.m by 2034 and rising to 1,377sq.m net by 2038 (supporting one discount store) .

9.76 In contrast, the global Walsall LPA area forecast in the BCLA 2009 study showed a forecast capacity of up to 916 sq.m net by 2026.

9.77 In terms of the strategic centre of Walsall, the identified capacity is some 102 sq.m net by 2029 and rising to 183 sq.m net by 2038. Under the 'supermarket/discounter format' the identified capacity is some 183 sq.m net by 2029 rising to 326 sq.m net by 2038.

9.78 The capacity that has been identified for the other centres and locations is as follows:

- Town centres: Cumulatively 103 sq.m net by 2029 rising to 317 sq.m net in 2038 (up to one small format store and based on the 'superstore' format).
- The smaller 'district & local centres' show minimal capacity of 36 sq.m net by 2029 rising to 65 sq.m net in 2038 ('superstore' format) and 115 sq.m net ('supermarket/discounter' format).

Comparison Capacity

9.79 Table 3 (Appendix 9D, Volume 3) sets out the total LPA area-wide capacity for new comparison goods floorspace after allowing for the turnover of all known commitments. Tables 4-10 disaggregate this total capacity by centre. The table below summarises the comparison capacity for the main centres and stores over the period to 2038.

Table 9.16: Walsall LPA Area: Comparison Goods Capacity (Net sq.m) Forecasts by Location

CENTRE TYPE		2024	2029	2034	2038
Residual Expenditure (after Commitments) (£m)		-£0.4	-£1.0	£2.2	£4.9
Strategic Centre	Walsall	-33	-78	139	267
Town Centre	Bloxwich	-3	-6	11	22
	Brownhills	-2	-4	8	15
	Aldridge	-4	-8	15	29
	Willenhall	-3	-6	11	21
	Darlaston	-1	-2	4	8
District & Local Centres	-1	-3	5	9	
Out-of-Centre	-8	-19	35	67	
WALSALL MBC AREA		-54	-127	228	438

9.80 The table shows no forecast capacity (after allowing for all known commitments) up to 2029. Capacity emerges by 2034 of a modest 228 sq.m net rising to 438 sq.m net by 2038.

9.81 By way of comparison, the global Walsall LPA area forecast in the BCLA 2009 Study indicated capacity up to 72,134 sq.m net by 2026. This is considerably more than the current forecast and it is noted that the former was primarily driven by out-of-centre floorspace at that time.

9.82 The current capacity findings show 'strategic centre' of Walsall having the majority of the proportion identified capacity by 2038; some 139 sq.m net by 2034 and 267 sq.m net by 2038.

9.83 The 'town centres' collectively indicate a nominal 95 sq.m net of forecast capacity by 2038. The smaller 'district & local centres' show minimal capacity at 9 sq.m net by 2038.

Summary: BCLA Strategic Retail Floorspace Targets

9.84 There is not sufficient identified capacity to include strategic retail floorspace targets in the Black Country Plan. A robust policy approach should be included to enable the assessment and determination of future proposals through, particularly the NPPF tests (with local impact test thresholds) and specific qualitative considerations. This can include, particularly where no capacity is identified, robust development management policies in accordance with the NPPF (paragraphs 86 - 90) that will enable the assessment and determination of any future applications that are not in a centre and not in accordance with

an up-to-date development plan. Where individual Councils bring forward Tier-two plans (such as AAPs / SADs), then the framework provided by the BCP may be augmented with a further more specific policy steer. Based on the latest available evidence, if in the future sufficient identified capacity emerges, or there is a specific qualitative need (e.g. for a large anchor foodstore to serve Dudley Town Centre) Councils will have to identify a suitable site or sites in and/or on the edge of existing centres first to meet the forecast need (with a view of at least 10 years), which may include extensions to existing provision and/ or adjusting centre boundaries. Any proposals for new edge and/ or out-of-centre floorspace would need to satisfy the sequential test and impact tests (with locally set thresholds) in compliance with the NPPF (paragraph 85-90). The lack of identified capacity makes it even more important for edge and out-of-centre proposals to undertake these tests, particularly to ensure any significant adverse impacts on centres are avoided.

Strategic Allocations

9.85 The analysis thus far has provided an indication of the forecast capacity based after accounting for commitments. This has shown that there is no overall forecast capacity. However, in addition to these there are strategic allocations made by the individual BCLA. Despite the uncertainty related to their potential delivery due to the prevailing commercial market, and to assess their potential net effect, a separate capacity analysis has been undertaken.

9.86 LSH has been informed to take account of the following:

Table 9.17: Strategic Allocations by LPA: Retail

LPA: Wolverhampton

Wolverhampton City Centre Area Action Plan (adopted 2016):

Goods Type / Sector	Policy Ref	Quantum (sqm Gross)	Quantum (sqm net)	Delivery Date
Comparison	Policy CC1	35,000	N/A	by 2026
Convenience	Policy CC1	12,000	N/A	by 2026

LPA: DUDLEY

Brierley Hill Strategic Centre Area Action Plan (adopted August 2011)

Goods Type / Sector	Policy Ref	Quantum (sqm Gross)	Quantum (sqm net)	Delivery Date
Comparison	Policy 66	6,500	N/A	by 2021
Comparison	Policy 67	2,000	N/A	by 2021
Convenience	Policy 3	4,600	3,000	N/A
Convenience	Policy 7	3,000	2,000	N/A

Dudley Town Centre AAP (adopted March 2017)

Goods Type	Policy Ref	Quantum (sqm Gross)	Quantum (sqm net)	Delivery Date
Comparison	Policy 15	15,000	N/A	by 2026
Convenience	Policy 15	N/A	5,000	by 2026

9.87 Based on the above the capacity figures have been revised i.e. accounting for extant commitments and allocations and the resultant output set out below. Whilst some floorspace already built-out and/ or forming part of the identified commitments could also be allocations, this exercise illustrates there is no capacity to support the need for strategic floorspace targets in the BCP.

Table 9.18: Convenience Goods Capacity: After Accounting for Strategic Allocations

LPA	Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
	2024	2029	2034	2038	2024	2029	2034	2038
Wolverhampton	-1,293	-7,494	-7,224	-7,012	-2,308	-13,381	-12,900	-12,522
Dudley	-6,960	-9,683	-9,365	-9,115	-12,428	-17,290	-16,723	-16,277
Sandwell	-1,318	-909	-572	-307	-2,353	-1,622	-1,021	-547
Walsall	76	357	589	771	135	638	1,052	1,377
TOTAL: BCLA AREA	-9,494	-17,728	-16,572	-15,663	-16,954	-31,656	-29,592	-27,969

9.88 As shown earlier there is no identified capacity in the BCLA area and the inclusion of the strategic allocations compounds this further numerically i.e. by increasing the amount of negative floorspace further.

9.89 In relation to comparison goods, the same pattern is repeated, and again there is no identified capacity up to 2038.

Table 9.19: Comparison Goods Capacity: After Accounting for Strategic Allocations

LPA	2024	2029	2034	2038
Wolverhampton	-1,106	-14,383	-13,841	-13,521
Dudley	-7,698	-13,537	-12,582	-12,018
Sandwell	-11,662	-11,770	-11,248	-10,940
Walsall	-54	-127	228	438
	-20,520	-39,817	-37,444	-36,042

No Commitments or Allocations

9.90 The analysis has shown that after accounting for extant commitments and allocations there is no identified capacity. As part of the analysis, the BCLA has also requested an indication of the capacity findings by LPA area excluding known commitments and allocations. This is to provide a comparable indication with the targets expressed under extant Core Strategy Policy CEN3 and to get a view (albeit hypothetically) if none of the commitments or allocations are delivered.

9.91 The outputs by goods type is detailed below.

Table 9.20: Convenience Goods Capacity: Excluding Commitments and Strategic Allocations

LPA	Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
	2024	2029	2034	2038	2024	2029	2034	2038
Wolverhampton	287	615	884	1,096	513	1,098	1,579	1,958
Dudley	339	724	1,042	1,291	605	1,293	1,860	2,306
Sandwell	359	768	1,105	1,370	641	1,372	1,974	2,447
Walsall	247	528	760	942	441	944	1,357	1,683
TOTAL: BCLA AREA	1,232	2,636	3,792	4,701	2,200	4,707	6,771	8,394

9.92 In relation to convenience goods the hypothetical forecast indicates a BCLA quantum of 2,636 sq.m net and 4,707 sq.m net by 2029 rising to between 4,701 sq.m net and 8,394 sq.m net by 2038.

9.93 With regard to comparison goods, the hypothetical forecast shows no capacity by 2029 rising with an emerging quantum of 1,524 sq.m net by 2034 rising to 2,925 sq.m net by 2038.

Table 9.21: Comparison Goods Capacity: Excluding Commitments and Strategic Allocations

LPA	2024	2029	2034	2038
Wolverhampton	-82	-194	348	668
Dudley	-145	-342	613	1,177
Sandwell	-79	-187	335	643
Walsall	-54	-127	228	438
TOTAL: BCLA AREA	-360	-849	1,524	2,925

9.94 For convenience goods capacity identified for each BCLA only exceeds an individual maximum of c.2,000sqm by the ultra-long term (by 2038), and for comparison goods capacity only begins to emerge by the long term (2034) and only exceeds an individual maximum of c.1,000sqm by the ultra-long term. With the NPPF emphasis (para 85) on the medium term (up to 10 years), there is not sufficient capacity to justify including strategic floorspace targets in the BCP, and where the individual Councils bring forward Tier-two plans, then the framework provided by the BCP may be augmented with a further and more specific policy steer, based on the latest available evidence.

Summary

9.95 This section has assessed the potential (economic) capacity for new retail floorspace (convenience and comparison goods) across the four BCLA between 2019 and 2038.

9.96 It is important to restate that capacity forecasts beyond five years should be interpreted with caution. This is because they are based on various layers of assumptions and forecasts with regard to changes in the national and local economy; the trading performance of existing centres and stores; the growth in population and retail spending; etc. For example, if the growth in Internet and multi-channel shopping is stronger than current forecasts suggest, then this could further 'dampen' the future demand and capacity

for new (physical) floorspace over the long term. The BCLA should therefore take into account these margins for error when assessing the need for new retail floorspace over the medium term (5-10 years) and long and ultra-long term (10 years plus).

9.97 Notwithstanding these caveats, the capacity forecasts do nevertheless provide a broad framework to help inform plan-making across the BCLA. Where the individual Councils bring forward Tier-two plans then, based on the latest available evidence, there may be the potential need to identify and allocate sites for new retail floorspace in the main centres and edge of centre sites. We should also advise that capacity estimates are based on current market shares being maintained over the plan period to 2038 and do not account for any increased market share objectives.

Convenience Goods Capacity

9.98 In summary the tables below set out the 'global' capacity for new ('*superstore format*' and '*supermarket/discounter format*') convenience goods floorspace across the defined Study Area, broken down by the 'strategic centres', 'town centres' in each BCLA area, the smaller 'district/local centres' and all 'out-of-centre' retailing.

9.99 The table below indicates the quantum of forecast capacity for the **strategic centres** in the BCLA area. Collectively there is no identified capacity up to 2038. Individually capacity is forecast for Brierley Hill and Walsall. However, the scale of quantum identified across is likely to be met through infill development, change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites over the period to 2038.

Table 9.22: BCLA Area: Convenience Goods Capacity (Net sq.m) Forecasts by Strategic Centres

LPA	STRATEGIC CENTRE	STORE FORMAT							
		Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
		2024	2029	2034	2038	2024	2029	2034	2038
Wolverhampton	Wolverhampton	-566	-487	-421	-370	-1,011	-869	-752	-660
Dudley	Brierley Hill (Traditional High Street/Brierley Hill)	36	78	112	138	65	139	199	247
Sandwell	West Bromwich	-984	-936	-897	-866	-1,757	-1,672	-1,601	-1,546
Walsall	Walsall	48	102	147	183	86	183	263	326
TOTAL: STRATEGIC CENTRES		-1,466	-1,243	-1,059	-914	-2,618	-2,219	-1,891	-1,633

9.100 The table below indicates that the scale of forecast capacity for the **town centres** in the BCLA area. Collectively there is no identified capacity up to 2034 and whilst capacity emerges by 2038, the quantum is marginal and will be met organically through change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites, unless there is a specific qualitative need (e.g. for a large anchor foodstore to serve Dudley Town Centre). The majority of the forecast is attributed to the centres in Sandwell and Walsall.

Table 9.23: BCLA Area: Convenience Goods Capacity (Net sq.m) Forecasts by Town Centres

LPA	TOWN CENTRES	STORE FORMAT							
		Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
		2024	2029	2034	2038	2024	2029	2034	2038
Wolverhampton	Bilston	36	77	111	138	65	138	199	246
	Wednesfield	2	5	7	9	4	9	12	15
		38	82	118	146	69	147	211	261
Dudley	Dudley	-1,027	-1,012	-1,000	-990	-1,834	-1,807	-1,785	-1,768
	Stourbridge	49	106	152	189	88	189	272	337
	Halesowen	27	58	83	103	48	103	148	184
		-951	-849	-765	-698	-1,698	-1,515	-1,365	-1,247
Sandwell	Blackheath	24	52	75	93	43	93	134	166
	Cradley Heath	0	32	59	80	-1	57	105	142
	Great Bridge	8	55	94	125	14	99	169	223
	Oldbury	-235	-206	-182	-163	-420	-368	-325	-292
	Wednesbury	17	35	51	63	30	63	91	113
	Cape Hill	28	60	87	108	50	108	155	193
	Bearwood	15	32	46	58	27	58	83	103
		-143	62	230	363	-255	110	411	648
Walsall	Bloxwich	20	44	63	78	37	78	112	139
	Brownhills	30	64	92	114	53	114	164	204
	Aldridge	29	61	88	109	51	109	157	195
	Willenhall	-142	-109	-82	-60	-254	-195	-146	-108
	Darlaston	20	43	62	77	36	77	111	137
		-43	103	223	317	-77	183	398	567
TOTAL: TOWN CENTRES		-1,099	-602	-193	128	-1,962	-1,075	-345	228

9.101 The table below indicates that the scale of forecast capacity for the **smaller district and local centres** in the BCLA area. By 2029 the forecast capacity is for 120 sq.m net (*'superstore format'*) and 214 sq.m net (*'supermarket/discounter format'*). This rises to 449 sq.m net (*'superstore format'*) and 801 sq.m net (*'supermarket/discounter format'*) by 2038. The majority of the forecast is attributed to Dudley and Wolverhampton LPA areas. Again the quantum is marginal and will be met organically through change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites.

Table 9.24: BCLA Area: Convenience Goods Capacity (Net sq.m) Forecasts by District & Local Centres

LPA	DISTRICT & LOCAL CENTRES	STORE FORMAT							
		Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
		2024	2029	2034	2038	2024	2029	2034	2038
Wolverhampton	District & Local Centres	45	117	176	223	81	209	315	397
Dudley	District & Local Centres	72	154	221	274	128	275	395	490
Sandwell	District & Local Centres	-238	-187	-146	-113	-425	-335	-260	-201
Walsall	District & Local Centres	17	36	52	65	30	65	93	115
TOTAL: DISTRICT & LOCAL CENTRES		-104	120	304	449	-186	214	543	801

9.102 The forecast growth in floorspace capacity generated by the **out-of-centre** convenience goods floorspace across the BCLA area is shown below. Cumulatively there is no identified capacity by 2038. Individual LPA's indicate some capacity particularly Sandwell and Walsall. This additional growth should however be focused on town centre locations in preference to out-of-centre locations through a robust policy approach that will enable the

assessment and determination of any future applications that are not in a centre and not in accordance with an up-to-date development plan, particularly through the sequential approach and impact tests (with locally set thresholds) in the NPPF as detailed earlier (see paragraph 9.84).

Table 9.25: BCLA Area: Convenience Goods Capacity (Net sq.m) Forecasts by Out-of-Centre Locations

LPA	OUT-OF-CENTRE LOCATIONS	STORE FORMAT							
		Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)			
		2024	2029	2034	2038	2024	2029	2034	2038
Wolverhampton	Out-of-Centre	-810	-678	-569	-483	-1,446	-1,210	-1,016	-863
Dudley	Out-of-Centre	-2,946	-2,785	-2,653	-2,549	-5,260	-4,974	-4,738	-4,552
Sandwell	Out-of-Centre	47	153	241	309	85	274	430	552
Walsall	Out-of-Centre	54	116	167	206	97	207	297	369
TOTAL: OUT-OF-CENTRE LOCATIONS		-3,654	-3,194	-2,815	-2,517	-6,525	-5,703	-5,026	-4,494

9.103 The global **aggregated** quantum of forecast floorspace is shown below and indicates there is no identified need for new convenience goods over the short term to (2019 – 2024) the medium term (to 2029) or over the ultra-long term to 2038.

Table 9.26: BCLA Area: Aggregated Convenience Goods Capacity (Net sq.m) Forecasts

LPA	Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)				
	2024	2029	2034	2038	2024	2029	2034	2038	
Wolverhampton	-1,293	-965	-696	-484	-2,308	-1,724	-1,242	-864	
Dudley	-3,788	-3,402	-3,085	-2,835	-6,765	-6,076	-5,509	-5,063	
Sandwell	-1,318	-909	-572	-307	-2,353	-1,622	-1,021	-547	
Walsall	76	357	589	771	135	638	1,052	1,377	
TOTAL: BCLA AREA		-6,323	-4,919	-3,763	-2,854	-11,291	-8,784	-6,720	-5,097

9.104 This position is compounded further when accounting for strategic allocations. In summary there is no economic forecast capacity to 2038.

Table 9.27: BCLA Area: Aggregated Convenience Goods Capacity (Net sq.m) Forecasts After Allocations

LPA	Foodstore Format (sqm net)				Local Supermarket/ Deep Discounter Format (sqm net)				
	2024	2029	2034	2038	2024	2029	2034	2038	
Wolverhampton	-1,293	-7,494	-7,224	-7,012	-2,308	-13,381	-12,900	-12,522	
Dudley	-6,960	-9,683	-9,365	-9,115	-12,428	-17,290	-16,723	-16,277	
Sandwell	-1,318	-909	-572	-307	-2,353	-1,622	-1,021	-547	
Walsall	76	357	589	771	135	638	1,052	1,377	
TOTAL: BCLA AREA		-9,494	-17,728	-16,572	-15,663	-16,954	-31,656	-29,592	-27,969

Comparison Goods Capacity

9.105 For comparison goods the 'global' capacity has also been broken down by the 'strategic centres', 'town centres', 'district & local centres' and 'out-of-centre' locations, in each BCLA area.

9.106 The table below indicates that the scale of forecast capacity for the **strategic centres** in the BCLA area. Cumulatively there is no identified forecast capacity over the period to 2029. Capacity emerges by 2034 of some 316 sq.m net rising to 1,168 sq.m net by 2038. The emerging capacity being led by Brierley Hill has the highest floorspace quantum forecast in 2038; some 907 sq.m net followed by Walsall 267 sq.m net and negligible 3 sq.m net for West Bromwich. Comparatively these are modest quantum that are likely to be met organically through change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites.

Table 9.28: BCLA Area: Comparison Goods Capacity (Net sq.m) Forecasts by Strategic Centres

LPA	STRATEGIC CENTRE	2024	2029	2034	2038
Wolverhampton	Wolverhampton	-485	-555	-218	-19
Dudley	Brierley Hill (Traditional High Street+Brierley Hill)	-111	-263	472	905
Sandwell	West Bromwich	-197	-227	-82	3
Walsall	Walsall	-33	-78	139	267
TOTAL: STRATEGIC CENTRES		-827	-1,122	311	1,157

9.107 The table below indicates that the scale of forecast capacity for the **town centres** in the BCLA area. It shows cumulatively no capacity in the short term to 2038. In addition to any specific qualitative need, for the individual LPA's there is very modest capacity identified by 2038 for the centres in the Wolverhampton and Walsall LPA areas and there is no identified cumulative town centre capacity for Dudley and Sandwell LPA's over this period due to existing commitments.

Table 9.29: BCLA Area: Comparison Goods Capacity (Net sq.m) Forecasts by Town Centres

LPA	TOWN CENTRES	2024	2029	2034	2038
Wolverhampton	Bilston	-6	-15	27	53
	Wednesfield	-2	-4	6	12
		-8	-19	34	65
Dudley	Dudley	-1,959	-1,970	-1,916	-1,885
	Stourbridge	-8	-19	34	66
	Halesowen	-6	-15	26	51
		-1,973	-2,004	-1,855	-1,768
Sandwell	Blackheath	-3	-7	12	24
	Cradley Heath	-1	-2	3	5
	Great Bridge	-104	-108	-89	-78
	Oldbury	-11,316	-11,329	-11,267	-11,230
	Wednesbury	-4	-8	15	28
	Cape Hill	-2	-5	9	17
	Bearwood	-3	-6	11	21
	-11,432	-11,465	-11,306	-11,213	
Walsall	Bloxwich	-3	-6	11	22
	Brownhills	-2	-4	8	15
	Aldridge	-4	-8	15	29
	Willenhall	-3	-6	11	21
	Darlaston	-1	-2	4	8
		-12	-27	49	95
TOTAL: TOWN CENTRES		-13,425	-13,515	-13,079	-12,821

9.108 The table below indicates that the scale of forecast capacity for the **smaller district and local centres** in the BCLA area. There is no identified capacity to 2029. Post 2034 a modest quantum emerges (14 sq.m net) rising marginally to 60 sq.m net by 2038. This will be met organically through change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites

Table 9.30: BCLA Area: Comparison Goods Capacity (Net sq.m) Forecasts by District & Local Centres

LPA	DISTRICT & LOCAL CENTRES	2024	2029	2034	2038
Wolverhampton	District & Local Centres	-40	-44	-23	-10
Dudley	District & Local Centres	-5	-12	21	40
Sandwell	District & Local Centres	-3	-6	11	20
Walsall	District & Local Centres	-1	-3	5	9
TOTAL: DISTRICT & LOCAL CENTRES		-48	-65	14	60

9.109 The forecast growth in floorspace capacity generated by the **out-of-centre** comparison goods floorspace across the BCLA area is shown below. Over the period to 2038 there is no identified capacity. For the individual LPAs of Sandwell and Walsall the quantum identified should be focused on town centre locations in preference to out-of-centre locations through a robust policy approach that will enable the assessment and determination of any future applications that are not in a centre and not in accordance with

an up-to-date development plan, particularly through the sequential approach and impact tests (with locally set thresholds) in the NPPF as detailed earlier (see paragraph 9.84).

Table 9.31: BCLA Area: Comparison Goods Capacity (Net sq.m) Forecasts by Out-of-Centre Locations

LPA	OUT-OF-CENTRE LOCATIONS	2024	2029	2034	2038
Wolverhampton	Out-of-Centre	-573	-600	-469	-391
Dudley	Out-of-Centre	-1,854	-1,862	-1,823	-1,800
Sandwell	Out-of-Centre	-31	-72	130	249
Walsall	Out-of-Centre	-8	-19	35	67
TOTAL: OUT-OF-CENTRE LOCATIONS		-2,466	-2,554	-2,128	-1,876

9.110 The global **aggregated** quantum of forecast floorspace is shown below and indicates there is no identified need for new comparison goods over the short (2019 – 2024); medium (to 2029) or ultra-long term to 2038.

Table 9.32: BCLA Area: Aggregated Comparison Goods Capacity (Net sq.m) Forecasts

LPA	2024	2029	2034	2038
Wolverhampton	-1,106	-1,218	-676	-356
Dudley	-3,944	-4,141	-3,186	-2,623
Sandwell	-11,662	-11,770	-11,248	-10,940
Walsall	-54	-127	228	438
TOTAL: BCLA AREA	-16,767	-17,256	-14,883	-13,481

9.111 Accounting for strategic allocations also shows no identified capacity to 2038. It emphasises that the floorspace quantum is impacted even further (through a higher negative numerical quantum) when compared to the global aggregated quantum of forecast with commitments only.

Table 9.33: BCLA Area: Aggregated Comparison Goods Capacity (Net sq.m) Forecasts After Allocations

LPA	2024	2029	2034	2038
Wolverhampton	-1,106	-14,383	-13,841	-13,521
Dudley	-7,698	-13,537	-12,582	-12,018
Sandwell	-11,662	-11,770	-11,248	-10,940
Walsall	-54	-127	228	438
	-20,520	-39,817	-37,444	-36,042

9.112 In conclusion, the NPPF (paragraph 85) states that, in drawing up Local Plans, local planning authorities should '*allocate a range of suitable sites to meet the scale and type of development likely to be needed (with a view of at least 10 years)*'. Furthermore, where necessary and appropriate allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre (sequential testing).

9.113 In broad terms, and collectively, there is no floorspace forecast identified for both convenience and comparison goods across the BCLA area and therefore there is not sufficient capacity to justify including strategic floorspace targets in the BCP. Whilst some locations have shown modest levels of identified capacity, the majority are likely to be met through infill development, change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites. Where the individual Councils bring forward Tier-two plans, then the framework provided by the BCP may be augmented with a further and more specific policy steer, which could explore identifying sites to meet any need, based on the latest available evidence.

10. Commercial Leisure Needs Assessment

- 10.1 Leisure uses can make a significant contribution to a Town Centre's vitality and viability. For example, a good provision and choice of leisure facilities and uses can help to increase 'dwell times', footfall and turnover in centres, with significant benefits for both daytime and evening economies.
- 10.2 However, forecasting the need for new commercial leisure uses is more complicated and problematic than for retailing, as the sector is highly complex and dynamic, and particularly sensitive to changes in economic, demographic, lifestyle and fashion trends. Consequently, the methods and approaches developed to forecast the need for new commercial leisure floorspace and uses are more wide-ranging and less sophisticated than for retail capacity forecasts.
- 10.3 In this context our analysis focuses on the following key elements:
- A review of the key trends driving market demand in the sector over the last decade;
 - An audit of existing commercial leisure uses in the BCLA area to help identify any marked 'gaps' in provision;
 - A review of the results of the household survey to understand current commercial leisure participation rates and preferences across the Study Area; and
 - A broad economic assessment of the need for new additional leisure facilities across the main centres based on different datasets and accepted approaches.
- 10.4 For the purpose of our assessment we have necessarily focussed on the main commercial leisure uses that are widely accepted as making a significant contribution to the overall vitality and viability of Town Centres; namely food and beverage uses (Class A3-A5), cinemas and health clubs and gyms, and to a lesser extent ten-pin bowling, casinos and bingo halls. We have also considered demand for other leisure/entertainment facilities such as ten-pin bowling, skating rinks, and attractions unique to the BCLA area.
- 10.5 Detailed tables on forecast commercial leisure capacity, including projections on expenditure and need are set out below.

Leisure Expenditure Growth

- 10.6 Like the retail market, the commercial leisure sector has experienced significant growth in consumer and market demand since the mid-1990s; fuelled by a buoyant economy, growing disposable income and low unemployment levels. Although the leisure sector has not been immune to the impact of the recent economic downturn, leisure activities remain an important lifestyle choice for many consumers who are prioritising leisure over other areas of spending.

10.7 The table below shows the UK average expenditure per head per annum on commercial leisure services and the average for the defined Study Area based on Experian data. It shows that UK household spending on leisure services is dominated by the restaurant and café category (including pubs). This pattern is broadly repeated across all the zones.

Table 10.1 Estimates of Expenditure per Capita on Leisure Services in 2019

Zones	Accommodation	Cultural services	Games of chance	Hairdressing salons & personal grooming	Recreational & sporting services	Restaurants, cafes, etc.	Total
Zone 1	£169	£243	£106	£71	£85	£1,074	£1,748
Zone 2	£115	£196	£119	£52	£58	£780	£1,321
Zone 3	£140	£284	£148	£79	£92	£1,297	£2,039
Zone 4	£133	£249	£173	£75	£68	£983	£1,681
Zone 5	£112	£221	£162	£62	£57	£874	£1,488
Zone 6	£183	£282	£165	£99	£92	£1,100	£1,921
Zone 7	£171	£288	£196	£95	£84	£1,149	£1,983
Zone 8	£198	£311	£157	£106	£103	£1,198	£2,073
Zone 9	£183	£302	£188	£105	£93	£1,195	£2,066
Zone 10	£151	£272	£194	£84	£74	£1,072	£1,847
Zone 11	£117	£225	£169	£65	£58	£875	£1,509
Zone 12	£115	£228	£178	£63	£58	£887	£1,529
Zone 13	£96	£154	£82	£44	£43	£564	£982
Zone 14	£112	£216	£149	£61	£58	£850	£1,447
Zone 15	£109	£219	£163	£57	£57	£864	£1,469
Zone 16	£94	£176	£132	£44	£44	£677	£1,167
Zone 17	£105	£213	£172	£57	£54	£839	£1,440
Zone 18	£246	£369	£172	£143	£139	£1,499	£2,568
Zone 19	£198	£317	£201	£112	£98	£1,217	£2,143
Zone 20	£290	£357	£148	£148	£138	£1,438	£2,519
Zone 21	£117	£235	£168	£62	£63	£908	£1,552
Zone 22	£173	£285	£187	£94	£86	£1,124	£1,950
Zone 23	£104	£207	£160	£56	£51	£809	£1,386
Zone 24	£160	£277	£204	£90	£79	£1,074	£1,883
Zone 25	£104	£206	£161	£55	£52	£805	£1,383
Zone 26	£128	£239	£179	£69	£63	£937	£1,615
Zone 27	£172	£293	£183	£99	£93	£1,180	£2,020
Zone 28	£198	£298	£164	£109	£105	£1,192	£2,066
Zone 29	£247	£326	£154	£123	£114	£1,280	£2,244
Zone 30	£128	£190	£93	£59	£60	£732	£1,262
Zone 31	£98	£181	£132	£47	£44	£684	£1,186
Zone 32	£93	£195	£167	£49	£45	£760	£1,310
Zone 33	£153	£281	£190	£82	£79	£1,080	£1,865
Zone 34	£212	£319	£151	£115	£114	£1,263	£2,174
Zone 35	£115	£224	£180	£62	£57	£850	£1,487
Zone 36	£152	£274	£189	£85	£83	£1,105	£1,888
Zone 37	£177	£286	£161	£99	£96	£1,133	£1,953
Zone 38	£170	£289	£196	£95	£83	£1,119	£1,951
Zone 39	£175	£293	£191	£97	£85	£1,126	£1,966
Zone 40	£138	£264	£194	£74	£72	£1,016	£1,759
Zone 41	£186	£301	£188	£104	£94	£1,156	£2,027
Zone 42	£111	£197	£145	£48	£49	£837	£1,386
Zone 43	£116	£219	£157	£59	£55	£848	£1,454
Zone 44	£130	£250	£195	£74	£65	£973	£1,686
Zone 45	£144	£267	£200	£81	£73	£1,044	£1,809
Zone 46	£103	£214	£169	£56	£53	£860	£1,455
Zone 47	£106	£216	£176	£57	£53	£838	£1,446
Zone 48	£255	£346	£170	£123	£124	£1,358	£2,377
Zone 49	£94	£171	£114	£45	£42	£679	£1,145
Zone 50	£162	£266	£150	£89	£89	£1,101	£1,858
Zone 51	£164	£268	£162	£84	£82	£1,076	£1,837
Zone 52	£223	£319	£167	£117	£106	£1,218	£2,150
Zone 53	£218	£315	£154	£114	£102	£1,234	£2,138
Zone 54	£192	£290	£166	£103	£91	£1,117	£1,960
Zone 55	£254	£311	£148	£115	£113	£1,254	£2,195
Study Area (Zones 1-55) Average (£)							
Zones 1 - 55	£155	£259	£164	£82	£78	£1,022	£1,759
(% of Total)	8.8%	14.7%	9.3%	4.7%	4.4%	58.1%	100.0%
Core Zones (£)							
Wolverhampton	£126	£227	£157	£65	£62	£908	£1,545
(% of Total)	8.2%	14.7%	10.2%	4.2%	4.0%	58.8%	100.0%
Dudley	£162	£276	£183	£90	£83	£1,085	£1,879
(% of Total)	8.6%	14.7%	9.8%	4.8%	4.4%	57.8%	100.0%
Sandwell	£112	£212	£157	£59	£55	£827	£1,422
(% of Total)	7.8%	14.9%	11.0%	4.2%	3.9%	58.2%	100.0%
Walsall	£138	£245	£167	£74	£70	£953	£1,647
(% of Total)	8.4%	14.8%	10.2%	4.5%	4.3%	57.9%	100.0%
UK Average (£)							
UK Average (£)	£162	£233	£141	£72	£66	£851	£1,525
(% of Total)	10.7%	15.3%	9.2%	4.7%	4.3%	55.8%	100.0%

10.8 The table below shows the most recent leisure spend projections by Experian Business Strategies (EBS) as set out in *Retail Planner Briefing Note 16 (December 2018)*. This shows the highest annual growth for the forecast period in 2019 at 1.3% followed by drop in growth to 1% in 2020. In the medium and to ultra-long term (2021-2037) growth in leisure expenditure stabilises at +1.2% per annum. This forecast growth is higher than annual average historic growth rates for the period 1997-2017, when there was no growth in leisure spending

Table 10.2: Actual & Forecast Growth in UK Leisure Spend (% per annum)

	2017	2018	2019	2020	2021-25	2026-37	2038
Leisure Spend Growth (%)	0.3	0	1.3	1	1.2	1.2	1.2

Source: Experian Business Strategies, Retail Planner Briefing Note 16 (December 2018), Figure 1a and 1b

10.9 The base year expenditure per capita levels for leisure (table below) have been projected forward to 2038 using Experian's forecast annual growth rates, and then applied to the projected population for each Study Zone to identify the total available expenditure on leisure and recreation goods and services.

Table 10.3 Total Forecast Growth in Commercial Leisure Expenditure: 2019 – 2038 (£m)

Zone	2019 (£m)	2024 (£m)	2029 (£m)	2034 (£m)	2038 (£m)	Change: 2019-2029 (£m)	Change: 2019-2029 (%)	Change: 2019-2038 (£m)	Change: 2019-2038 (%)
Zone 1	£131.0	£145.2	£159.8	£175.1	£188.6	£28.8	18.0%	£57.5	30.5%
Zone 2	£177.5	£194.6	£213.3	£233.2	£250.3	£35.9	16.8%	£72.8	29.1%
Zone 3	£155.6	£169.6	£186.2	£202.8	£216.4	£30.6	16.4%	£60.8	28.1%
Zone 4	£155.2	£169.4	£185.1	£201.7	£215.8	£29.9	16.2%	£60.6	28.1%
Zone 5	£61.1	£66.7	£72.9	£79.4	£85.1	£11.8	16.2%	£24.0	28.2%
Zone 6	£73.6	£80.1	£87.6	£95.3	£101.7	£14.0	16.0%	£28.1	27.6%
Zone 7	£60.4	£65.5	£71.2	£77.0	£82.0	£10.8	15.2%	£21.6	26.4%
Zone 8	£114.6	£125.2	£136.9	£149.6	£160.3	£22.3	16.3%	£45.8	28.5%
Zone 9	£51.4	£55.2	£59.1	£63.3	£67.0	£7.7	13.0%	£15.6	23.2%
Zone 10	£69.7	£74.6	£80.1	£85.7	£90.9	£10.3	12.9%	£21.2	23.3%
Zone 11	£27.1	£29.6	£32.3	£35.2	£37.6	£5.3	16.3%	£10.6	28.1%
Zone 12	£38.2	£41.7	£45.6	£49.8	£53.3	£7.4	16.3%	£15.1	28.4%
Zone 13	£24.5	£27.3	£30.4	£33.8	£36.8	£5.9	19.5%	£12.3	33.5%
Zone 14	£93.3	£102.2	£111.5	£121.7	£130.5	£18.2	16.3%	£37.2	28.5%
Zone 15	£46.0	£50.8	£56.1	£61.6	£66.5	£10.1	18.1%	£20.5	30.9%
Zone 16	£37.0	£40.8	£45.0	£49.5	£53.3	£8.0	17.8%	£16.3	30.6%
Zone 17	£47.3	£52.0	£57.0	£62.2	£66.6	£9.7	17.1%	£19.3	29.0%
Zone 18	£147.9	£159.7	£172.8	£186.8	£198.3	£24.9	14.4%	£50.4	25.4%
Zone 19	£74.1	£80.1	£86.8	£94.3	£101.0	£12.7	14.6%	£26.9	26.6%
Zone 20	£176.6	£190.2	£204.7	£219.9	£232.9	£28.0	13.7%	£56.3	24.2%
Zone 21	£56.4	£61.0	£66.0	£71.8	£76.7	£9.7	14.6%	£20.3	26.5%
Zone 22	£69.7	£74.9	£80.4	£86.0	£90.6	£10.7	13.4%	£21.0	23.1%
Zone 23	£65.1	£71.9	£79.1	£87.1	£94.0	£14.0	17.7%	£28.9	30.7%
Zone 24	£84.2	£90.9	£98.3	£106.6	£113.7	£14.1	14.3%	£29.5	26.0%
Zone 25	£40.5	£43.5	£46.6	£49.7	£52.3	£6.1	13.0%	£11.8	22.5%
Zone 26	£13.5	£14.5	£15.5	£16.5	£17.4	£1.9	12.5%	£3.8	22.0%
Zone 27	£105.5	£113.0	£121.3	£129.8	£136.9	£15.8	13.0%	£31.4	23.0%
Zone 28	£65.3	£70.6	£76.1	£81.9	£86.9	£10.8	14.1%	£21.6	24.8%
Zone 29	£35.0	£37.8	£40.6	£43.5	£45.9	£5.6	13.8%	£10.8	23.6%
Zone 30	£35.6	£39.2	£43.4	£48.0	£52.0	£7.8	18.0%	£16.4	31.6%
Zone 31	£50.0	£55.1	£60.5	£66.4	£71.7	£10.4	17.2%	£21.7	30.2%
Zone 32	£65.8	£72.6	£79.8	£87.6	£94.5	£14.0	17.5%	£28.6	30.3%
Zone 33	£152.8	£164.5	£177.0	£190.4	£201.6	£24.2	13.7%	£48.8	24.2%
Zone 34	£100.8	£109.0	£117.6	£126.7	£134.5	£16.8	14.3%	£33.7	25.0%
Zone 35	£80.1	£87.1	£94.6	£102.5	£109.2	£14.5	15.3%	£29.1	26.6%
Zone 36	£34.0	£36.9	£39.9	£43.0	£45.7	£5.9	14.7%	£11.7	25.6%
Zone 37	£43.3	£47.2	£51.5	£55.9	£59.6	£8.2	15.9%	£16.3	27.4%
Zone 38	£37.0	£39.8	£42.9	£46.3	£49.2	£6.0	13.9%	£12.2	24.8%
Zone 39	£60.7	£65.7	£71.0	£76.5	£81.3	£10.2	14.4%	£20.5	25.3%
Zone 40	£29.6	£32.1	£34.8	£37.6	£40.0	£5.2	14.9%	£10.3	25.9%
Zone 41	£55.9	£60.1	£64.7	£69.6	£73.7	£8.8	13.6%	£17.8	24.2%
Zone 42	£24.4	£26.7	£29.3	£32.2	£34.6	£4.9	16.9%	£10.3	29.6%
Zone 43	£91.1	£99.5	£108.7	£118.6	£127.4	£17.6	16.2%	£36.3	28.5%
Zone 44	£61.9	£66.9	£72.4	£78.2	£83.0	£10.4	14.4%	£21.1	25.4%
Zone 45	£48.2	£52.5	£57.2	£61.9	£66.2	£9.0	15.7%	£17.9	27.1%
Zone 46	£32.9	£36.1	£39.5	£43.1	£46.3	£6.6	16.6%	£13.4	28.9%
Zone 47	£72.6	£78.8	£85.6	£92.8	£99.1	£12.9	15.1%	£26.4	26.7%
Zone 48	£25.9	£28.1	£30.3	£32.6	£34.5	£4.4	14.5%	£8.5	24.7%
Zone 49	£20.7	£22.7	£24.9	£27.3	£29.3	£4.2	16.9%	£8.7	29.6%
Zone 50	£119.3	£129.3	£140.4	£152.1	£161.9	£21.1	15.1%	£42.6	26.3%
Zone 51	£65.2	£71.0	£76.8	£83.1	£88.6	£11.6	15.1%	£23.3	26.3%
Zone 52	£35.2	£37.7	£40.6	£43.6	£46.0	£5.4	13.3%	£10.9	23.6%
Zone 53	£39.0	£42.3	£45.8	£49.5	£52.8	£6.9	15.0%	£13.8	26.2%
Zone 54	£60.4	£65.1	£70.3	£75.6	£80.1	£10.0	14.2%	£19.7	24.6%
Zone 55	£61.5	£66.6	£71.7	£76.9	£81.2	£10.3	14.3%	£19.7	24.3%
Study Area Total (Zones 1-55)(£m)									
Zones 1 - 55	£3,801.4	£4,131.1	£4,489.7	£4,868.8	£5,193.3	£688.4	15.3%	£1,392	26.8%
Core Zones Total (£m)									
Wolverhampton	£455.2	£494.7	£538.0	£584.2	£623.9	£82.8	15.4%	£169	27.0%
Dudley	£616.9	£663.7	£714.7	£769.1	£816.1	£97.8	13.7%	£199	24.4%
Sandwell	£504.6	£554.4	£608.1	£665.5	£715.1	£103.5	17.0%	£210	29.4%
Walsall	£409.7	£446.4	£486.1	£528.1	£564.4	£76.3	15.7%	£155	27.4%

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- 10.10 As the table above shows, the available commercial leisure expenditure across the defined Study Area is forecast to increase by 15.3% (+£688.4m) up to 2029 and up to 26.8% (+£1,392m) by 2038.
- 10.11 Across the representative core zones, and over the period to 2029, Sandwell shows the highest growth of 17.0% (£103.5m) followed by Walsall 15.7% (76.3m); Wolverhampton 15.4% (£82.8m) and Dudley 13.7% (£97.8m).
- 10.12 Based on the broad leisure expenditure profile, the majority of the growth in leisure expenditure is likely to be weighted towards eating and drinking out (food and beverage). This highlights the potential to enhance the scale and quality of Class A3-A5 uses in the centres over the development plan period, subject to market demand.
- 10.13 Against this background, the following commentary identifies the potential 'gaps' in the commercial leisure offer of the BCLA main centres and the likely need for new uses and facilities over the forecast period to help maintain and enhance the daytime and evening economies of the BCLA centres.

Eating and Drinking Out

- 10.14 The food and beverage (F&B) sector, including restaurants, cafes, bars and pubs (Class A3, A4, and A5), provide an increasingly important part of the town centre's wider offer and economy. They also complement other town centre uses, particularly shops, offices and cinemas (see above), helping to lengthen 'dwell times' (the time people spend in centres) and increase expenditure as part of the same trip.
- 10.15 As highlighted in **Table 10.1**, average household expenditure on leisure services in the UK and in the Study Area is largely dominated by eating and drinking out. The following provides a summary of some of the key trends driving changes in the food and beverage sector over recent years.
- **Pubs and Wine Bars** - Pub operators have widened their food and non-alcoholic beverage offer, resulting in the growth of so-called "gastro-pubs" in competition with more established restaurants, and the rise in 'micro pubs'. Notwithstanding this the sector has also been characterised by increasing consolidation and closures. About 13,000 pubs closed between 2001 and 2018 and recent research suggests there were 42,450 pubs at the beginning of 2018 but 914 fewer by the end of the year, a rate of 76 net closures a month³³. The sale of pubs for conversion to alternative uses has also increased over recent years, particularly for small format convenience retailing (e.g. Tesco Express, Sainsbury's Local and Co-op). New rules that allow communities to have their local pub designated an "asset of community value" (ACV). Once an LPA

³³ Altus Group as reported in the Guardian 2019-07-22

has designated a pub as an ACV a six-month moratorium is placed on development plans, giving anyone interested in saving the pub time to raise funds to bid for it. In neighbourhoods where there are buildings and amenities that are integral to the communities that use them this designation provide a base from which to deliver public services to the local community.

- **Restaurants** - This sector has also experienced mixed fortunes during the economic downturn. Some of the key trends driving change in this sector include an increase in 'eating at home', which has increased sales for takeaways and deliveries. Restaurants are increasingly entering the home delivery market using online third-party delivery companies such as Just Eat, Deliveroo and Uber Eats. Also, customers are increasingly basing their decisions to eat out on 'value for money', but not at the expense of quality in terms of service, food and the overall experience.
- **Cafes/Coffee Shops** - This sector has experienced strong growth. The UK coffee shop market is valued at £10.1bn across 25,483 outlets³⁴. A 7.9% annual sales increase characterises two decades of UK coffee shop growth, but economic turbulence in the form of Brexit uncertainty also continues to affect the sector. Costa Coffee, Starbucks and Caffè Nero remain the three largest coffee-focused branded chains in the UK, with 2,655 outlets. Costa Coffee, Starbucks and Caffè Nero comprise a 53% share of the total UK branded coffee shop segment. The UK branded coffee shop market is estimated to exceed 10,000 outlets by 2023, displaying 5-year compound annual growth rate of 5%. Notwithstanding the rise of the multiples, there has also been growth in independent and specialist cafés and coffee houses, particularly those serving a more luxury or specialist offer (e.g. organic, in-house roasted beans, and Fairtrade). In the speciality segment, artisan concepts continue to grow. Department of Coffee and Social Affairs acquired several independent café businesses to increase its portfolio to 22 stores in 2018. The strong independent coffee sector has fuelled many new start-up businesses in local centres. While many forecasters considered the café market to be saturated a few years ago, the continued growth of the coffee shop market is one of the most successful in the UK economy.

10.16 Between 2014 and 2017, the expansion of F&B operators was dominated by multiple operators – from 37% of net addition of units, to 49% of units in 2016. Moving forward this may change due to over-provision and saturation in certain sectors and increasing costs. For example, over the last 24 months casual dining spending has taken a hit with some restaurants now struggling, and since 2018 alone the following chains announced closures / restructuring of operations and outlets:

³⁴ Source: Allegra World Coffee 2019 (Project Café UK 2019)

Strada	The Italian restaurant chain has just three restaurants now operating in London after closing most of its restaurants across the UK since 2017.
Jamie's Italian	Jamie Oliver's Restaurant Group which was established in 2008 went into administration in May 2019. It closed 22 out of its 25 restaurants, with the loss of over 1,000 jobs. The brand's only remaining UK operation is trading via a franchise in Gatwick Airport.
Byron Burger	The burger chain closed 19 outlets in 2018 under a Company Voluntary Agreement (CVA) after reporting post-tax losses of \$47.2m to June 2018. Since then it has undertaken a "complete overhaul" of the design, menu and service in its remaining 53 restaurants. As part of its repositioning, it is also investing in its takeaway and delivery offer, as this contributed a 14% increase in its sales for 2017/18 compared with 4.7% decline in overall like-for-like sales.
Prezzo	Closed over 100 outlets in 2018, resulting in the loss of over 1,000 jobs. This was equivalent to approximately one-third of the chain's restaurant portfolio, which includes Prezzo, Mexico and Cleaver brands and all 33 Chimichanga restaurants.
Carluccio's	In March 2020 the chain was reported to be filing for administration. By way of background, the Italian restaurant group closed 35 of its 105 restaurants in 2018 as part of a Company Voluntary Agreement (CVA), resulting in the loss of some 500 jobs. The operator admitted that its problems stemmed from " <i>opening too many restaurants in too many marginal sites</i> ". It has since introduced a new business strategy – called 'Project Fresca' – which involves transforming selected restaurants funded by £10m of private investment (including in Richmond) to position the business in the ' <i>premium casual dining</i> ' sector.
Restaurant Group	The Group owns a number of different brands (including Wagamama, Chiquito and Frankie & Benny's). Although Wagamama has performed relatively well, the Group announced in 2020 that it would close up to 90 of its Chiquito and Frankie & Benny's restaurants by 2021. It had previously announced that the closures would be staggered over a 6-year period.
Pizza Express	Operates over 480 outlets in the UK and Ireland, but had a reported debt of over £1bn in 2019. There is speculation that they will be forced to close a number of their poorly performing outlets. However as at March 2019 the operator that there were no plans for closures.
GBK	Gourmet Burger King entered into a CVA in November 2018. It reported operating losses of over £4.5m in the year end to February 2019. It has since closed 24 of its 80 restaurants (including in Hull and Leicester), with the loss of c.250 jobs. This has helped to stabilise the business.
Patisserie Valerie	Forced into administration in January 2019 after the fall-out from its debts and an accounting scandal in October 2017. Some 71 out of 200 cafés were closed, resulting in the loss of c.920 jobs. It was bought out of administration by Irish private equity firm Causeway Capital Partners in February 2019 for a reported £5m. The new owners are seeking to reposition the businesses as a 'premium' brand and closed a further 14 outlets in July 2018 that did not fit their vision.

10.17 The current consolidation is attributable due to the presence and range of competing outlets and where margins have come under pressure as well the rise of private equity ventures in to the market. Once profitable sites for some operators have become unsustainable due to higher rents and business rates, labour costs and Brexit fuelled food inflation. Additionally, there is a recognition that dining restaurants and chains in particular have over expanded, and particularly those funded by private equity who were under pressure to expand to sustain returns for their investors.

10.18 The household survey identified where people living in the Study Area currently chose to eat and drink, and whether there are potential 'gaps' in the current offer. The survey showed that 69.3% of respondents from the Study Area visited restaurants and cafes. Furthermore, some 51.4% of respondents from the Study Area visited pubs/ bars/ nightclubs.

10.19 The survey results for eating out are summarised in the table below.

Table 10.4 Market Shares for Eating Out Locations (%)

LPA	Location	Study Area	Representative Core Zones				BCLA Area
			Wolverhampton	Dudley	Sandwell	Walsall	
Wolverhampton	Strategic Centre - Wolverhampton	6.7%	39.1%	2.0%	0.7%	3.7%	10.1%
	Town Centres	1.7%	12.2%	0.6%	0.0%	1.9%	3.3%
	District & Local Centres	1.6%	9.0%	0.5%	0.4%	0.0%	2.2%
	Other	2.0%	10.8%	0.0%	1.0%	3.5%	3.4%
	Sub-total	12.0%	71.2%	3.1%	2.0%	9.1%	19.0%
Dudley	Strategic Centre - Traditional High Street+Merry Hill	3.4%	0.9%	13.9%	4.1%	0.2%	5.1%
	Town Centres	6.5%	1.1%	33.4%	7.4%	0.1%	11.3%
	District & Local Centres	3.9%	2.0%	19.4%	4.3%	0.0%	6.9%
	Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	13.8%	4.0%	66.8%	15.7%	0.3%	23.3%
Sandwell	Strategic Centre -West Bromwich	3.0%	0.3%	0.6%	15.6%	1.2%	4.8%
	Town Centres	2.9%	0.1%	2.5%	13.6%	0.8%	4.6%
	District & Local Centres	0.5%	0.0%	0.1%	2.1%	0.3%	0.7%
	Other	0.2%	0.0%	0.0%	1.0%	0.2%	0.3%
	Sub-total	6.6%	0.4%	3.2%	32.3%	2.5%	10.5%
Walsall	Strategic Centre -Walsall	4.4%	1.3%	0.0%	3.7%	26.3%	7.5%
	Town Centres	3.0%	2.8%	0.2%	1.2%	18.8%	5.4%
	District & Local Centres	0.5%	0.4%	0.0%	0.1%	2.6%	0.7%
	Other	0.1%	0.0%	0.0%	0.3%	0.2%	0.1%
	Sub-total	7.9%	4.5%	0.2%	5.4%	47.8%	13.8%
Sub-total: BCLA		40.3%	80.1%	73.3%	55.4%	59.7%	66.6%
Centres outside BCLA							
	Birmingham City Centre	20.4%	7.0%	14.7%	30.2%	17.8%	18.1%
	Lichfield City Centre	3.3%	1.8%	0.0%	0.2%	3.9%	1.4%
	Harborne, Birmingham	3.5%	0.0%	0.7%	2.5%	0.0%	0.9%
	Cannock Town Centre	5.4%	0.0%	0.0%	0.1%	9.8%	2.3%
	Other	27.2%	11.1%	11.3%	11.6%	8.8%	10.8%
Sub-total: Other		59.7%	19.9%	26.7%	44.6%	40.3%	33.4%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

10.20 The headline findings on eating out locations are as follows:

- Within the **Study Area** overall (Zones 1-55), the BCLA centres collectively have retention of 40.3% with Dudley MBC having the highest retention of 13.8%. From this area, Birmingham shows the single largest significant outflow share of 20.4%.
- In contrast focussing on the representative zones for the BCLA, this shows the retention level rises to 66.6%. Again Dudley MBC area overall shows the highest level of retention at 23.3%. Wolverhampton LPA has a retention level of 19% and Walsall LPA are 13.8%. Sandwell MBC has the lowest level of retention at 10.5%. Again, the single largest significant outflow share is to Birmingham at 18.1%.

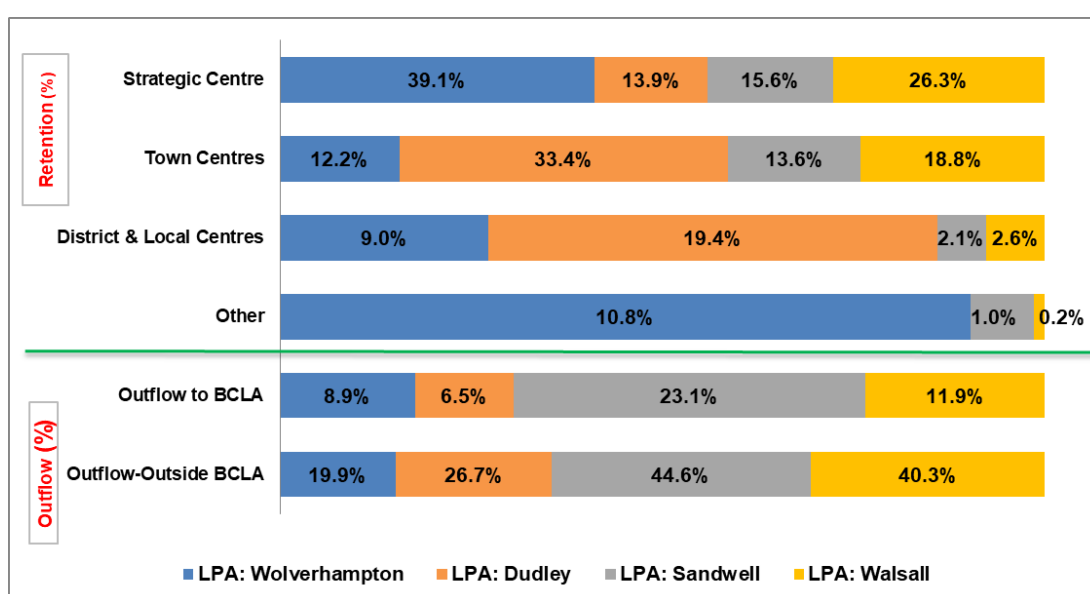
10.21 Focussing on the individual LPA's (see **Figure 10.1**) the findings are:

- **Wolverhampton:** within its representative core zones, an overall retention of 71.2%; outflow to other BCLA 8.9% and outflow to outside BCLA some 19.9%. The strategic centre has the highest retention of 39.1%.
- **Dudley:** within its representative core zones, an overall retention of 66.8%; outflow to other BCLA 6.5% and outflow to outside BCLA some 26.7%. The strategic centre has

a comparatively low level of retention at 13.9%. Dudley's 'town centres' has a higher retention of 33.4% followed by the smaller 'district & local centres' at 19.4%.

- **Sandwell:** within its representative core zones, an overall retention of 32.3% (the lowest when compared to the 'core' level retention of other BCLA); outflow to other BCLA at 23.1% (higher than other BCLA) and outflow to outside BCLA some 44.6% (again comparatively higher than other BCLA). The strategic centre has a retention level of 15% with the 'town centres' having a retention of 15.1%.
- **Walsall:** within its representative core zones, an overall retention of 47.8%; outflow to other BCLA is 11.9% and outflow to outside the BCLA some 40.3%. The strategic centre retention is 26.3 % and the 'town centres' 18.8%.

Figure 10.1: BCLA: 'Eating Out' Market Shares by Representative 'Core' Zones



10.22 Respondents to the survey were also asked where they are more likely to go to visit pubs, bars, and nightclubs. The table below summarises the survey findings for these uses.

Table 10.5 Market Shares for Pubs, Bars & Nightclubs

LPA	Location	Study Area	Representative Core Zones				BCLA Area
			Wolverhampton	Dudley	Sandwell	Walsall	
Wolverhampton	Strategic Centre - Wolverhampton	7.8%	44.2%	1.9%	2.3%	4.5%	11.4%
	Town Centres	2.0%	15.6%	0.0%	0.3%	1.4%	3.6%
	District & Local Centres	2.0%	10.4%	0.4%	1.5%	0.2%	2.7%
	Other	0.5%	2.3%	0.0%	0.0%	1.0%	0.7%
	Sub-total	12.2%	72.5%	2.3%	4.1%	7.2%	18.5%
Dudley	Strategic Centre - Traditional High Street+Merry Hill	2.0%	0.8%	7.9%	1.7%	0.3%	3.0%
	Town Centres	8.0%	1.6%	40.9%	5.7%	0.0%	13.8%
	District & Local Centres	3.9%	2.1%	20.0%	2.2%	0.4%	7.0%
	Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	13.9%	4.5%	68.8%	9.5%	0.6%	23.7%
Sandwell	Strategic Centre -West Bromwich	2.1%	0.1%	0.1%	13.4%	0.6%	3.8%
	Town Centres	4.4%	0.5%	2.2%	25.9%	0.8%	7.8%
	District & Local Centres	1.3%	0.2%	0.0%	7.0%	0.0%	1.9%
	Other	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
	Sub-total	7.8%	0.9%	2.3%	46.5%	1.4%	13.5%
Walsall	Strategic Centre -Walsall	4.3%	0.9%	0.3%	2.8%	27.6%	7.5%
	Town Centres	4.3%	2.8%	0.7%	1.9%	27.7%	7.8%
	District & Local Centres	1.1%	1.4%	0.0%	0.1%	4.3%	1.3%
	Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	9.6%	5.1%	0.9%	4.8%	59.6%	16.6%
Sub-total: BCLA		43.6%	82.9%	74.4%	65.0%	68.8%	72.4%
Centres outside BCLA							
	Birmingham City Centre	17.9%	7.1%	13.2%	23.9%	11.8%	14.4%
	Lichfield City Centre	3.0%	1.4%	0.0%	0.1%	4.6%	1.4%
	Harborne, Birmingham	3.0%	0.0%	0.4%	1.3%	0.0%	0.4%
	Cannock Town Centre	4.0%	0.2%	0.0%	0.0%	8.7%	2.1%
	Other	28.5%	8.3%	12.1%	9.8%	6.1%	9.3%
Sub-total: Other		56.4%	17.1%	25.6%	35.1%	31.2%	27.7%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

10.23 The headline findings on ‘pubs, bars & nightclub’ locations are as follows:

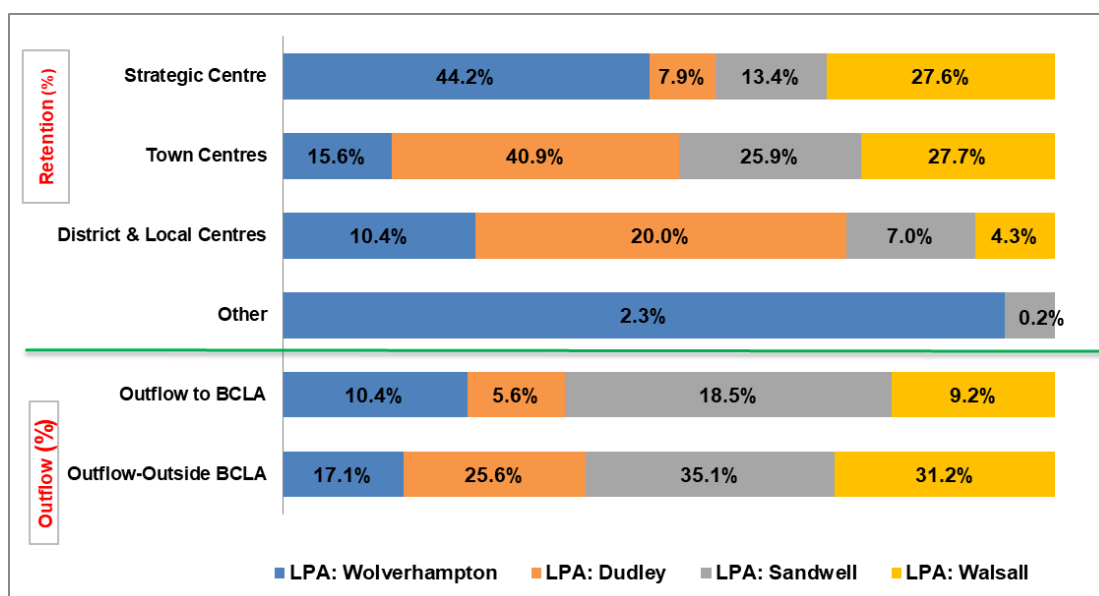
- Within the **Study Area** overall (Zones 1-55), the BCLA centres have retention of 43.6% with Dudley MBC having the highest retention of 13.9%. From this area, the centre with a share of significant outflow is Birmingham at 17.9%.
- In contrast focussing on the representative zones for the BCLA, this shows the retention level increases to 72.4%. Again, Dudley MBC shows the highest level of retention at 23.7%. Walsall LPA area retains 16.6% with Sandwell MBC and Wolverhampton LPA area retaining 13.5% and 18.5% retention respectively. Again, the single largest significant outflow is to Birmingham at 14.4%.

10.24 Focussing on the individual LPA's (see **Figure 10.2**) the findings are:

- **Wolverhampton:** within its representative core zones, an overall retention of 82.9%; outflow to other BCLA 10.4% (primarily to Walsall (5.1%) and Dudley (4.5%)) and outflow to outside BCLA some 17.1%. The strategic centre has the highest retention of 44.2%.

- **Dudley:** within its representative core zones, an overall retention of 74.4%; outflow to other BCLA 5.6% and outflow to outside BCLA some 25.6%. The strategic centre has a comparatively low level of retention at 7.9%. As with the 'eating out category' Dudley's 'town centres' have a higher retention of 40.9% followed by the smaller 'district & local centres' at 20%.
- **Sandwell:** within its representative core zones, an overall retention of 65% (the lowest when compared to the 'core' zone level retention of other BCLA); outflow to other BCLA at 18.5% (higher than other BCLA) and outflow to outside BCLA some 35.1% (again comparatively higher than other BCLA). The strategic centre has a retention level of 13.4% with the 'town centres' having a retention of 25.9%.
- **Walsall:** within its representative core zones, an overall retention of 68.8%; outflow to other BCLA is 9.2% and outflow to outside BCLA some 31.2%. The strategic centre retention is 27.6% and the 'town centres' 27.7%.

Figure 10.2: BCLA: 'Pubs, Bars & Nightclubs' Market Shares by Representative 'Core' Zones



10.25 The HTIS also asked the question as to what improvements could be made to commercial leisure offer that would encourage people to participate more. This qualitative gap analysis showed a broadly consistent suggested improvement for more quality restaurants.

Table 10.6: HTIS Suggested Leisure Improvements: Restaurants

Leisure Improvements	Study Area	Representative Core Zones				BCLA Area
		Wolverhampton	Dudley	Sandwell	Walsall	
More quality restaurants	6.5%	6.5%	6.3%	6.8%	6.8%	6.6%

10.26 In broad terms there is the opportunity to improve offer and attract back lost expenditure in this sector. Across the Study Area Dudley LPA area shows highest retention levels whilst

Sandwell LPA area the largest proportionate leakage. Birmingham is the largest competitor outside the BCLA area. Whilst the survey results suggest that residents are more likely to visit pubs, bars and nightclub venues in the BCLA area, it is evident that residents are willing to travel outside the area for the purposes of dining or drinking out.

10.27 Turning to the potential need for new F&B uses (floorspace), across the Study Area (Zones 1-55) the table below shows that the total available expenditure for food and drink in the Study Area is £2.217.8m in 2019 and this is predicted to increase by 36.7% (+£813.1m) over the forecast period to £3,030.9m at 2038.

Table 10.7: Total Leisure Spend (£m)

	2019	2024	2029	2034	2038	Change: 2019- 2029	Change: 2019- 2029	Change: 2019- 2038	Change: 2019- 2038
	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(%)	(£m)	(%)
Accommodation	£331.1	£359.7	£390.8	£423.6	£451.7	£59.7	18.0%	£120.6	36.4%
Cultural services	£558.3	£606.7	£659.4	£715.1	£762.8	£101.1	18.1%	£204.5	36.6%
Games of chance	£350.5	£381.0	£414.1	£449.3	£479.4	£63.7	18.2%	£128.9	36.8%
Hairdressing salons & personal grooming	£175.4	£190.5	£206.9	£224.2	£239.0	£31.5	17.9%	£63.6	36.3%
Recreational & sporting services	£168.4	£182.9	£198.7	£215.4	£229.7	£30.3	18.0%	£61.3	36.4%
Restaurants, cafes, etc.	£2,217.8	£2,410.4	£2,619.9	£2,841.3	£3,030.9	£402.1	18.1%	£813.1	36.7%
Total	£3,801.4	£4,131.1	£4,489.7	£4,868.8	£5,193.3	£688.4	18.1%	£1,392.0	36.6%

10.28 The pattern of growth in the F&B sector is replicated across the representative core zones as shown below. The table shows that the total available expenditure for food and drink in the representative BCLA area is £1,153.8m in 2019 rising to £1,579.7 by 2038 (+£425.0m, +36.9%).

Table 10.8: Total Leisure Spend Across BCLA Area (£m)

Year	LPA / Area	Accommodation	Cultural services	Games of chance	Hairdressing salons & personal grooming	Recreational & sporting services	Restaurants, cafes, etc.	Total
2019								
	Wolverhampton	£37.2	£66.9	£45.9	£19.7	£18.7	£266.8	£455.2
	Dudley	£53.0	£90.6	£60.3	£29.5	£27.1	£356.4	£616.9
	Sandwell	£39.2	£75.2	£55.9	£20.8	£19.5	£294.0	£504.6
	Walsall	£34.2	£61.0	£42.5	£18.3	£17.2	£236.6	£409.7
	BCLA Area	£163.5	£293.8	£204.6	£88.2	£82.4	£1,153.8	£1,986.4
2024								
	Wolverhampton	£40.4	£72.7	£49.9	£21.4	£20.4	£290.0	£494.7
	Dudley	£57.0	£97.5	£64.9	£31.7	£29.2	£383.4	£663.7
	Sandwell	£43.1	£82.7	£61.5	£22.9	£21.4	£323.0	£554.4
	Walsall	£37.2	£66.5	£46.3	£19.9	£18.7	£257.8	£446.4
	BCLA Area	£177.7	£319.4	£222.5	£95.9	£89.6	£1,254.2	£2,159.3
2029								
	Wolverhampton	£44.0	£79.1	£54.2	£23.2	£22.1	£315.4	£538.0
	Dudley	£61.4	£105.0	£69.8	£34.2	£31.4	£412.9	£714.7
	Sandwell	£47.2	£90.7	£67.4	£25.1	£23.4	£354.3	£608.1
	Walsall	£40.6	£72.4	£50.4	£21.6	£20.4	£280.7	£486.1
	BCLA Area	£193.1	£347.2	£241.9	£104.1	£97.3	£1,363.2	£2,346.9
2034								
	Wolverhampton	£47.7	£85.9	£58.9	£25.2	£24.0	£342.5	£584.2
	Dudley	£66.1	£113.0	£75.2	£36.8	£33.8	£444.3	£769.1
	Sandwell	£51.7	£99.2	£73.8	£27.5	£25.7	£387.7	£665.5
	Walsall	£44.1	£78.7	£54.7	£23.5	£22.1	£305.0	£528.1
	BCLA Area	£209.6	£376.8	£262.6	£112.9	£105.6	£1,479.4	£2,546.9
2038								
	Wolverhampton	£51.0	£91.7	£62.9	£26.9	£25.7	£365.8	£623.9
	Dudley	£70.1	£119.9	£79.8	£39.0	£35.8	£471.4	£816.1
	Sandwell	£55.5	£106.6	£79.3	£29.5	£27.6	£416.6	£715.1
	Walsall	£47.1	£84.1	£58.5	£25.1	£23.6	£326.0	£564.4
	BCLA Area	£223.7	£402.4	£280.5	£120.5	£112.7	£1,579.7	£2,719.5
Change: 2019-2029 (£m)								
	Wolverhampton	£6.8	£12.2	£8.4	£3.6	£3.4	£48.6	£82.8
	Dudley	£8.4	£14.4	£9.6	£4.7	£4.3	£56.5	£97.8
	Sandwell	£8.0	£15.4	£11.5	£4.3	£4.0	£60.3	£103.5
	Walsall	£6.4	£11.4	£7.9	£3.4	£3.2	£44.1	£76.3
	BCLA Area	£29.6	£53.4	£37.3	£15.9	£14.9	£209.4	£360.5
Change: 2019-2029 (%)								
	Wolverhampton	18.2%	18.2%	18.2%	18.1%	18.1%	18.2%	18.2%
	Dudley	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%	15.9%
	Sandwell	20.5%	20.5%	20.5%	20.4%	20.5%	20.5%	20.5%
	Walsall	18.7%	18.6%	18.6%	18.6%	18.6%	18.6%	18.6%
	BCLA Area	18.1%	18.2%	18.2%	18.0%	18.0%	18.2%	18.1%
Change: 2019-2038 (£m)								
	Wolverhampton	£13.8	£24.8	£17.0	£7.3	£6.9	£98.9	£168.7
	Dudley	£17.1	£29.3	£19.5	£9.5	£8.8	£115.0	£199.2
	Sandwell	£16.3	£31.4	£23.3	£8.7	£8.1	£122.6	£210.5
	Walsall	£12.9	£23.1	£16.0	£6.9	£6.5	£89.4	£154.7
	BCLA Area	£60.2	£108.6	£75.9	£32.3	£30.2	£425.9	£733.1
Change: 2019-2038 (%)								
	Wolverhampton	37.0%	37.1%	37.1%	36.9%	36.9%	37.1%	37.1%
	Dudley	32.3%	32.3%	32.3%	32.3%	32.3%	32.3%	32.3%
	Sandwell	41.7%	41.8%	41.7%	41.6%	41.6%	41.7%	41.7%
	Walsall	37.8%	37.8%	37.7%	37.6%	37.7%	37.8%	37.8%
	BCLA Area	36.8%	37.0%	37.1%	36.6%	36.7%	36.9%	36.9%

10.29 The HTIS has indicated that centres from within the BCLA area collectively have a retention level of 66.6% for eating and drinking out. An appropriate strategy should seek to maintain and, where possible, increase this market share over the forecast period to 2038.

10.30 On this basis, the available expenditure has been projected forward to 2038 and any residual expenditure available to support new A3-A5 floorspace over the period is derived from the difference between the forecast growth in 'current' (survey-derived) turnover levels and the growth in 'benchmark' turnovers after applying robust year-on-year 'productivity' ('efficiency') growth rates to all existing floorspace of 1.5% per annum

10.31 The resulting residual expenditure has been converted into floorspace projections using a 2017 average sales density of £2,015 per sq.m net and a higher assumed sales density of £5,000 per sq.m net (both inflated by 1.5% per annum over the period to 2038). This reflects our judgement of the potential range of turnover levels achieved by food and beverage operators across the UK, based on the available evidence and market intelligence.

10.32 The analysis also takes into account the following extant commitments:

Table 10.9: A3 – A5 Commitments Across BCLA Area

LPA / Centre	Planning Ref	Scheme	Gross Floorspace (sqm)	Net Floorspace (sq m)	
<u>LPA: WOLVERHAMPTON</u>					
1	Wolverhampton	17/01102/OUT	Westside Leisure - Outline application for leisure (Class D2), food and drink (Class A3), hotel (Class C1), retail (Class A1), drinking establishments (Class A4), multi-storey car park and public realm Land At Salop Street/Peel Street/Pitt Street/School Street And Ring Road St Marks Wolverhampton	14,392	708
2	Wolverhampton	16/00598/PAOTH	Interchange: Railway Station - Wolverhampton Railway Station Railway Drive City Centre Wolverhampton West Midlands WV1 1LE	825	495
3	Wolverhampton	18/00147/FUL	Interchange: i9 - Erection of a BREEAM 'Excellent' building ("i9") comprising overall gross external area of 6,338 sqm (68,222 sqft). Commercial units at lower ground and ground floor levels for a mixture of Class A2, A3, A4, A5 and/or B1(a) uses, with outdoor seating, and upper floors comprising Class B1(a) office space, with a south-facing rooftop amenity space at fourth floor level.	6,338	535
<u>LPA: DUDLEY</u>					
4	Dudley	P18/0590	Demolition, remodelling and remediation; redevelopment to allow: retail, service and leisure accommodation (use classes A1, A2, A3, A4, A5, D2); student accommodation (Use Class C2); dwelling houses (C3); hotel accommodation (C1); offices (B1a); non-residential institution uses (D1); car showroom (sui generis) taxi rank; public space; highways, access and pedestrian connectivity works; car parking; landscaping; associated works (outline, all matters reserved)	1,400	980
<u>LPA: SANDWELL</u>					
5	West Bromwich	DC/16/59740	Proposed mixed use development consisting of 4 No. ground floor commercial units with 49 No. apartments above with undercroft car parking to rear and cycle and refuse storage Car Park Victoria Street West Bromwich	212	148
<u>LPA: WALSALL</u>					
6	Walsall	18/0477	Erection of a coffee shop pod (A1/A3), landscaping and part reconfiguration of the existing car park.	167	117

NOTES

- The total amount of A1, A3 and A4 permitted shall not exceed 2,871sqm. By deducting the maximum amount of A1 Class space of 1,860sqm yields an A3 and A4 quantum of 1,011 and by applying a gross to net ratio of 70% yields a net sales area of 708 sqm.
- Four small commercial outlets (falling within any combination of Class A1, A3, A4 and A5). These units are to be 100 sqm, 120 sqm, 150 sqm, 170 sqm and 285 sqm (totalling 825 sqm GEA). On this basis assumed that A1, A3, A4 & A5 will be split equally (825/4=206.3sqm). It is assumed that for the A1 component this is likely to comprise convenience goods only. The gross to net applied for the convenience goods element is 70%.
- Assumed that the 535 sqm NIA permitted floorspace will be primarily A3-A5 uses.
- Permitted floorspace of for A3-A5 (Restaurants, Bars & Cafes) is 1,400 sqm, netted down by 70%.
- 212 sqm gross of permitted A3 floorspace; applied gross to net ratio of 70%.
- 167 sqm gross of permitted A3 floorspace; applied gross to net ratio of 70%.

10.33 The table below summarises the high level capacity forecasts for new Class A3-A5 floorspace on this basis:

Table 10.10: Forecast Capacity for new Food & Beverage Space in the BCLA Area (Gross sq.m)

	2019	2024	2029	2034	2038
Available Expenditure: BCLA Area	£1,153.8	£1,254.2	£1,363.2	£1,479.4	£1,579.7
Current retained turnover (£m)	£768.3	£835.1	£907.7	£985.1	£1,051.9
Benchmark turnover (£m)	£768.3	£827.6	£891.6	£960.5	£1,019.4
Net Residual Excluding Commitments	£0.0	£7.5	£16.1	£24.6	£32.4
Turnover of Committed Floorspace	£14.9	£16.1	£17.3	£18.6	£19.8
NET RESIDUAL EXPENDITURE AFTER COMMITMENTS: (£m)	-	-£8.6	-£1.2	£6.0	£12.6
Capacity (sqm net) based on a sales density of: £5,000/sqm net	-	-1,588	-204	952	1,906
Capacity (sqm gross) based on a sales density of: £5,000/sqm net	-	-2,269	-292	1,360	2,723
Capacity (sqm net) based on a sales density of: £2,015/sqm net	-	-3,941	-506	2,363	4,731
Capacity (sqm gross) based on a sales density of: £2,015/sqm net	-	-5,631	-723	3,375	6,758

10.34 By factoring in the commitments and assuming 'equilibrium' at the base year and constant market shares over the forecast period, we forecast capacity for between 1,360 sq.m gross to 3,375 sq.m gross by 2034 increasing to between 2,723 sq.m gross and 6,758 sq.m gross by 2038.

10.35 We have further disaggregated the forecast capacity for each of BCLA and this is detailed below. The BCP should provide strategic support for leisure uses to be served by centres, and Tier-two plans can provide more detailed guidance, such as frontage policy and identifying locations where these uses will be particularly supported.

Table 10.11: Eating & Drinking Out – Projected Gross Floorspace Disaggregated by LPA (sq.m gross)

LPA	Estimated Average Sales Density	2024	2029	2034	2038
Wolverhampton	£5,000 per sqm	-1,914	-1,350	-878	-489
	£2,015 per sqm	-4,749	-3,349	-2,179	-1,214
Dudley	£5,000 per sqm	-703	-12	566	1,043
	£2,015 per sqm	-1,745	-29	1,404	2,587
Sandwell	£5,000 per sqm	102	413	673	888
	£2,015 per sqm	252	1,025	1,671	2,203
Walsall	£5,000 per sqm	246	657	999	1,282
	£2,015 per sqm	611	1,629	2,480	3,182
BCLA Area	£5,000 per sqm	-2,269	-292	1,360	2,723
	£2,015 per sqm	-5,631	-723	3,375	6,758

10.36 However the above A3-A5 capacity forecasts **do not** factor in strategic allocations. On allocations the BCLA has informed LSH of the following:

Table 10.12: Strategic Allocations by LPA: Leisure A3-A5

LPA: Wolverhampton

Wolverhampton City Centre Area Action Plan (adopted 2016):

Goods Type / Sector	Policy Ref	Quantum (sqm Gross)	Quantum (sqm net)	Delivery Date
Leisure	Policy CC3	26,000	N/A	by 2026

LPA: DUDLEY

Brierley Hill Strategic Centre Area Action Plan (adopted August 2011)

Goods Type / Sector	Policy Ref	Quantum (sqm Gross)	Quantum (sqm net)	Delivery Date
Leisure	N/A	35,000	N/A	by 2026

10.37 If it is assumed that the above quantum of floorspace is delivered, in quantitative terms this impact further on the already negative quantum and will reinforce the forecast of **no A3 – A5 floorspace capacity** for the period to 2038. However, this does not preclude qualitative improvements or commercial market led operations to defined town centres.

10.38 As with the retail sector, the forecast capacity for new cafés, restaurants and bars is highly dependent on the level of market demand and confidence in town centres as trading locations. In simple terms the more successful, vital and viable a centre is, the more likely it will be that café and restaurant operators will want to locate there. The market share assessment has shown that the retention levels vary based on demand and retention from within the catchment. As such, we consider that the forecast need should focus on qualitative improvements across the BCLA centres, principally where there is lower provision, quality and choice of places to eat and drink.

Cinemas

10.39 Although cinema audiences grew significantly during the 1990s, the UK cinema market has traditionally been dominated by a handful of operators namely Cineworld (the UK’s largest operator, with over a quarter of the cinema box office market), Odeon/UCI; Vue; and Showcase (the UK arm of National Amusements of the USA). There was significant consolidation in the UK market in 2012 when Odeon acquired the BFI Southbank and a site from AMC; Vue acquired the Apollo cinema chain; and Cineworld acquired Picturehouse. This trend of acquisition and consolidation in the sector is set to continue over the short term in our view.

10.40 According to research by Dodona (a specialist market research consultancy in the cinema industry) at the end of 2017, the UK had 4,264 screens 2015, 218 more than in 2015, in 774 cinemas (751 cinemas in 2015) in the UK. Approximately three quarters (78%) of the

screens are in multiplexes. It should be noted that the number of cinemas has fluctuated, with a low of 697 in 2006 to the current high of 774. This has been influenced by the increase in the number of multiplex screens and the loss of 'traditional' cinemas. The rest of the market is mainly represented by smaller multiplex operators and independents which tend to operate non-multiplex cinemas (i.e. less than six screens) and screens in mixed-use venues (such as art centres).

- 10.41 The cinema industry has not been immune from the recession and there have been some closures since 2008, although the majority have been smaller art centre venues rather than the larger chains. Notwithstanding this, the industry generally appears to be in good health and the UK. The latest research shows that box office revenue in 2017 in the UK exceeded £1bn (at £1.3bn) for the seventh year in succession (since 2011), based on 170.6m admissions. Overall the cinema sector has remained relatively resilient in the prevailing economic and consumer environment.
- 10.42 In recent years, cinema operators have also introduced changes to the cinema experience, including premium seating areas and better quality refreshments, such as alcohol and higher quality food. For example, Vue Cinemas introduced their 'Evolution' concept which provides a mix of seating types comprising bean bags and sofas, as well as regular seats. Cineworld has also introduced the 'Screening Room' concept, characterised by leather chairs and table service.
- 10.43 There has also been a growth in smaller (Digital) cinemas to serve smaller catchment areas. These Digital cinemas are more flexible and less "space-hungry", as they do not require the large sloping auditoriums needed to accommodate traditional projectors. There are therefore opportunities for modern cinema offer to be provided in existing buildings. Examples include the HMV in Wimbledon which has a small Curzon cinemas above the store; Genesis, Whitechapel; The Grosvenor, Glasgow; Watershed, Bristol and the Lynton Cinema, Lynton. The Everyman Cinema has also witness significant growth across the UK which introduces 'sofa friendly' audiences.
- 10.44 In terms of future trends, technology, experience and interaction are the key determinants. Cinemas have seen continual improvement with the screen technologies are seen such as Cineworld replaced its first generation multiplexes with modern venues, Showcase cinemas invested £10m in 9,000 luxury recliners; Picturehouse Central boasts a seven-screen cinema with a restaurant, bar and roof terrace
- 10.45 Turning to the cinema provision in the Study Area, the key commercial purpose built cinemas include:
- Wolverhampton LPA Area: Cineworld (Bentley Bridge Leisure Park);
 - Dudley LPA Area: Odeon (Merry Hill); Showcase (Dudley);
 - Sandwell LPA Area: Odeon (West Bromwich); Reel (Quinton);

- Walsall LPA Area: Showcase (Walsall); The Light (Walsall)

10.46 Additionally, independent and community cinemas within the Study Area include:

- Wolverhampton LPA Area: Light House (City Centre); Arena Theatre (City Centre).
- Walsall LPA Area: Aldridge Cinema (Aldridge)

10.47 In terms of cinema participation the HTIS results show that from across the Study Area (Zones 1-55) 53.6% of respondents visited a cinema. In terms of the BCLA collectively the proportion was 50.3%. Focussing on the representative core zones, the figure varied from 46.7% in Wolverhampton, 51.8% in Dudley, 51.4% in Sandwell and 49.3% in Walsall.

10.48 The results of the HTIS survey (see table below) show that cinemas within the BCLA collectively have a market share of 54.7% from the overall Study Area (i.e. Zones 1 – 55).

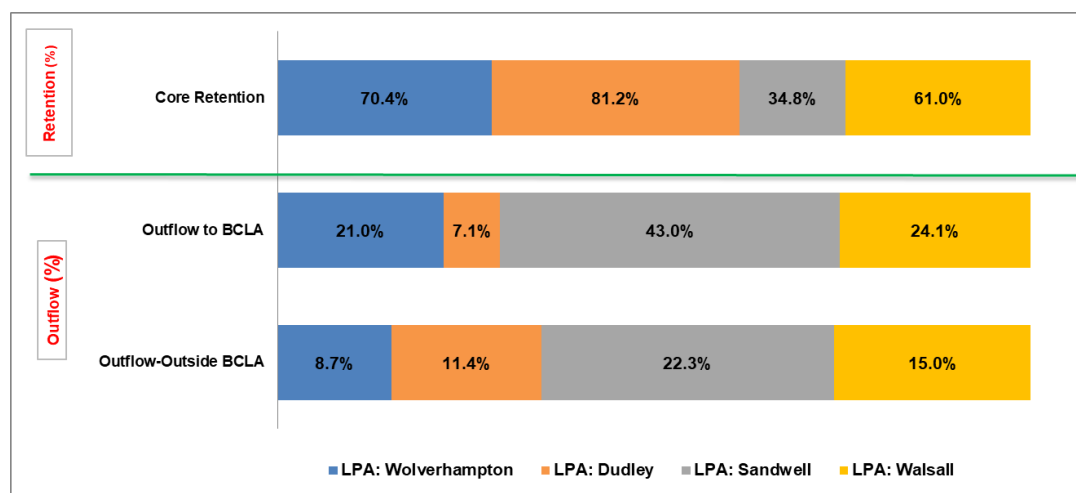
Table 10.13: Cinema Facilities Market Shares (%)

LPA	Venue	Study Area	CORE ZONES				BCLA Area
			Wolverhampton	Dudley	Sandwell	Walsall	
Wolverhampton	Cineworld, Bentley Bridge Leisure Park, Wolverhampton	12.9%	60.6%	0.9%	2.8%	21.1%	18.1%
	Light House, Wolverhampton	1.5%	9.6%	0.3%	0.2%	0.6%	2.3%
	Arena Theatre, Wulfruna Street, Wolverhampton	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
	Subtotal	14.4%	70.4%	1.2%	3.0%	21.7%	20.4%
Dudley	Odeon, Merry Hill, Brierley Hill, Dudley	9.1%	1.0%	41.5%	6.7%	0.0%	13.9%
	Showcase, Castlegate Way, Dudley	12.0%	13.4%	39.8%	23.9%	0.2%	21.2%
	Subtotal	21.0%	14.4%	81.2%	30.6%	0.2%	35.2%
Sandwell	Odeon, New Square, West Bromwich	5.9%	0.3%	0.1%	28.5%	2.2%	9.1%
	Reel Cinema, Quinton	2.0%	0.0%	5.4%	6.3%	0.0%	3.4%
	Subtotal	7.9%	0.3%	5.5%	34.8%	2.2%	12.5%
Walsall	Showcase, Bentley Mill Way, Walsall	4.0%	3.6%	0.4%	6.3%	14.7%	5.8%
	The Light Cinema, Walsall	7.3%	2.7%	0.0%	3.0%	46.1%	11.1%
	Aldridge Cinema, Noddy Park Road, Aldridge, Walsall	0.1%	0.0%	0.0%	0.0%	0.2%	0.0%
	Subtotal	11.3%	6.3%	0.4%	9.4%	61.0%	17.0%
Sub-total: BCLA		54.7%	91.3%	88.6%	77.7%	85.0%	85.2%
Centres outside BCLA	Birmingham	30.0%	3.6%	10.3%	20.7%	8.7%	11.7%
	All Other	15.2%	5.0%	1.1%	1.6%	6.3%	3.2%
	Subtotal-Other	45.3%	8.7%	11.4%	22.3%	15.0%	14.8%
Total		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

10.49 Within the broad BCLA area this increased to 85.2%. There is a wide variation in retention levels across the core zones of the individual BCLA based on current provision:

- Wolverhampton Core Zones: Overall retention of 70.4%
- Dudley Core Zones: Overall retention of 81.2%
- Sandwell Core Zones: Overall retention of 34.8%
- Walsall Core Zones: Overall retention of 61%

Figure 10.3: BCLA: Cinema Market Shares by Representative 'Core' Zones



10.50 A standard accepted approach used to assess the current level of cinema provision and future needs is based on national and regional 'screen density' averages (i.e. the number of screens per unit of population). According to Dodona, in 2017, the UK average was 6.6 screens per 100,000 people, up from 6.1 screens in 2014. The average for the Midlands region as a whole is **6.1 screens per 100,000 people**.

10.51 The table below shows the requirement for additional cinema screens across the Study Area, based on applying the BCLA area retention rate of 85.2% to the forecast growth in the associated zonal area population. The analysis provides two scenarios with and without commitments. This is because the documents accompanying the commitments do not necessarily provide a definitive indication of number of screens proposed and assumptions have therefore been made. The following commitments are considered (which propose a cinema as part of a wider scheme):

- Wolverhampton LPA Area: 17/01102/OUT** - Westside Leisure - Outline application for leisure (Class D2), food and drink (Class A3), hotel (Class C1), retail (Class A1), drinking establishments (Class A4), multi-storey car park and public realm. Land at Salop Street/Peel Street/Pitt Street/School Street and Ring Road St Marks Wolverhampton. The proposal documents do not provide an indication of the number of screens proposed and it is assumed for the purposes of the analysis that there could be up to 9 screens.
- Wolverhampton LPA Area: 19/01465/FUL** - Unit 74/78 (Former Argos Store) The Wulfrun Centre Wolverhampton - Change of use from Class A1 (retail) to a mixed use comprising Class D2 (cinema) and Class A3 (restaurant) on part basement and mall level. Enlargement of mall level to create restaurant unit (Class A3) and alterations to external elevations. Based on the submitted plans, some 3 screens are proposed.

- **Dudley LPA Area: P18/0590:** Demolition, remodelling and remediation; redevelopment to allow: retail, service and leisure accommodation (use classes A1, A2, A3, A4, A5, D2); student accommodation (Use Class C2); dwelling houses (C3); hotel accommodation (C1); offices (B1a); non-residential institution uses (D1); car showroom (sui generis)' taxi rank; public space; highways, access and pedestrian connectivity works; car parking; landscaping; associated works (outline, all matters reserved). The proposal documents do not provide an indication of the number of screens proposed and it is assumed for the purposes of the analysis that there could be up to 9 screens.

10.52 Without accounting for any commitments within the BCLA area, there is no forecast capacity to 2038.

Table 10.14: BCLA Area: Potential Capacity for New Cinema Screens – Assuming Without Commitments

	2019	2024	2029	2034	2038
Potential Cinema Catchment Population	1,044,652	1,073,500	1,100,665	1,126,825	1,148,375
Cinema Screen Density (screens per 100,000 persons)	6.1	6.1	6.1	6.1	6.1
Cinema Screen Potential	64	65	67	69	70
Existing Screens	71	71	71	71	71
Net Screen Potential	-7	-6	-4	-2	-1

10.53 The lack of quantitative capacity would be compounded further if commitments came forward.

10.54 We have further disaggregated the forecast capacity for each LPA area based on the representative zones and the results are summarised in following tables:

Table 10.15: Wolverhampton: Potential Capacity for New Cinema Screens – Without Commitments

	2019	2024	2029	2034	2038
Potential Cinema Catchment Population	250,128	257,035	263,539	269,803	274,963
Cinema Screen Density (screens per 100,000 persons)	6.1	6.1	6.1	6.1	6.1
Cinema Screen Potential	15	16	16	16	17
Existing Screens	17	17	17	17	17
Net Screen Potential	-2	-1	-1	-1	0

Table 10.16: Dudley: Potential Capacity for New Cinema Screens – Without Commitments

	2019	2024	2029	2034	2038
Potential Cinema Catchment Population	431,593	443,512	454,735	465,543	474,446
Cinema Screen Density (screens per 100,000 persons)	6.1	6.1	6.1	6.1	6.1
Cinema Screen Potential	26	27	28	28	29
Existing Screens	24	24	24	24	24
Net Screen Potential	2	3	4	4	5

Table 10.17: Sandwell: Potential Capacity for New Cinema Screens – Without Commitments

	2019	2024	2029	2034	2038
Potential Cinema Catchment Population	153,265	157,497	161,483	165,321	168,482
Cinema Screen Density (screens per 100,000 persons)	6.1	6.1	6.1	6.1	6.1
Cinema Screen Potential	9	10	10	10	10
Existing Screens	9	9	9	9	9
Net Screen Potential	0	1	1	1	1

Table 10.18: Walsall: Potential Capacity for New Cinema Screens – Without Commitments

	2019	2024	2029	2034	2038
Potential Cinema Catchment Population	208,440	214,196	219,616	224,836	229,136
Cinema Screen Density (screens per 100,000 persons)	6.1	6.1	6.1	6.1	6.1
Cinema Screen Potential	13	13	13	14	14
Existing Screens	21	21	21	21	21
Net Screen Potential	-8	-8	-8	-7	-7

10.55 The disaggregated tables show potential capacity for Dudley and Sandwell LPA areas, albeit with commitments in the former, this would be diminished.

10.56 In response to the question as to what improvements could be made to the leisure offer that would potentially encourage people to participate more in leisure activities; just 3.9% of respondents across the BCLA area stated that they would like a multi-screen cinema. This demonstrates that there could be a qualitative opportunity to improve cinema choice and provision.

Table 10.19: HTIS Suggested Leisure Improvements: Cinema

Leisure Improvements	Study Area	Representative Core Zones				BCLA Area
		Wolverhampton	Dudley	Sandwell	Walsall	
A multi-screen cinema	5.8%	5.0%	2.1%	4.0%	4.9%	3.9%

10.57 In our judgement, whilst there is no identified quantitative capacity within the BCLA area overall, there is a qualitative need for commercial cinema provision, to serve Wolverhampton City Centre (reflected in the proposals for Westside). Also, cinema operators are expanding their venue portfolios into regional towns. If commercial demand does come forward, this should be directed to strategic and town centres first in accordance with national and local policy objectives.

Health & Fitness Need

10.58 The health and fitness market has generally performed well and the industry as a whole has seen substantial growth. The latest statistics from the Leisure DB³⁵ (LDB) show that over the twelve month period to March 2019, the industry has grown its total market value of £5.1bn (up from £4.4 billion in 2016) and its member base reaching the 10 million mark. According to LDC in 2019 there were an estimated 7,238 private health clubs and public fitness centres facilities in the UK (6,435 in 2016).

10.59 The structure of the UK health and fitness industry is evolving to reflecting consumer choice. For example the main operators by operator type are:

³⁵ The 2019 State of the UK Fitness Industry Report

-
- **Budget Operators:** Pure Gym; The Gym Group; Xercise4Less; JD Gyms, Energie Fitness.
 - **Mid-Market Operators:** Nuffield Health (previously Cannons); Fitness First; Bannatyne's Health Clubs; Gym Box.
 - **Premium Operators:** David Lloyd Leisure (at the premium end focussing on health, racquet and tennis clubs); Third Space; Virgin Active.
 - **Boutique Operators:** Psycle; F45; Barrys Bootcamp; Frame; Rebel.

10.60 Pure Gym and GLL remain the UK's leading private and public operators (by number of gyms and members). In 2018, Pure Gym became the first operator to reach 200 clubs and in 2019 they were joined by GLL (with 203 gyms). The most significant growth in the sector in recent years has been fuelled by budget operators.

10.61 The low cost business model is based on 24-hour opening, discounted monthly subscriptions and 'pay as you go' membership. These types of operators are increasingly rolling out smaller format concepts to increase market share.

10.62 The average number of members per club in the UK is estimated to be 1,426, which includes the average for independent venues (726 per club) and larger leisure chains (2,198 per club). For the larger fitness chains (e.g. David Lloyd, Virgin etc.) the average club membership increases to 2,897, while budget chains are even higher at 3,452 members³⁶.

10.63 The current representation of the main national, regional, independent, privately owned health and fitness operators as well as Council-owned leisure centres across the BCLA area is detailed below.

³⁶ State of the UK Fitness Industry, the Leisure Database Company (2014)

Table 10.20: BCLA Area: Leisure Centres and Fitness Clubs

LPA / Type of Venue	Venue	Public Sector	Private Sector
Leisure Centre			
Wolverhampton	Wolverhampton Swimming & Fitness Centre,	✓	
	WV Active Aldersley	✓	
	WV Active Central	✓	
	WLV gym, The University of Wolverhampton Sports Centre,	✓	
	WV Active Bilston	✓	
	Colton Hills Sports Centre, Wolverhampton	✓	
Walsall	Oak Park Active Living Centre, Walsall	✓	
	Bloxwich Active Living Centre, Walsall	✓	
	Darlaston Swimming and Fitness Centre, Walsall	✓	
	Walsall Gala Swimming and Fitness Centre, Walsall	✓	
	Aldridge Airport Outdoor Centre, Aldridge	✓	
	Sneyd Water Activity Centre	✓	
Sandwell	Haden Hill Leisure Centre, Cradley Heath	✓	
	Langley Swimming Centre, Rowley Regis	✓	
	Harry Mitchell Leisure Centre, Smethwick,	✓	
	Portway Lifestyle Centre, Oldbury	✓	
Dudley	Dudley Sports Centre, Dudley	✓	
	Dudley Leisure Centre, Dudley	✓	
	Crystal Leisure Centre, Stourbridge	✓	
	Halesowen Leisure Centre	✓	
	Dell Stadium, Brierley Hill	✓	
	Coseley Sports Centre	✓	

10.64 In addition, the table below shows a good representation of other multiple operators within the BCLA area, alongside a number of independent facilities, which are supplemented by public sector facilities.

Table 10.21: BCLA Area: Other Health and Fitness Venues

LPA / Type of Venue	Venue	Public Sector	Private Sector
Fitness Centre / Gymnasium			
Wolverhampton	PureGym Wolverhampton, Bentley Bridge Retail Park		✓
	The Gym; Wolverhampton		✓
	Nuffield Health, Wolverhampton		✓
	LM's Gymnasium and Fitness Centre, Wolverhampton		✓
	Paragon Gym Wolverhampton, Willenhall		✓
	Xercise4less Wolverhampton Gym, Wolverhampton		✓
	Bushbury Weights & Fitness Centre, Wolverhampton		✓
	Firewalker Fitness and Martial Arts, Wolverhampton		✓
	PureGym, Wolverhampton		✓
	JD Gyms Wolverhampton, Wolverhampton		✓
	CrossFit Wolverhampton, Wolverhampton		✓
	Foundry Gym Wolverhampton,		✓
	Atlas Gym, Wolverhampton		✓
	Complexions Gym, Wolverhampton		✓
Walsall	Walsall Gala Swimming and Fitness Centre, Walsall		✓
	ChangeurShape, Walsall		✓
	PureGym Walsall, Walsall		✓
	Village Gym Walsall, Walsall		✓
	Tr Fitness Studio And Gym, Walsall		✓
	Energy Health & Fitness, Walsall		✓
	Foundry Gym, 1 Pool Street, Walsall WS1 2EN		✓
	Pulse Wednesbury, Wednesbury		✓
	Platinum Gym & Fitness Centre, Walsall Wood		✓
	Walsall College The Hub, Walsall		✓
	Evolution Functional Fitness & Personal Training, Walsall		✓
	Simply Gym Walsall, Bentley Mill Way, Walsall		✓
	Sandwell	Wednesbury Leisure Centre, Wednesbury	✓
Tipton Leisure Centre, Alexandra Road, Tipton, DY4 8TA		✓	
24/7 Fitness Wednesbury Gym, Wednesbury		✓	
Ripped Fitness Gym UK, Wednesbury			✓
Sam's Health & Fitness, Oldbury			✓
24/7 Fitness Birmingham Gym, Smethwick			✓
PureGym Dudley Tipton, Dudley Port			✓
Dudley	Village Gym Dudley, Castlegate Park,		✓
	Central House Fitness, Dudley		✓
	Foundry Gym Dudley, Dudley		✓
	Figures Gym, Dudley		✓
	Motorcise Dudley, Dudley		✓
	The Health Factory, Dudley		✓
	Unique Fitness 4 Ladies Only, Dudley		✓
	Primal Performance Gym, Dudley		✓
	Flex Fitness 2, Dudley		✓
	Function Fitness at the Inclusive Fitness Academy, Dudley		✓
	West Midlands Powerlifting Club, Brierley Hill		✓
	Power Flex Gym, Dudley		✓
	David Lloyd, Brierley Hill		✓
	Xercise4less, Brierley Hill		✓
	Pure Gym, Brierley Hill		✓
	Black Country Barbell, Stourbridge		✓
	Pump Gyms, Stourbridge		✓
	Revival Fitness, Stourbridge		✓
	Snap Fitness, Stourbridge		✓
	The Gym Group, Stourbridge		✓
	Base Gym Fitness Concepts, Halesowen		✓

10.65 In addition to the above we have been informed of the following schemes with extant planning permission that will add to the current provision:

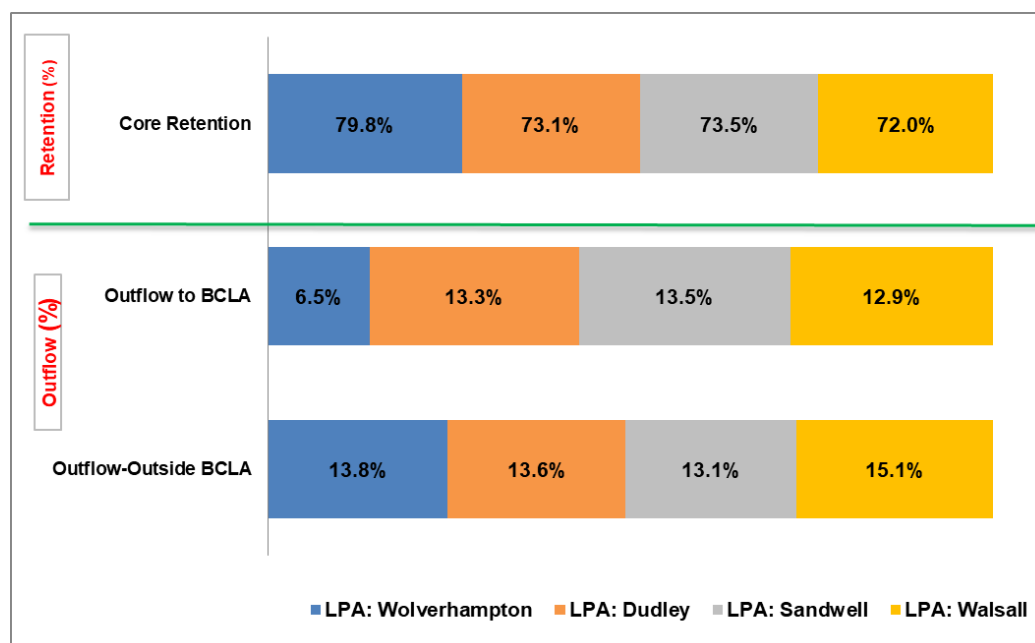
Table 10.22: BCLA Area: Health & Fitness Commitments

LPA / Centre	Planning Ref	Scheme	Gross Floorspace (sqm)
<u>SANDWELL MBC</u>			
West Bromwich	DC/18/62118	Proposed change of use to gym . First Floor Above 3B, 3A, 3C & 3D Astle Park West Bromwich B70 8NS	232
West Bromwich	DC/16/59679	Proposed change of use to martial arts and gymnasium leisure facility (Use Class D2) with associated parking.	520
Smetwick	DC/19/62642	DC/19/62642 Demolition of existing freestanding changing room building and proposed erection of leisure centre (Class D2) including a 10 lane competition 50m swimming pool, competition diving pool, community pool, spectator seating, sports hall(s), fitness suite, studios and other complementary uses, with associated outdoor football pitch and informal play space, parking, utilities and landscaping provisions, together with temporary works to enable the site to first serve as a venue for the Birmingham Commonwealth Games. Londonderry Playing Fields Londonderry Lane Smethwick.	15,040
Oldbury Town Centre		Land Bounded By Bromford Road, West Bromwich Street, Fountain Lane, Oldbury Edge Of Centre. Section 73 application to vary conditions 4 and 21 of planning permission DC/03/40338 as amended by DC/06/46890 - Full permission for reclamation and regeneration of former foundry, industrial and other land to provide comprehensive mixed use redevelopment including community leisure , recreational, retail and restaurant uses and associated car parking, landscaping, public transport and highway improvements. Permission for 1,858sqm (health & fitness); 12,077 sqm –open A1 comparison goods and 15,276, restricted A1 comparison goods.	1,858
<u>DUDLEY COUNCIL</u>			
Dudley	P19/1327	Located at the Car Park between, Martin Hill Street, Constitution Hill and New Mill Street, Dudley. The driving force behind the scheme is the replacement of the existing Dudley Leisure Centre at Wellington Road. A new site has been identified on land owned by the Council, currently used as a car park close to the town centre. The facility mix is to be based on the Sport England Affordable Sports Centre 'Option D' and will include a range of wet and dry facilities, including new swimming pools, sports hall and health and fitness facilities.	4,960

10.66 In terms of fitness/health activity participation the HTIS results show that from across the Study Area (Zones 1-55), 21.1% of respondents visited a gym, health club or sport facility. In terms of the BCLA collectively the proportion was 20%. Focussing on the representative core zones, the figure varied from 17.7% in Wolverhampton, 21.4% in Dudley, 19.9% in Sandwell and 20.9% in Walsall.

10.67 Facilities and locations within the BCLA show a retention level of 51.3% from the Study Area (Zones 1-55) and a higher retention of 86.2% from the core BCLA area. Across the representative core zones for the individual LPAs, the levels vary with Wolverhampton LPA area achieving a 79.8% retention as shown below:

Figure 10.4: BCLA: Health & Fitness Locations - Market Shares by Representative 'Core' Zones



10.68 In terms of improvements to the leisure offer that would potentially encourage people to participate more in leisure activities, just 5.9% of respondents from the Study Area (Zones 1-55) (and 6.1% across the BCLA area) suggested they would like a swimming pool whilst, 3.2% stated more local sports and recreation facilities (3.6% across the BCLA area). This would appear to indicate that there is demand especially for additional swimming pool provision some of which could be met through the commitments listed previously.

Table 10.23: HTIS Suggested Leisure Improvements: Swimming Pool / Recreation

Leisure Improvements	Study Area	Representative Core Zones				BCLA Area
		Wolverhampton	Dudley	Sandwell	Walsall	
A Swimming Pool	5.9%	6.1%	7.6%	5.9%	4.5%	6.1%
More local sports & recreation facilities	3.2%	3.6%	3.9%	3.2%	3.7%	3.6%

10.69 In terms of the need for new health club/gym facilities, the projected growth in the BCLA representative zonal area population is forecast to be 65,743 up to 2029 and up to 121,741 by 2038. By applying the participation rate for gym and health club activities identified for the BCLA area (20%) results in some 13,175 potential new gym members over the period to 2029 and 24,397 over the period to 2038. Based on average membership levels for key premium gym operators (average 2,897 members per facility) or a budget gym (which 3,452 average members per facility) this could potentially support up to 5 private gyms (or 4 budget gyms) by 2029, or up to 8 commercial gyms (or 7 budget gyms) by 2038. However, it should be noted that this assessment of need does not take account of the schemes with extant planning permission which will potentially absorb the identified

capacity. In summary, this results in no identified capacity. The BCP should provide strategic support for leisure uses to be served by centres, and Tier-two plans can provide more detailed guidance, such as frontage policy and identifying locations where these uses will be particularly supported, with any commercial market led demand should be directed to strategic and town centres first in accordance with national and local policy objectives.

Bingo & Gambling Needs

10.70 Gambling represents a significant element of the leisure industry. The main sectors of the gambling industry comprise 'games of chance' (i.e. bingo clubs, casinos, betting shops, amusement arcades, etc.). We briefly describe the key trends in this sector and the forecast need/demand for new facilities in the Study Area, if any, based on the available evidence

10.71 In terms of **Bingo Halls**, latest research³⁷ indicates that there are over 650 premises in operation in the UK, which is a marginal reduction from 653 recorded in 2014. Gala Leisure and Mecca Bingo are the leading operators. The industry has experienced a fall in revenues and admissions over recent years as a result of legislative changes (such as the ban on smoking in public places), the impact of the economic downturn and the growth of online gaming. In response to falling admissions, bingo operators are increasingly taking advantage of the online market and embracing smart-phone technology. This forms part of a wider trend and growth in 'remote/online' gambling, which include gambling activities through the internet, telephone, radio, etc. Bingo operators are also increasingly looking to diversify their customer profile, and are marketing their clubs at a younger, predominantly female audience. As a result there has been an increase in the number of younger and more affluent bingo players over recent years, particularly as deregulation has enabled clubs to offer bigger (national) prizes. The above has resulted in the closure of many bingo halls across the UK.

10.72 Bingo venues across the BCLA area include:

³⁷ Source: The Gambling Commission - Industry Statistics May 2019

Table 10.24: BCLA Area: Bingo Provision

LPA / Type of Venue	Venue
Wolverhampton	Buzz Bingo (Gala), Bushbury Lane, Wolverhampton Mecca, Springvale Way Retail Park, Bilston Buzz Bingo (Gala), Lichfield Road, Wolverhampton
Walsall	Buzz Bingo (Gala), Park Lane, Wednesbury
Sandwell	Mecca, Dudley Street, Wednesbury Mecca, Halesowen Street, Oldbury
Dudley	Mecca, High Street, Brierley Hill

10.73 For **Casinos** research shows that there were some 152 in the UK in 2018 (up from 147 in 2015). The number of premises has remained fairly static over the past five years. As with bingo halls this sector has been affected by the rapid rise in the growth of the online casinos. This sector is dominated by two companies: the Rank Group (incorporating Grosvenor Casinos and Gala Coral Casinos) and Genting UK. There has been consolidation of the sector in the past few years, with acquisitions such as Rank Group's purchase of Gala Coral Casinos making it the largest operator in the UK.

10.74 In terms of local representation commercial casinos within the BCLA area include:

- **Wolverhampton City Centre:** Casino 36; Admiral Casino.
- **Brierley Hill:** Admiral Casino; Merkur Cashino; Classic Casino.
- **Walsall:** Grosvenor Casino; Admiral Casino.
- **West Bromwich:** Shaftesbury Casino.
- **Others locations:** Cash Casino (Wednesfield); Castle Casino (Dudley); Black Country Fun Casino (Dudley);

10.75 In terms of major operators in competing centres, both Grosvenor and Genting also have casinos in Birmingham.

10.76 **Betting shops** represent a visible place on the UK High Street. According to the Gambling Commission there were 8,423 betting shops in 2018. The largest market share in the gambling and betting activities in the UK include Ladbrokes Coral, William Hill and Paddy Power Betfair plc.

10.77 The presence of **betting shops** in high streets is a contentious issue, particularly the perceived social issues that are linked to this particular activity (e.g. anti-social behaviour) and their concentration in deprived areas. The Government has recognised that betting shops have specific impacts and in 2016 reclassified betting shops from A2 to Sui Generis use. This reclassification gave local authorities greater control on managing the number of outlets and therefore greater potential to limit impacts associated with betting shops.

10.78 In addition, growing regulation is having an effect on High Street presence resulting in the consolidation of real estate portfolios. William Hill, for example, recently reported that they would be closing 700 of their High Street shops, blaming the closures on the government's change to fix-odds betting restrictions. In April 2019, the government reduced the maximum stake on fixed-odds betting terminals (FOBT) from £100 to £2. It is anticipated that this will have a similar effect on other operators. As gambling activities continue their shift to online channels, demand for physical outlets could be dampened further.

10.79 The household survey results indicate that visiting bingo halls, casinos and/or bookmakers is not a major leisure activity for the majority of respondents living within the Study Area (Zones 1-55) since only 7.5% of respondents stating that they visit these facilities. In terms of the BCLA collectively the proportion was 8.1%. Focussing on the representative core zones, the figure varied from 8.7% in Wolverhampton, 6.7% in Dudley, 10% in Sandwell and 6.8% in Walsall.

10.80 Venues within the BCLA show a retention level of 63% from the Study Area (Zones 1-55) and a higher retention of 90.3% from the core BCLA area. Across the representative core zones for the individual LPA's, the levels vary considerably with Wolverhampton LPA area achieving a 81.3% retention compared with Walsall LPA's retention of 38.5% as shown below:

Figure 10.5: BCLA: Bingo, Casino, Bookmaker Locations - Market Shares by Representative 'Core' Zones



10.81 In our judgement, there is no demonstrable need to enhance existing provision to improve competition and choice at the local level, although this will be subject to market interest and demand from other bingo and casino operators. If demand arises in the future, we advise that this should be directed to the town centres first in accordance with national and local plan policy and Tier-two plans can provide more detailed guidance, such as frontage

policy. Given that current trends for bingo halls and casinos show activity moving online instead of physical venues, future demand for new venues is expected to be very limited.

10.82 Finally, in response to the question as to what improvements could be made to the commercial leisure offer that would encourage people to participate in more leisure activities, a very small proportion of the respondents to the HTIS stated that they would like a casino or bingo hall. These findings further demonstrate the lack of demand for bingo and gambling facilities in the BCLA area.

Table 10.25: HTIS Suggested Leisure Improvements: Bingo / Casino

Leisure Improvements	Study Area	Representative Core Zones				BCLA Area
		Wolverhampton	Dudley	Sandwell	Walsall	
Bingo	0.5%	0.6%	0.9%	0.4%	0.3%	0.5%
A casino	0.3%	0.4%	0.0%	0.1%	0.1%	0.2%

Other Commercial Leisure Needs

10.83 Other commercial leisure facilities can be grouped together under *'family leisure entertainment'* venues which include paid activities that appeal to adults and children; such as, for example, ten-pin bowling, roller skating, ice skating, and similar uses.

10.84 Ten-pin bowling is possibly the most popular of this category and has been established as a commercial leisure activity in the UK for over 40 years. It remains a strong family and group activity. Research shows that there are currently 316 bowling centres in the UK³⁸ (marginally lower than 2007 when there were 321). This sector benefitted from a period of growth from the mid-1990s onwards, fuelled by the development of large entertainment 'boxes' and leisure parks at one end of the spectrum, and smaller independent specialist bowling facilities at the other end. A number of the successful bowling facilities opened over the last 15-20 years tend to form part of larger leisure complexes that include multi-screen cinemas, restaurants and nightclubs. It is the critical mass of leisure uses under one roof or as part of leisure parks that helps to underpin the viability of ten-pin bowling centres, which can struggle as standalone attractions. Key operators include:

- Hollywood Bowl is the UK's largest operator of ten-pin bowling centres. It currently has 60 centres across the UK, with 52 trading under the Hollywood Bowl brand and 8 as AMF. It has led the way in making bowling more family friendly, investing heavily in both product (such as VIP lanes and virtual reality).
- Ten Entertainment the UK's second largest operator of bowling centres with 44 sites. It has repositioned its business over the years reducing the late nightclub type of operation and increasing its appeal to families.

³⁸ Source: Mintel

10.85 Other family entertainment venues in the BCLA area include:

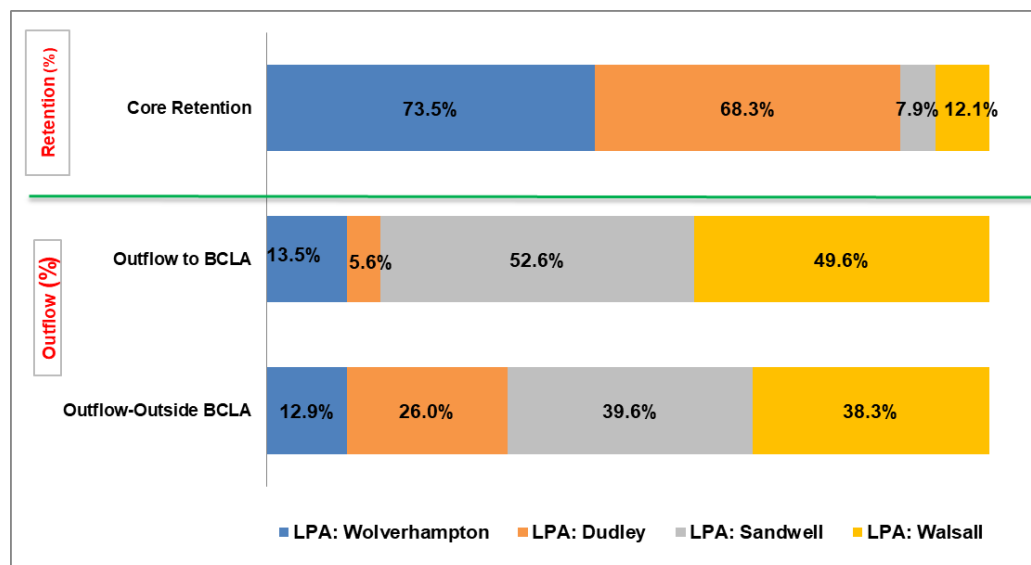
Table 10.26: BCLA: Family Entertainment Venues

Local Authority	Venue
City of Wolverhampton Council	Jungle Boogie, Wolverhampton Hollywood Bowl, Wolverhampton Wolf Mountain: Indoor Climbing and Caving, Wolverhampton Go Kidz Go, Wolverhampton
Sandwell Metropolitan Borough Council	Jitterbugs Party World, Great Bridge Spacehoppas Funzone, West Bromwich Funky Monkeys, West Bromwich Inflata Nation, West Bromwich Junglebugs Indoor Play Centre, Rowley Regis
Walsall Council	Wacky Warehouse- Broadway, Willenhall Little Hooligans Soft Play Centre, Walsall Fuzzy Ed's Fun House, Walsall Palace Play, Boxwich Dizzy Kidz, Willehall Adventure Land, Aldridge Crash Bang Wallop, Walsall Wood
Dudley Borough Council	Tenpin Dudley, Dudley Dudley Zoological Gardens, Dudley Sycamore Adventure, Dudley Rainbow Street, Halesowen Zig Zags Play and Party, Brierley Hill Scallywags Indoor Play Centre, Brierley Hill Chilly Kiddy's Soft Play Area, Stourbridge Boing Zone Trampoline Park, Soturbidge LEAP Dudley, Dudley

10.86 By way of participation, the household survey results indicate that visiting family entertainment venues e.g. tenpin bowling, skating rink) is a popular leisure activity (23% within the Study Area (Zones 1-55) and 21.9% from the BCLA area. Focussing on the representative core zones, the figure is above 20% across the LPA areas, from 22.8% in Wolverhampton, 20.5% in Dudley, 21.6% in Sandwell and 22.9% in Walsall.

10.87 Venues within the BCLA show a retention level of 45.4% from the Study Area (Zones 1-55) and a higher retention of 70.2% from the core BCLA area. Across the representative core zones for the individual LPA's the levels vary considerably with Wolverhampton LPA area achieving a 73.5% retention compared with Sandwell LPA's considerably lower retention of 7.9% as shown below:

Figure 10.6: BCLA: Family Entertainment - Market Shares by Representative 'Core' Zones



10.88 From within the BCLA area collectively, the popular destinations include Bentley Bridge Retail & Leisure Park, Wednesfield (Study Area – 14.6%; BCLA Area 22.5%) and Castlegate Leisure Park, Dudley (Study Area – 10.8%; BCLA Area 18.9%).

10.89 In response to the question as to what improvements could be made to commercial leisure offer that would encourage people to participate more in leisure activities, a substantial proportion of respondents stated that they would like more facilities for children (Study Area – 9.2%; BCLA Area 9.7%), and a lower proportion for tenpin bowling facilities (Study Area – 3.5%; BCLA Area 2.7%). As such, in terms of future needs, the Study Area could benefit from a wider range of family activities. The potential for new family activity venues will however be subject to market demand and should be directed to town centre locations.

Table 10.27: HTIS Suggested Leisure Improvements: Children’s Venues / Ten-pin Bowling

Leisure Improvements	Study Area	Representative Core Zones				BCLA Area
		Wolverhampton	Dudley	Sandwell	Walsall	
More for children	9.2%	8.1%	9.8%	10.7%	9.9%	9.7%
Ten-pin bowling	3.5%	1.3%	1.1%	2.8%	6.0%	2.7%

Cultural Activities

10.90 Cultural activities include a broad range of activities that are focused on the arts and historic attractions. For the purpose of this assessment, consideration is given to the provision of theatres, music venues, and historic/cultural attractions across the BCLA area. The extensive cultural venues (including theatres, music venues, museums, and art galleries) in the BCLA area include those set out in the table below:

Table 10.28: BCLA Area: Key Cultural Venues

Local Authority	Venue
City of Wolverhampton Council	Wolverhampton Civic Halls (under renovation), Wolverhampton Wolverhampton Grand Theatre, Wolverhampton Arena Theatre, Wolverhampton Newhampton Arts Centre, Wolverhampton Wolverhampton Art Gallery, Wolverhampton Wolverhampton City Archives, Wolverhampton Bilston Craft Gallery, Bilston Bantock House Museum, Wolverhampton Wolves Museum, Wolverhampton Tettenhall Transport Heritage Centre, Wolverhampton Eagle Works Studios and Gallery, Wolverhampton The Asylum Gallery, Wolverhampton Light House, Wolverhampton KK's Steel Mill, Wolverhampton The Robin, Bilston
Sandwell Metropolitan Borough Council	Oak House Museum, West Bromwich Haden Hill House Museum and Haden Old Hall, Cradley Heath Wednesbury Museum and Art Gallery, Wednesbury Bromwich Hall- The Manor House Museum, West Bromwich Bishop Asbury Cottage, Newton Tipton Community Heritage Centre, Tipton Galton Valley Pumping Station, Smethwick The Arts Café, West Bromwich West Bromwich Town Hall, West Bromwich Smethwick Heritage Centre, Smethwick
Walsall Council	The Locksmith House Museum, Willenhall Walsall Leather Museum, Walsall Walsall Town Hall, Walsall The New Art Gallery, Walsall A3 Arena- Forest Arts Centre, Walsall The Grange Playhouse, Walsall Aldridge Transport Museum, Walsall
Dudley Borough Council	Dudley Zoo and Castle, Dudley Black Country Living Museum, Dudley Dudley Museum at the Archives, Dudley Red House Glass Cone, Stourbridge White House Cone Museum of Glass, Stourbridge Dudley Town Hall, Dudley Stourbridge Town Hall, Stourbridge Halesowen Cornbow Hall, Halesowen Netherton Arts Centre, Dudley Brierley Hill Civic Hall, Brierley Hill

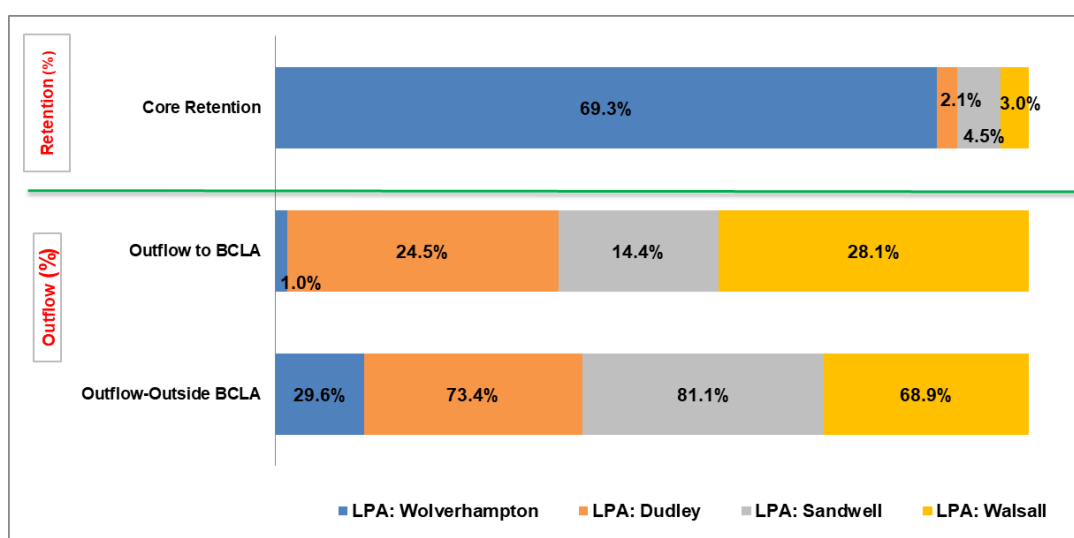
10.91 The household survey results indicate good levels of participation for both visiting theatres, concerts and music venues and also visiting museums, galleries and place or historical or cultural interest (as shown below). However visiting theatres, concerts and music venues is more popular than cultural venues (BCLA Area: 33.8% vs 23.9%).

Table 10.29: Participation in Cultural Activities

Leisure Activity	Study Area	Representative Core Zones				BCLA Area
		Wolverhampton	Dudley	Sandwell	Walsall	
Theatre / concert / music venue	37.9%	37.8%	33.4%	30.6%	34.8%	33.8%
Museum / gallery or place of historical / cultural interest	26.6%	24.8%	25.9%	22.3%	22.5%	23.9%

10.92 Theatre, concert and music venues within the BCLA show a retention level of 24.5% from the Study Area (Zones 1-55) and retention of 36.2% from the core BCLA area. Across the representative core zones for the individual LPA's the levels vary considerably with Wolverhampton LPA area achieving a 69.3% retention compared with lower levels of retention in the other BCLA such as Dudley LPA's considerably lower retention of 2.1% as shown below:

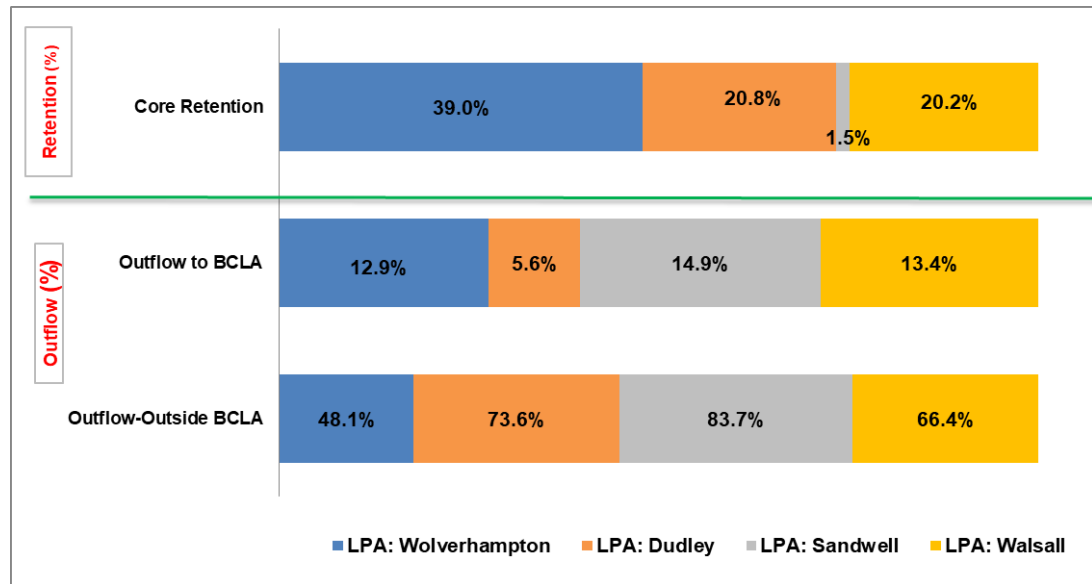
Figure 10.7: BCLA: Theatre, concert and music venues - Market Shares by Representative 'Core' Zones



10.93 The HTIS shows that the Wolverhampton Grand Theatre in Wolverhampton is a popular venue both in the Study Area and the Black Country area with a market share of 17.3% and 25.8% respectively. The key competitor locations include Birmingham City Centre (30.4% market share from the Study Area; 31.1% from the Black Country Area) and the Birmingham Hippodrome (19% market share from the Study Area; 14.8% from the Black Country Area).

10.94 With regard to museums, galleries or other place of historical and cultural interest, venues within the BCLA show a retention level of 20% from the Study Area (Zones 1-55) and retention of 30.7% from the core BCLA area. Across the representative core zones for the individual LPA's the levels vary considerably with Wolverhampton LPA area achieving a 39% retention compared with Sandwell LPA's considerably lower retention of 1.5% as shown below:

Figure 10.8: BCLA: Museum, gallery, historical / cultural interest - Market Shares by Representative 'Core' Zones



10.95 The household survey shows that the Black Country Living Museum in Dudley is a popular destination in the Study Area and the Black Country area with a market share of 7% and 9.8% respectively. The key competitor locations include Birmingham City Centre (38.4% market share from the Study Area; 37% from the Black Country Area) and the Birmingham Museum & Art Gallery (15.2% market share from the Study Area; 10.8% from the Black Country Area).

10.96 In response to the question as to what improvements could be made to the leisure offer that would encourage people to participate more in leisure activities, only 1.4% across the Study Area and the BCLA area stated “more or better cultural facilities”. Similarly, only 1.8% from the Study Area and 1.6% from the BCLA area stated the need for a theatre. As such, this indicates that there are numerous and varied range of venues and facilities of cultural interest across the BCLA area.

Table 10.30: HTIS Suggested Leisure Improvements: Cultural

Leisure Improvements	Study Area	Representative Core Zones				BCLA Area
		Wolverhampton	Dudley	Sandwell	Walsall	
More / better cultural facilities	1.8%	0.9%	1.0%	2.0%	2.6%	1.6%
A theatre	1.7%	0.7%	1.4%	3.0%	2.1%	1.9%

10.97 Cultural activities can make a crucial contribution to the regeneration and diversification of centres, enhancing their vitality and viability, especially supporting the evening economy. The BCP should provide strategic support for such leisure uses to be served by centres, and Tier-two plans can provide more detailed guidance, such as identifying locations where these uses will be particularly supported.

Hotel Provision

10.98 Within the BCLA area there is generally a good provision of overnight accommodation available. Sandwell and Walsall LPA areas having the largest quantum of hotel rooms, potentially due to their proximity to Birmingham conurbation. We have compiled a list of a selection of hotels based on available information as set out in the table below:

Table 10.31: BCLA Area: Hotel Provision

City Of Wolverhampton Council		Grade	Rooms
1	Ramada Park Hall Hotel and Spa	4 Star	75
2	The Mount Hotel Country Manor	4 Star	67
3	Holiday Inn Wolverhampton - Racecourse	3 Star	54
4	Mercure Wolverhampton Goldthorn Hotel	3 Star	74
5	Ely House Hotel	3 Star	18
6	Novotel Wolverhampton City Centre	3 Star	132
7	OYO Connaught Hotel Wolverhampton	3 Star	60
8	ATZ&H Inn	3 Star	13
9	A Park View Hotel	3 Star	21
10	Queen Victoria Hotel	3 Star	23
11	Barons Court Hotel	3 Star	13
12	Oaklands	3 Star	13
13	Premier Inn, Wolverhampton (Broad Gauge Way)	Budget	89
14	Premier Inn Wolverhampton - North (Greenfield Lane)	Budget	79
15	Britannia Hotel Wolverhampton	3 Star	117
Sub Total			848
Sandwell Metropolitan Borough Council			
1	Holiday Inn, Great Barr	3 Star	261
2	The Great Barr Hotel	3 Star	92
3	Ibis Styles, Oldbury	3 Star	75
4	Highfield House Hotel	3 Star	71
5	Travelodge West Bromwich Hotel	Budget	78
6	Premier Inn West Bromwich Central Hotel	Budget	85
7	Premier Inn West Bromwich Town Centre	Budget	63
8	Premier Inn Birmingham Oldbury	Budget	78
9	Premier Inn, Great Barr	Budget	247
10	The Hare & Five Hounds Hotel	2 Star	14
Sub Total			1064
Dudley Metropolitan Borough Council			
1	Cophthorne Hotel Merry Hill Dudley	4 Star	138
2	Quality Hotel Dudley	3 Star	72
3	Village Hotel Birmingham Dudley	3 Star	124
4	Station Hotel	2 Star	38
5	Travelodge, Brierley Hill	Budget	32
6	Travelodge - Dudley Town centre	Budget	78
7	Premier Inn Dudley Town Centre Hotel	Budget	63
8	Travelodge, Halesowen	Budget	71
9	Premier Inn Dudley (Kingswinford), Kingswinford	Budget	60
10	Travelodge, Kingswinford	Budget	22
11	Premier Inn Dudley, Stourbridge	Budget	80
Sub Total			778
Walsall Metropolitan Borough Council			
1	Fairlawns Hotel and Spa	4 Star	60
2	Village Hotel Walsall	3 Star	125
3	The Royal Hotel	3 Star	28
4	Walsall Town Centre Hotel	3 Star	100
5	The Beverley Hotel	3 Star	32
6	Park Inn by Radisson Birmingham Walsall	3 Star	120
7	Travelodge Walsall	Budget	60
8	Premier Inn Walsall Town Centre	Budget	100
10	Metro Inns	2 Star	94
11	The County Hotel	2 Star	46
Sub Total			765
OVERALL TOTAL			3,455

Note: Commercial hotels with 10+ Rooms; Excludes 'AirBnB' type accommodation; Grading based on a review of Online Travel Agents (OTA) listings and supplemented by LSH assumptions.

10.99 We consider that the BCLA area well served by a range of national and independent operators. Whilst not in the remit of this study, it will be important for the constituent LPAs to undertake a review of occupancy (annual and seasonal) in the BCLA area to ascertain market demand. This will also assist the LPAs in assessing the need for marketing and promoting attractions to help draw all-year trips to their leisure venues as part of a wider tourism strategy. In this way, there may be potential opportunities for growth in this sector. We therefore recommend that an assessment of the current supply of hotel rooms, occupancy rates and revenue generated (RevPAR) to get an understanding of current performance and any potential for further growth which can inform future strategies and Tier-two plans.

Summary

10.100 Our review of the commercial leisure sector focuses on updating the quantitative need for new cinema screens, food and beverage provision, and health and fitness facilities.

10.101 The commercial leisure industry faces considerable challenges and pressures. It is clear that consumers are becoming increasingly selective in terms of how they spend their discretionary leisure time. There will also be a continued increased in at-home activities due to advances in computers, tablets, television, gaming, and audio technology. The challenge for town centres and leisure operators in the future is to attract customers away from their homes.

10.102 Within the BCLA area, the review of the commercial leisure offer indicates that there is broadly a good provision of leisure facilities. The total available expenditure for food and drink is set to increase in the BCLA area by +£425.0m (+36.9%) between 2019 and 2038. This growth results in the cumulative potential floorspace capacity of between 1,360 sq.m gross to 3,375 sq.m gross by 2034 increasing to between 2,723 sq.m gross and 6,758 sq.m gross by 2038 after accounting for commitments. However, this capacity is eroded if strategic allocations / targets are taken into account.

10.103 In terms of cinema provision, the assessment found that a high proportion of respondents frequently visit the cinemas within the BCLA area with high levels of retention. The quantitative assessment identified no additional capacity due to the potential commitments. However, there is a qualitative need for commercial cinema provision to serve Wolverhampton City Centre, and where market demand from cinema operators does come forward, this should be directed to main town centres first in accordance with national and local plan objectives.

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- 10.104 There is also a strong provision of health and fitness facilities. The growth population within the BCLA area could support up to up to 5 private gyms (or 4 budget gyms) by 2029, or by or up to 8 commercial gyms (or 7 budget gyms) by 2038. However, existing commitments will erode this capacity.
- 10.105 In terms of addressing future needs, we also consider that some of the larger centres in the Study Area (principally strategic centres due to their critical mass) could benefit from a wider range and quality of family venues and activities.
- 10.106 The BCLA area generally benefits from diverse cultural and tourist attractions, which contribute to the visitor economy of the area. These need to be maintained and promoted in order to attract further visitors to the area and to help attract all-year trips.
- 10.107 In broad terms, the BCLA's proximity to Birmingham results in Wolverhampton City Centre being the single largest competing location for the leisure spend and activity for the BCLA area. Hence, to mitigate this flow, the BCLA need to maintain, encourage and improve existing provision.
- 10.108 In order to increase footfall and vitality and viability, flexibility is required to encourage centres to diversify and serve a wide variety of uses from flexible day/ night uses, to large scale provision such as sports stadia, and other complimentary uses. The BCP should provide strategic support for leisure uses to be served by centres, and Tier-two plans can provide more detailed guidance, such as frontage policy and identifying locations where these complementary uses will be particularly supported.

11. Office Market

- 11.1 When considering the viability of the office market in the BCLA, it is imperative to first look at the context of the sub-region which is part of the wider Midlands Region. The West Midlands Combined Authority (WMCA) was formed in June 2017 bringing together the three LEPs of the Black Country, Greater Birmingham and Solihull and Coventry and Warwickshire. The aim was to create an economic entity that was greater than the sum of its parts and better able to contribute to the Government's aspiration of a wider Midlands Engine for Growth. This was to be achieved through a focus on skills, transport, housing and inward investment which is similar to the aims of the Black Country Strategic Economic Plan (SEP)³⁹ that was also set up in 2017.
- 11.2 The year 2017 was clearly pivotal, but a number of initiatives predating it have had an impact on the fortunes of the region as a whole and the office market in particular.
- 11.3 These initiatives, specifically infrastructure projects, included the £33 million runway extension of Birmingham Airport in 2014 and the ongoing the development of the HS2 rail project.
- 11.4 Prior to the Birmingham Airport extension, the runway placed restrictions on an aircraft's weight at take-off and limited the maximum range of direct flights from Birmingham to the US east coast, the Middle East, Northern India, Pakistan and China. Having direct access to emerging and established international markets that had historically been out of reach increased the likelihood³⁹ of inward investment and supported the wider objectives set out by the WMCA. Whilst the impact of the airport runway extension increased international reach, HS2 to date has had a much more national impact and in particular, has made the region a viable alternative to businesses typically focused on the South East.
- 11.5 The context above is important to illustrate the point that the broad aspiration was to have the whole WMCA territory benefit from a range of projects and initiatives. However, in terms of office markets, some have benefited more than others.
- 11.6 Birmingham is the largest commercial centre in the region and still leads the way in terms of occupier demand, investment volumes and emerging trends. The city delivered the largest single office investment transaction outside London in 2019 and continued to be the city with the most floorspace let and under development. The fact that in 2019 "We Work" chose Birmingham for three centres totalling 22,297 sq.m (240,000 sq ft) is a clear sign of where they feel there is greatest opportunity.

³⁹As prepared by the Black Country LEP (<https://www.blackcountrylep.co.uk/our-strategy/strategic-economic-plan/>)

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- 11.7 In addition to Birmingham, Coventry has also been the subject of increased office market activity due to a major regeneration programme. Since 2011, over £50m has been invested including the transformation and pedestrianisation of Broadgate, an improved walking route between the railway station and the City Centre. The railway station itself is part of an £82m plan to transform it and create a "major transport hub" for the city.
- 11.8 The improvements in Birmingham and Coventry have resulted in them outperforming the rest of the region. They have experienced rental growth to the point where prime rents in Birmingham and Coventry are at £366/sq.m (£34/sq.ft) and £269/sq.m (£25/sq.ft) respectively. We feel confident that those considering relocating to or moving within the Midlands will continue to focus on Birmingham and Coventry given their greater levels of amenity, connectivity and viable stock.
- 11.9 Additionally, Coventry has been named the UK's city of culture for 2021 and Birmingham will host the 2022 Commonwealth Games which will further cement their position as the region's key cities.
- 11.10 With specific regard to office markets, the dominance of Birmingham and Coventry results in these cities receiving the greatest share of interest from occupiers looking to move to the region. This increased demand stimulates rental growth, which means they are also the cities that make the most sense in terms of viability for developers looking to bring forward potential schemes at a scale that could accommodate large inward investment and regional consolidations.
- 11.11 Conversely, this also means that office markets such as the Black Country which currently struggle to generate the same levels of activity and have not seen the rental growth of the bigger cities may well find it increasingly difficult to compete.
- 11.12 The average rent across the BCLA, over the last 5 years, stood at £121.52/sq.m (£11.29/sq.ft) compared with a Birmingham city core figure of £254.35/sq.m (£23.63/sq.ft) over the same period. The comparatively low BCLA figure is driven by a lack of quality stock and insufficient demand from developers to risk speculative development at scale. Smaller scale developments to serve the local occupiers looking for improved accommodation have proved relatively successful but still command rents of only £108/sq.m (c.£10/sq.ft).
- 11.13 Our view is that the focus of any large-scale development in the BCLA should be on Wolverhampton as it has the best connectivity in the Black Country. This includes (along with Sandwell & Dudley railway station) direct train services to London Euston. The Midland Metro will link over 80 tram stops, more than 20 transport interchanges and link Wolverhampton, Birmingham, Dudley, Brierley Hill, Digbeth, North Solihull, Birmingham Airport, the NEC and High Speed 2 stations, as well as providing a convenient link with the bus and rail stations. The Wolverhampton City Centre Extension will stop directly outside

Wolverhampton bus station before terminating at the rail station as part of the interchange offering a full and complete link between modes of transport.

- 11.14 In relation to Dudley, the Wednesbury to Brierley Hill Extension (WBHE) will offer reduced journey times between Birmingham and Dudley. At this stage, it is too early to gauge potential impact on the office market and especially whether Dudley could represent a future 'spill over' or alternative market for Birmingham or Coventry. This would be subject to demand and availability of space across these centres in the first instance.
- 11.15 The Waterfront within Brierley Hill Strategic Centre may also emerge as a future office growth in The Black Country. However, at present a notable proportion of these offices are vacant. Over the longer term, the arrival of the Midland Metro Extension may catalyse interest in office development at this location but again subject to commercial market demand.
- 11.16 Additionally, the Gigaport Area in the Walsall AAP remains a key regenerative allocation to unlock office development. In-the-pipeline transport improvements for Walsall will improve connectivity to the centre of Birmingham by road with the M6 Junction 10 improvements and Wolverhampton by rail with the imminent approval of two re-instated stations at Darlaston and Willenhall
- 11.17 The infrastructure investment in place in Wolverhampton will help enhance the significant benefit of being just 15 minutes away from Birmingham by train. These factors have no doubt played a role in the rationale to bring forward the £150 million pound mixed use Interchange scheme next to the existing station. The 3,252 sq.m (35,000 sq.ft) office element of that scheme, 'i10', is now fully let. However, the average rents achieved have been in the region of £177.60/sq.m (£16.50 per sq.ft.) which is challenging in commercial viability terms.
- 11.18 Where no external support has been available, viable rents need to be at the £218/sq.m (£20.25/sq.ft) level, as evidenced by the pre-let to Charter Court Financial Services on Wolverhampton Business Park in a fringe location which does not benefit from the amenity and connectivity that locations such as the Interchange enjoys.
- 11.19 There are parts of the BCLA that are viable in terms of their standing as part of the WMCA. However, they involve a degree of risk for developers when considering speculative development. Therefore, the creation of a good quality office market (such as at Wolverhampton Interchange and Brierley Hill Waterfront), including being delivered as a partnership of stakeholders, and given policy support in Tier-two plans (such as Policy CA3 of the Wolverhampton City Centre AAP) can provide a supply of new floorspace to attract new occupiers and act as a catalyst for the emerging Black Country office market.
- 11.20 Occupiers considering relocating to the Midlands from other locations such as the South East, will take account of a range of factors, including rental levels, with Birmingham

having lower prime rents than London, and the Black Country having a further rental discount. This will be balanced by occupiers finding locations that enable them to find and retain a talented workforce.

11.21 Given the above, we are of the view that the current Black Country Core Strategy target of delivering 220,000 sq.m (2,368,000 sq.ft) of office space up to 2026 to serve each Strategic Centre (i.e. equating to c. 37,161 sq.m (c.400,000 sq.ft per annum)) is 'out of synch' with completions and likely levels of demand for the area. It should be noted that these office targets were a legacy of the West Midlands Regional Spatial Strategy Phases 1&2, which extrapolated ambitious job creation targets into office floorspace.

Summary

11.22 Our view is that any office development in the BCLA region is likely to be predominantly demand led. Speculative development, is likely to focus on refurbishments that seek to satisfy any be pent up demand from local occupiers that would welcome the opportunity to take better quality accommodation.

11.23 Refurbishments of this type would be easier to justify in an appraisal and would also necessitate rents that would be lower than a new build and therefore easier for local occupiers to afford.

11.24 On this basis a figure of around c.100,000 sq.m (1,076,400 sq.ft) would be more realistic to potentially come forward. Given market uncertainty, the BCP should give strategic support to offices, as an important centre use that contributes to providing a balance of uses in centres. The potential for the emerging high quality office market (particularly at Wolverhampton Interchange and Brierley Hill Waterfront) can act as a catalyst for further growth. Policies through Tier-two plans, such as a "reservoir approach" when looking at site-specific supply in centres, and supporting offices as part of a mix of uses and can help facilitate further office growth and contribute to the SEP priorities for the Black Country. This would also enable to maintain a level of scarcity, so that if demand exists, it will promote an environment where rental growth, and therefore development, is more likely.

12. Implications for Extant Centres Policies

12.1 Based on the quantitative outputs and commercial market evaluation, this study has undertaken a broad policy review on extant Core Strategy Centres **Policies CEN1 to CEN8** (stated below):

- **CEN 1** - The Importance of the Black Country Centres for the Regeneration Strategy
- **CEN 2** - Hierarchy of Centres
- **CEN 3** - Growth in the Strategic Centres
- **CEN 4** - Regeneration of Town Centres
- **CEN 5** - District and Local Centres
- **CEN 6** - Meeting Local Needs for Shopping and Services
- **CEN 7** - Controlling Out-of-Centre Development
- **CEN 8** - Car Parking in Centres

POLICY CEN 1 - The Importance of the Black Country Centres for the Regeneration Strategy

12.2 This study has shown that the Strategic Centres of Brierley Hill, Walsall, West Bromwich and Wolverhampton will provide the main focus for higher order sub-regional retail, office, leisure, cultural and service activities.

12.3 This will continue, albeit that the BCLA must ensure that there is a periodic review in line with commercial and consumer trends to ensure that these centres and their uses remain focussed in serving the needs of their communities. It is likely that the as role of retail diminishes these centres will evolve to incorporate even more mix of uses including residential.

POLICY CEN 2 - Hierarchy of Centres

12.4 The hierarchy of centres has been highlighted previously comprising Strategic Centres, Town Centres (including Walsall's District Centres), and District and Local Centres.

12.5 The three tier hierarchy of centres is endorsed and no change to this current content or structure is proposed. It will remain appropriate for the BCLAs through Tier-two plans to make any adjustments to centre boundaries and the designation (originally facilitated through Core Strategy para 4.33) of Tier-three centres (where clusters of existing centre-use provision in the current urban area to serve existing and future communities could be explored), and decide on policies that are structured in line with a centre's scale and function (such as frontage policy and site allocations).

POLICY CEN 3 - Growth in the Strategic Centres

- 12.6 The spatial objective under extant Policy CEN3 is for the Black Country Strategic Centres to provide the focus for comparison shopping, office employment, leisure and culture in the Black Country. In terms of key targets it provides, *inter alia*, the following:
- Growth in the Strategic Centres. A key target for these centres is to increase the amount of comparison shopping floorspace; the targets here range from 45,000 to 70,000 sq.m in the 2006-2021 period, and 20,000 to 30,000 sq.m in the 2021-2026 period (*underlined our emphasis*).
 - In relation to office development (B1(a) floorspace, it is stated that each Strategic Centre will accommodate up to a maximum of an additional 220,000 sq.m (gross) between 2006 and 2026 (*underlined our emphasis*), and should be directed towards the centres and their periphery.
 - Other centre uses are to be encouraged in the strategic centres which should accommodate major leisure, commercial leisure, entertainment, cultural facilities and services, such as hotels.
- 12.7 It is recognised that extant Policy CEN3 reflects the position of evidence from over a decade ago. As detailed earlier in this report, the commercial market across all sectors has materially evolved and changed over this period. Therefore, a more pragmatic approach needs to be undertaken in addressing the future growth of the strategic centres which does not necessarily place emphasis on quantitative targets and the retail sector and which incorporates qualitative enhancements to the existing provision and considers a mix of uses in relation to new development.
- 12.8 As the quantitative assessment for the retail assessment has shown, after having accounted for current market shares and factors relating to growth and productivity there is collectively no or minimal floorspace capacity especially after accounting for all known commitments and allocations. The resulting implication is that there is a need for consolidation and focus on the core retail areas as opposed to expansion. The identified capacity, as detailed previously, is likely to be met through infill development, re-use/reconfiguration of vacant units, change of use applications and/or extensions to existing stores, without the need to identify larger comprehensive development in-centre or edge-of-centre sites.
- 12.9 Additionally, the relevant extract from that section of CEN3 which sets out the preconditions controlling comparison retail growth at the Merry Hill Centre states:-
“new comparison retail development within Merry Hill (part of Brierley Hill Strategic Centre) will be carefully controlled so that no additional comparison retail floorspace is brought into operation until all the following conditions are met:

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- a) adoption by the Local Planning Authority of the Area Action Plan for Brierley Hill;*
 - b) Implementation of improvements to public transport...and other measures to improve accessibility to and circulation within the centre by non-car modes; and*
 - c) Introduction of a car parking management regime including the use of parking charges compatible with those in the region's network of major centres”.*

These preconditions are no longer fit for purpose, and therefore adjustments to this part of the policy are recommended, for the following reasons:-

- Although taken forward as part of CEN3, these preconditions were a legacy of the Regional Spatial Strategy, which was revoked in 2010
- With the adoption of the Brierley Hill AAP in 2011, precondition a) has been met
- Improvements have taken place and are ongoing to improve public transport, particularly with regard to the Midland Metro extension which will run through this centre, with stops at The Waterfront, Merry Hill and Brierley Hill, and also with regard to bus services, contributing towards meeting precondition b)
- With regard to precondition c), some charging/stay time and staff parking areas have already been introduced at Merry Hill. Also, car parking charging regimes in the other Black Country Strategic Centres can be adjusted outside of planning control, such as in relation to: short and long stay parking, free parking linked to special occasions (such as Christmas shopping) and where parking is controlled by a single operator offering time-limited free parking subject to a minimum spend in store.
- It is evidenced that there is little/ no identified capacity for comparison retail growth over the plan period, which is in sharp contrast to the Core Strategy which anticipated large-scale comparison retail growth across Black Country Strategic Centres, with a target of delivering an additional 95,000sqm to serve Brierley Hill Strategic Centre by 2026.
- Merry Hill is changing – in addition to other centres, it particularly needs to diversify to ensure its vitality and viability. Merry Hill is evolving, as it moves beyond the days of being an out-of-centre shopping mall within the urban area and takes on the function and character of an established centre, supported in planning terms through sub-regional and local authority policies. This can be seen from the recent incorporation of a restaurant area, and as set out in para 6.8, further future expansion of non-A1 retail uses and diversification is planned through, for example, a potential leisure extension promoting a restaurant quarter to complement the existing food offer and the potential relocation and expansion of the cinema within the centre.

12.10 Taking this into account, particularly with the absence of capacity, the recommendation not to include retail growth targets and continuing with local thresholds for impact tests, it is therefore advised that revised policy wording in the BCP should:

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- apply to proposals for centre uses in all 4 Strategic Centres above a realistic proportionate size within defined areas (such as Primary Shopping Areas), and
 - test how proposals can contribute to the objectives of sustainability, helping to ensure the vitality and viability of Strategic Centres and achieving parity in managing the demand for car parking, with particular regard to contributing towards meeting sustainable transport objectives.

12.11 It is understood that a Black Country Centres Car Parking Study will provide evidence, analysis and recommendations relating to car parking provision in Black Country centres, including Strategic Centres.

POLICY CEN 4, CEN 5 and CEN 6

12.12 Policy CEN 4 focuses on the retention of small scale retailing within town centres, seeking to encourage new convenience goods development and support proposals to extend or refurbish existing stores that are well integrated into the existing centre. Individual retail developments of up to 650 sq.m (net) for convenience goods and 500 sq.m (gross) for comparison goods are considered appropriate in these centres

12.13 As with Policy CEN 4 the focus on Policy CEN 5 is on retaining small scale retail within these centres. The policy states that individual convenience retail developments of up to 500 sq.m (net) and developments for comparison goods retail, offices or leisure uses of up to 200 sq.m (gross) will be permitted where they satisfy local requirements.

12.14 Policy CEN 6 identifies that outside of the hierarchy of centres there are smaller more localised retail areas such as small shopping parades that provide a vital local service. Due to this, new small-scale local facilities outside defined centres of up to 200 sq.m (gross) or extensions to existing facilities which would create a unit of up to 200 sq.m (gross) will be permitted providing that a variety of requirements are met.

POLICY CEN 7 - Controlling Out-of-Centre Development

12.15 This Policy reinforces the NPPF's 'town centres first' approach and reiterates the need for control of out-of-centre development, predominantly through the requirement of RIA's for any proposals not covered by Policy **CEN6** (above 200 sq.m gross) and Sequential Testing (see paragraph 2.32) This emphasis and approach should be retained, particularly as little capacity to support new floorspace has been identified and there is the priority to ensure the vitality and viability of the Black Country's network of centres.

12.16 Considering the above, **Section 3** provides a detailed review of the impact of internet and out-of-centre retailing on shopper behaviour and retailer business models, and is particularly relevant, together with little capacity identified and the need to ensure the

vitality and viability of centres, to the consideration of simplifying the impact test threshold in the BCP. These impacts are probably best illustrated by the changes in the grocery sector over the last decade. Following a sustained period of growth over almost 20 years up to 2010, principally driven by new larger format superstore openings, the main grocery operators (i.e. Tesco, Sainsbury's, Asda, Waitrose and Morrisons) have effectively scrapped their superstore expansion programmes to focus on growing their market shares via online sales and opening smaller convenience stores (i.e. Sainsbury's Local, Tesco Express, Little Waitrose, etc.). Although sizes vary from location-to-location, the main grocers are promoting smaller convenience stores with a minimum gross floorspace of between 280 sqm (circa 3,000 sq ft) and 372 sqm (4,000 sq ft).

12.17 The 280 sqm gross floorspace figure is important in this case, as stores below this threshold are exempt from Sunday trading restrictions. In brief, the Sunday Trading Act defines a 'large shop' as generally being over 280 sqm. It is the government's intention through this Act to protect smaller, independent stores which are perceived to be financially weaker and therefore require protection from unfair competition from the major supermarket operators.

12.18 In general terms, it follows that proposals for retail floorspace over 280 sqm gross are unlikely to be a purely local facility and will have the ability to draw trade from outside of their immediate local catchment with potential consequent impacts on existing stores and centres. For example, in circumstances where convenience stores are proposed in edge or out-of-centre locations, often as part of petrol filling stations (e.g. BP/M&S Simply Food) or conversions of public houses, they can have a significant adverse impact on the trading performance, vitality and viability of smaller district and local centres nearby. This will particularly be the case where these existing centres are dependent on smaller supermarkets and/or convenience stores to anchor their retail offer, and to generate footfall and linked trips/expenditure to the benefit of other shops, services and facilities. In some cases post office counters can also form an integral part of the convenience store offer and attraction in smaller centres, and their future operation could therefore also be jeopardised by new convenience stores opening outside of centres.

12.19 **Section 3** has also highlighted the significant challenges that are facing the non-food (comparison goods) sector and how retailers are responding to these challenges. In summary, the last decade has been characterised by increased business failures and closures on the high street due to the impact of the economic downturn, the growth of online shopping and rising costs impacting on operator profitability.

12.20 At the same time, the market demand from operators seeking representation and space in town centres is falling significantly as the space available in centres is often of the wrong size and configuration, and in the wrong location to meet today's retailer requirements. For example, modern multiple retailers selling a range of comparison goods (including, for

example, fashion and 'bulky' goods) generally have requirements for larger format modern premises with a minimum size of circa 465 sqm gross (5,000 sq ft), and usually 929 sqm (10,000 sq ft) and above. This minimum floorspace provides operators with the necessary 'critical mass' of sales needed to display their full range of goods in-store and attract customers from a wider catchment area though this means (on the same basis as noted in paragraph 12.18 above), such proposals are unlikely to be purely local facilities and will have the ability to draw trade from outside of their immediate local catchment with potential consequent impacts on existing stores and centres.

12.21 The review of trends in the leisure sector/ gap assessment has shown little quantitative capacity and the potential for qualitative improvements or commercial market-led improvements to the leisure offer. Consistent with the centres first approach it would be appropriate for proposals not in centres were sensitivity tested for any impacts. The review of trends in the retail sector has clearly demonstrated that operators are typically seeking premises with a minimum floorspace significantly below the NPPF default impact test threshold of 2,500 sqm gross. We recommend that it is reasonable for the BCLA to set a local impact test threshold of 280 sqm gross for retail and leisure proposals for edge and out-of-centre locations. This would represent an adjustment to the Core Strategy thresholds for edge-of-centre locations. This would enable edge-of-centre proposals to be sensitivity tested for the extent to which they could cause leakage and hence adverse impact on, or could support, the vitality and viability of centres, such as through the extent of physical connections to centres and the potential for linked trips. The threshold would represent a slight increase in the Core Strategy threshold for out-of-centre locations. Updated Policy CEN6, relating to local shopping and facilities, should therefore apply to proposals below 280sq. m gross. This approach would be clear and simple, and impact tests should be proportionate to the nature and scale of proposals.

POLICY CEN 8 - Car Parking in Centres

12.22 This policy seeks to managing car parking in centres to ensure the network of Black Country Centres are maintained and enhanced and contribute to the delivery of spatial objectives.

12.23 Whilst stand-alone transport assessment are not within the remit of this study it is nevertheless recommended that as any part of a future transport assessment, car parking should be considered as part of a sustainable transport management strategy. It is understood that a Black Country Centres Car Parking Study will provide evidence, analysis and recommendations relating to car parking provision in Black Country centres.

Summary

12.24 The pertinent policies in the context of this report relate to **CEN 3** and on impact thresholds (**CEN 3 - CEN 7**).

12.25 The implications and changes resulting from the current findings on extant **Policy CEN3** are:

- growth in the future will not necessarily be led by the retail sector;
- there should not be defined floorspace growth quantum;
- future growth will be predominantly market led;
- future growth will be characterised by qualitative enhancements and improvements to the existing offer and the need for flexibility;
- more mixed use to dominate centre provision;
- there will be potential for active LPA led intervention for longer terms benefits and growth of centres; and
- preconditions controlling additional comparison retail growth at the Merry Hill Centre are no longer fit for purpose, and therefore it is recommended that proposals above a realistic proportionate size in Strategic Centres are assessed for their contribution towards meeting sustainable transport objectives.

12.26 We therefore conclude in this case based on the evidence that it is reasonable for the BCLA to set a local impact test threshold of 280 sqm gross for retail and leisure proposals for edge and out-of-centre locations (consistent with NPPF para 90). In our judgement this clear and simplified approach represents a reasonable impact threshold for undertaking impact tests that are proportionate to the nature and scale of proposals as it will provide sufficient flexibility on a case-by-case basis to assess the merits and implications of proposals that could potentially have significant implications for the vitality and viability of, and delivery of new or extended floorspace in, these existing centres. We also advise that this threshold should be applied, where relevant, e.g. to change of use applications and applications seeking variations of conditions.

Finally, with an impact threshold of 280 sqm gross, it is important that the scope of any Impact Assessment in support of planning applications is discussed and agreed between the applicant and the local authority at an early stage in the pre-application process. The level of detail included within the assessment should be proportionate to the scale and type of floorspace proposed, and should be agreed between the local authority and applicant on a case-by-case basis. In all cases, the local planning authority should adopt a pragmatic and reasonable approach with regard to the scope and detail of evidence required in support of planning applications.

13. Future Strategy

- 13.1 This section provides a summary of the key findings of the study relevant to plan-making and decision-taking in the BCLA area and its centres. It summarises the key findings and sets out high-level advice on how the BCLA can effectively plan for, manage and promote the vitality and viability of the centres over the plan period to 2038, which can be delivered by the BCP, Tier-two plans, and centre-specific strategies and projects.
- 13.2 The need assessment draws on a robust and up-to-date evidence base, including:
- detailed health checks of the strategic centres (Wolverhampton City Centre; Brierley Hill (Incorporating Merry Hill), West Bromwich and Walsall.
 - detailed healthchecks of the town centres (Bilston, Wednesfield, Dudley, Stourbridge, Halesowen, Blackheath, Cradley Heath, Great Bridge, Oldbury, Wednesbury, Cape Hill, Bearwood, Bloxwich, Brownhills, Aldridge, Willenhall, Darlaston)
 - A telephone interview survey of 5,500 households plus an additional 550 online interviews across the sub-region to help establish current shopping patterns and market shares;
- 13.3 The study has been prepared in the context of national and development plan policy guidance, as well as other key material considerations. This includes the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG), which place weight on the development of positive plan-led visions and strategies for town centres, and promote new investment and development in town centres first ahead of edge and out-of-centre locations.

COVID19 POTENTIAL IMPLICATIONS

- 13.4 Since the Council's previous assessments in 2009, town centres have faced a myriad of challenges. Centres now need to embrace the new dynamic and build in resilience to adapt seamlessly to future changes in shopping habits, which are likely to move away from solely being retail led locations to those which offer a wider range of retail, leisure, cultural and other amenities.
- 13.5 The growth in online shopping, the long-term attraction of larger format and cheaper retail space in out of centre locations, and increasingly fragile retailer, investor and business confidence is affecting the vitality and viability of centres.
- 13.6 At the time of completing this study, the COVID19 world has created a perfect storm that is bearing down on town centres. The resulting challenge for the BCLA is to manage and promote the future of current and emerging centres when retail is no longer the key driver of their vitality and viability.

13.7 In the context of the pandemic, it is also expected that this will lead to a structural shift in shopper habits as consumers try to respond to the new normal. The British economy at the time of writing this report is experiencing a sharp fall in output, though the final severity of the contraction remains uncertain.

13.8 While some well-known retailers will disappear as a result of the current crisis, the high street itself will not 'die'. The UK retail sector may be profoundly changed, but the hastening of trends such as migration to town centres and demand for new retail experiences may ultimately breathe new life into high streets. LSH anticipates that the trends that are likely to emerge include:

- **Survival of the fittest retailers** - Retailers that survive the crisis may find that their market positions are strengthened, as some of their competition disappears. Those in the best position to prosper may include strong high street names with a good mix of online and in-store operations. Local independent and artisan retailers may also be able to prosper by tapping into consumer demand for new retail experiences.
- **Accelerated retail to residential conversions** - With new housing delivery high on the UK government's agenda, some landlords and developers may take the opportunity to ramp up plans to re-purpose struggling retail properties into residential units.
- **From goods provision to services provision** - With town centre populations increasing due to retail-to-residential conversions, demand will grow for a wider range of high street amenities to serve local communities such as education, healthcare facilities, dentists, hairdressers and beauticians.
- **Enhanced retail experiences** - the onus will be on physical retailers to attract consumers back to the high street with unique experiences that cannot be replicated online or at home. This may encourage the growth of pop-up shops, independent eateries and experiential retailers and local authorities may need to allocate resources to de-clone high streets in the post-pandemic world.
- **Growing need for local retail provision** - Smaller walkable local and neighbourhood centres serving local communities may ultimately benefit from the changing geography of retail demand.
- **Technology** - Centres will have to become 'smart' and make use of technology so that they are aligned with how customers shop and engage with brands. Flexibility and innovation will be essential if the high street is to remain relevant for consumers. Providing free Wi-Fi and online promotions to attract shoppers, tracking footfall and developing new high street apps and town websites will be essential. It means town centre shops will be able to better understand the needs of their customers that will help them tweak their opening times, offer digital promotions to encourage people in

at quieter times. This will help towns understand their strengths, support community activities, help and aid businesses and bring a fresh vibrancy.

- 13.9 The onus will therefore be on local planning authorities to take a more agile, pragmatic and sympathetic approach to new development.

RETAIL NEEDS ASSESSMENT

- 13.10 **Section 9** assessed the overall need for new (convenience and comparison goods) retail floorspace in the BCLA area over the period to 2038.

- 13.11 The retail capacity assessment is informed by LSH's CREAT^e Capacity Model and underpinned by robust evidence and forecasts; it assumes that the retail market is in 'equilibrium' at the base year (2019) and that market shares remain constant over the study period.

- 13.12 The assessment shows there is **no** economic capacity for new convenience or comparison goods in the BCLA area over the forecast period to 2038 after accounting for all known commitments.

- 13.13 There is no identified need. This is compounded by the fact that the impact of the COVID19 is yet to be fully realised and there are extant commitments and vacancies in centres. On this basis, any future investment should be directed to town centres to ensure their continued vitality and viability.

- 13.14 The BCLA should be mindful that capacity forecasts beyond five years should be interpreted with caution. This is because they are based on various layers of assumptions and forecasts with regard to changes in the national and local economy; the trading performance of existing centres and stores; the growth in population and retail spending; etc. The BCLA should therefore take into account these margins for error when assessing the need for new retail floorspace over the medium term (5-10 years) and long and ultra-long term (10 years plus).

LEISURE NEEDS/GAP ASSESSMENT

- 13.15 **Section 10** of the study assesses the need for new commercial leisure uses and the 'gaps' in provision. As with the retail, the leisure sector is facing significant challenges and pressures from changes in the economy, policy and consumer trends.

- 13.16 In terms of addressing future needs, we also consider that some of the larger centres in the Study Area (principally strategic centres due to their critical mass) could benefit from a wider range and quality of family venues and activities.

13.17 In broad terms the BCLA's proximity to Birmingham results in this city centre being the single largest competing location for the leisure spend and activity for the BCLA area.

Eating & Drinking Out

13.18 By factoring in the commitments and allocations, and assuming 'equilibrium' at the base year and constant market shares, we forecast some positive quantitative capacity over the plan period.

13.19 When factoring in strategic allocations, there is **no** A3 – A5 floorspace capacity for the period to 2038. However, this does not preclude qualitative improvements or commercial market led operations being focused in defined centres.

Cinemas

13.20 Whilst there is no identified quantitative capacity within the BCLA area overall, there is a qualitative need for commercial cinema provision to serve Wolverhampton City Centre and cinema operators are expanding their venue portfolios into regional towns. If commercial demand comes forward, this should be directed to strategic and town centres first in accordance with national and local policy objectives.

STRATEGIC CENTRES

13.21 The strategic centres represent key retail centres for the BCLA and remain as the main focus for high level retail, office, cultural and service activity. Their size and composition of the strategic centres is reflective of their legacy industrial base and of subsequent cycles in the retail sector. Whilst they will continue to be a focus for the individual BCLA; however, the role of retail is likely to be diminished in the future.

13.22 As a direct consequence of the COVID19 related lockdown, there is likely to be a further increase in the level of vacancies not only within these centres but potentially across all the centres. The BCLA should not rely on market demand. It may wish to consider a place shaping agenda and take ownership through investment in vacant space. The potential benefit of this approach is to provide more control of the planning, regeneration and management of the town centre and to ensure that it is fit for purpose meeting evolving consumer behaviour.

13.23 In summary, the future strategy for the should focus the following inter-related themes:

- **Monitoring Vacancies:** A regular monitoring exercise together with proactive engagement with landlords, investors and developers where vacancies occur.
- **Business Rate Initiatives:** Business rates are set nationally, however the BCLA may want to consider business rate discounts for independents and entrepreneurs to boost take-up of empty units.

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- **Diversification and Repurposing:** this is to help mitigate against future impacts on the retail sector. Whilst the strategic centres will remain the main focus for high level retail, office, cultural and service activity however, the role of retail is likely to be diminished in the future. There will be a need to plan for repurposing of space potentially through new retail to residential conversion as well as service or experiential retail provision. In short, the aim will be to ensure less reliance on retail to generate footfall and to facilitate alternative uses (potentially mixed uses) that function both during the day and into the evening.
 - **Residential Growth:** This is likely to be a key feature as the densification of towns becomes dominant.
 - **Digital Resilience:** For high streets to meet consumer needs in the future, an agile planning framework will need to be paired successfully with technology including 5G technology. This technology represents the next generation of connectivity. The adoption of this type of technology can be a 'game changer' and any resulting output will aid in areas such as 'smart' and 'interconnected' city / town development and associated services in the future. This is potentially an area that the BCLA may seek to explore further.

Strategic Centre: Wolverhampton City Centre

13.24 Wolverhampton is a major city for the Black Country as well as wider Greater Birmingham region. It ranks within the top 100 centres in the UK. However, both the Experian Goad data and the Council's own monitoring data indicate a vacancy rate of circa 20%. This is high in the context of the current provision in the centre and is a reflection of the state of the national retail economy.

13.25 The future direction is predicated on attracting additional footfall. This may be through new residential development, repurposing of existing vacant space to create and attract interest or through qualitative improvements of the leisure and associated provision. The provision of Grade A office provision to focus employment in the centre will also contribute to additional footfall. In fact, it will build on the strategy of the City Centre AAP which is to consolidate the shopping core and encourage complementary uses of leisure, office and residential uses; and the need for planning 'flexibility' to capture future investment

13.26 The key opportunities for Wolverhampton are:

- There are several major investment and regeneration opportunities underway within the city centre.
- Opportunity to increase cycle ridership.
- Prospect to provide high density uses which would aid in increasing footfall and patronage of the centre's facilities.

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- There is the potential to attract more visitors in the afternoon and evening.
 - Opportunity to increase more family oriented evening economy.
 - Continue to improve on the perception of safety across the centre.
 - Opportunity for "5G" rollout.

Strategic Centre: Brierley Hill

13.27 This centre incorporates both the traditional High Street and Merry Hill Shopping Centre. Merry Hill Shopping Centre is a key element of the Brierley Hill matrix. Economically it overshadows the traditional High Street. It is a regional centre of significance and ranks within the top 100 retail centres nationally.

13.28 Both the Experian Goad data and the Council's own monitoring data indicates a circa +13% vacancy rate which is higher than the national average. This is however lower than that for the traditional High Street or Wolverhampton City Centre. Whilst the centre has vacancies, it is a managed centre and as with all retail floorspace it too is under increasing competition from online retailing. It is therefore continually having to reposition itself.

13.29 Moving forward, the arrival of the Midland Metro extension with stations both at Merry Hill and Brierley Hill (terminus) will generate regeneration and economic benefits facilitated by better connectivity.

13.30 The key opportunities for the traditional High Street are:

- Fostering a collective voice via a Business Improvement District (BiD).
- Identifying the uniqueness and focus for the High Street.
- Establishing a marketing campaign to raise profile of centre.
- Capitalising on the new Wednesbury to Brierley Hill Midlands Metro Line initiative and associated footfall.

13.31 The opportunities for the Merry Hill Centre include:

- The potential for additional leisure extension.
- Potential to increase EV charging points and provide enhanced pedestrian access and cycle facilities, especially integrating in with the Midland Metro network.
- The potential for a substantial increase in residential development in and around the centre.

Strategic Centre: West Bromwich

13.32 West Bromwich Town Centre is the fourth largest centre in the Black Country whose role has somewhat diminished in recent years. The centre continues to have an industrial base and has witnessed a long period of decline. Whilst its core area benefits from new modern retail development the centre as a whole does not perform as well in all places where

there are concentrations of vacancies. It is therefore recommended that the extent of the PSA is considered as part of the Sandwell Plan process with the High Street area potentially reclassified as a separate Local Centre to cater for specialist retail and the associated community.

Strategic Centre: Walsall

- 13.33 Walsall also represents a large retail centre and is ranked third highest in the BCLA area. The centre has a high amount of vacancies; some 17.8% of the total floorspace is vacant and this represents a quarter of all the units (25.3%). Hence 1 in 4 shops are vacant, and this represents one of the biggest challenges for Walsall
- 13.34 Compounding the rate of vacancies is the fact that the environmental quality of the primary shopping area is variable. The built form is mixed with the main shopping streets having some historic character properties, some generic modern accommodation and some 1960s/70s units in poor condition
- 13.35 Notwithstanding the above, investment has been made in relation to The Art Gallery. This is a high profile example of quality contemporary architecture. However, the focus for this is on the canalside, which is away from the retail core.
- 13.36 The development of Crown Point on the edge of the centre has attracted several major national retailers and is operating quite independently of the town centre with its own surface level customer parking. Whilst within the town centre boundary it should be seen as a major threat to the high street as it is poorly integrated and not providing spill-over benefits to the primary shopping area.
- 13.37 The centre is expansive with various disparate areas. The focus for the future will be a consolidation of existing floorspace, especially of the retail core and where alternative uses will dominate.

Strategic Centres Summary:

- 13.38 The strategic centres represent key retail centres for the BCLA. Notwithstanding their importance, a central theme across the centres is that they all exhibit a high vacancy rate of circa 20% and above (except for the purpose built and managed Merry Hill Shopping Centre). This means that up to a quarter or a fifth of the floorspace is not in economic use. It is also an indication of overprovision and the need for contraction and consolidation and managing change of the retail core areas.
- 13.39 The vacancies also represent a potential for regeneration through significant direct intervention by the BCLA. This will be necessary to repurpose the centres to make them fit for purpose for the future.

13.40 Future growth is likely to be based on consolidated core retail areas with qualitative improvements to the remainder and where non-retail uses will define a centre's future role and purpose.

TOWN CENTRES

13.41 These centres represent the "Tier-two centres" in the extant policy hierarchy. They are diverse with unique challenges and issues. A summary for each for each of these centres is provided below.

LPA: Wolverhampton: Centre - Bilston

13.42 Bilston has a good range of national multiples, with the Market and convenience goods dominating. Morrisons provides the main edge-of-centre anchor, though other large convenience retailers such as Lidl contribute to this type of floorspace. Bilston's designation as town centre is correct and reflects its broad role in the hierarchy of centres.

13.43 The key priority to address is the above average vacancy rate of 14% and to improve the quality of units that are dated and in a poor state of repair, such as through the WMCA Regional Town Centre Task Force.

LPA: Wolverhampton: Centre - Wednesfield

13.44 Wednesfield is a smaller compact town centre by comparison to other town centres in the BCLA area. Convenience goods provision dominates its retail composition. There is an under-representation of both comparison goods units and leisure services across the centre. The vacancy rate stands at 14%, which again is above the national average.

13.45 Whilst the size of the town centre may be smaller than other Town Centres in the Black Country Tier-two hierarchy, Wednesfield performs an important strategic role, serving the shopping (including with a Market), community and civic needs of particularly the eastern area of Wolverhampton. Alongside Bilston, it is one of only two town centres within Wolverhampton's administrative area. Its designation therefore should be retained.

13.46 The key priority to address is the above average vacancy rate of 14% and to improve the quality of units that are dated and in a poor state of repair and to improve the evening economy.

LPA: Dudley: Centre - Dudley

13.47 Dudley is a large town centre that provide a range of main town centre uses. The town is anticipated to undergo significant change with the Council seeking to deliver additional

residential, retail, leisure, educational and commercial development. The Council also seeks to deliver a new Bus and Midland Metro Interchange.

13.48 Dudley is a vital and viable centre and its designation as town centre is correct and reflects its broad role in the hierarchy of centres.

13.49 The vacancy rate is above the national average at 17% and represents a key priority to be addressed. Additionally, there is a need to update shopping centres and dated shop units, as well as realising the opportunity of delivering an A1 Convenience Retail supermarket to act as an anchor store

LPA: Dudley: Centre - Stourbridge

13.50 Stourbridge is a medium sized market town that has undergone significant change resulting from investment into a number of regeneration programmes in the town including the redevelopment of the Crown Centre and Town Square. The centre has lower than national average vacancy rate of 9%.

13.51 Stourbridge is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.

13.52 A priority would be to update the shopping centre and a number of dated shopping units. Improving the poor pedestrian areas along the High Street and Market Street and in secondary locations would enhance accessibility.

LPA: Dudley: Centre - Halesowen

13.53 Halesowen has undergone significant change with regeneration focussed on the redevelopment of the Cornbow Shopping Centre, the expansion of the Bus Station and improvements to the road network.

13.54 Though the exterior of the Shopping Centre and many of the buildings along High Street/Hagley Street appear visually dated, the public realm of High Street/Hagley Street incorporates well maintained plants and street furniture at the centre's core. There are also a reasonable number of community facilities that support the town centre which help to contribute to the overall function and performance of the area

13.55 Halesowen is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained

13.56 However, the vacancy rate at 14% is above the national average and a key priority to address.

LPA: Sandwell: Centre - Blackheath

- 13.57 The centre provides a reasonable range of retail goods and services, with some community facilities. It has vacancy rate of 10% which is below the national average.
- 13.58 Blackheath predominantly comprises four main streets connected to the central Market Place roundabout, circled by the A4099 (Archer Way). There is a clear prioritisation of vehicles and traffic flow over pedestrians.
- 13.59 It is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained
- 13.60 A priority would be to improve tired frontages of some the commercial units and improve poor pedestrian areas in secondary locations.

LPA: Sandwell: Centre – Cradley Heath

- 13.61 Cradley Heath is a linear centre, spanning the length of High Street, including sections of Cradley Road and Graingers Lane. Some 16% of Cradley Heath's commercial units are vacant, which represents 15% of the total floorspace, all of which is above the national average
- 13.62 The majority of the centre's frontages are in need of refurbishment and modernisation to improve the current tired and neglected appearance
- 13.63 The centre is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.

LPA: Sandwell: Centre – Great Bridge

- 13.64 Great Bridge is a traditional linear centre along Market Place and Great Bridge. It has a relatively low level of vacancies at 6% which is below the national average.
- 13.65 The centre is dominated by road traffic, to the detriment of pedestrian movement. The centre is easily accessible by road, although generally congested
- 13.66 Great Bridge is identified as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.
- 13.67 A priority would be to reduce heavy traffic through centre. improve physical environment. and to improve connectivity between the centre and adjacent retail park.

LPA: Sandwell: Centre – Oldbury

- 13.68 Oldbury predominantly consists of the Sainsbury's supermarket/parking, the Sandwell Council offices, and a variety of commercial units along Halesowen Street, Church Street, and Birmingham Street. The centre has vacancy rate of 16% which is above the national average.
- 13.69 The general environmental quality of Oldbury is good. It is currently defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.
- 13.70 In terms of monitoring it should be noted that the centre's position is reflective of its previous historical industrial heritage and context and therefore needs to be balanced against its current role and function. In this context, and over time, consideration has to be paid to the centre's Civic and office employment function. Additional consideration should be given to the potential inclusion of the Oldbury Green Retail Park into the town centre boundary, as part of the Sandwell Plan making process.

LPA: Sandwell: Centre – Wednesbury

- 13.71 Wednesbury is similar to a traditional market town centre, with roads converging around the central Market Place. The principal retail streets are the pedestrianised Union Street, High Street and Lower High Street. Retail uses are also found on adjacent secondary streets. A large Morrison's supermarket anchors the centre from the west of Lower High Street. The site adjoins Walsall Street to the north, which provides access to the main road network. The centre has a large outdoor market on Union Street.
- 13.72 The centre has vacancy rate of 15% which is above the national average.
- 13.73 Wednesbury is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.
- 13.74 Whilst the centre is vital and viable at present, it shows signs of decline with the potential need for diversification of town centre uses on Union Street and the potential consolidation elsewhere

LPA: Sandwell: Centre – Cape Hill

- 13.75 Cape Hill primarily consists of the Windmill Shopping Centre, Cape Hill Road, and sections of surrounding roads: Waterloo Road, High Street, Shireland Road, and Windmill Lane.
- 13.76 The centre has a low vacancy rate of 6%, which is considerably below the national average. Outside of the Windmill Centre, the environmental quality of the area is generally very poor, with the majority of the shop frontages in need of significant maintenance and

modernisation. Despite having a lower than average number of vacant units (proportionally), the low quality of the occupied properties makes the area feel like it is in a state of decline despite figures suggesting otherwise.

13.77 Cape Hill is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained

LPA: Sandwell: Centre – Bearwood

13.78 Bearwood covers the entirety of Bearwood Road, stretching to Waterloo Road in the north and Hagley Road in the south in a traditional linear high street form. The centre also includes sections of a number of smaller roads such as Three Shires Oak Road and Sandon Road.

13.79 The character and period style of Bearwood's buildings vary considerably (ranging from the late 19th Century up until present day). This creates a contrasting environment that works well in many places such as the blending of terracotta buildings around Bearwood Shopping Centre; however less so in other areas such as the sudden change in building height and style with the Co-op and its surroundings. Heavy vehicular traffic through the centre has a clear and obvious negative impact on the environmental quality of the centre.

13.80 The vacancy rate of 10.3% is marginally above the national average. Physically, many of the centre's frontages are tired and in need of refurbishment and modernisation in order to draw out the benefit of many of the visually attractive buildings.

13.81 Bearwood is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.

LPA: Walsall: Centre – Bloxwich

13.82 Bloxwich is a linear centre focused on the High Street. The core shopping area extends between the junctions with Wolverhampton Road and Church Street. It also includes an Asda store that lies a short distance to the south-east of the retail core. In addition to the units on High Street, the centre also includes Market Place - a small square with temporary outdoor market (3 days/week) – located off High Street within the retail core. Market Place is also adjacent to recent retail development including a Wilko, Iceland and Home Bargains.

13.83 The retail centre is located directly adjacent to surrounding housing, providing a significant catchment population that is able to easily access the centre via the streets off High Street. The vacancy rate at 10.1% is marginally higher than the national average.

13.84 Bloxwich is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained

13.85 The public realm and built environment is generally in need of enhancement throughout. Asda, although on the edge-of-centre, is also poorly connected for pedestrians to the High Street.

LPA: Walsall: Centre – Brownhills

13.86 Brownhills is another linear high street with predominantly small commercial units on either side of its designated High Street. The vacancy rate of 26% is considerably high when compared to the national average. Much of this can be explained by the concentration of vacancies at the wholly vacant Ravens Court.

13.87 Physically, the centre is performing reasonably well, though a number of commercial units would benefit from the refurbishment and modernisation of their frontages. Additionally, the area would benefit from some investment in street furniture and the general public realm

13.88 Brownhills is currently defined as a town centre in the Joint Core Strategy and the designation should be maintained.

LPA: Walsall: Centre – Aldridge

13.89 The centre is focused around the dated Aldridge Shopping Centre, with other key areas being Anchor Road and High Street. The centre has a low vacancy rate of 4%, which is significantly below the national average.

13.90 The local area is dominated by the early 1970s style of the shopping centre which continues through to High Street and an eastern section of Anchor Road. Buildings along the western side of Anchor Road are predominantly comprised of commercial units, converted from early to mid-20th century houses

13.91 The centre is performing well in relation to its size, and provides vital services for local residents and visitors.

13.92 Aldridge is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained

LPA: Walsall: Centre – Willenhall

13.93 Willenhall is centred on Market Place with commercial units extending to a number of streets including (amongst others) New Road, Wolverhampton Street and Stafford Street. The centre has a vacancy rate of 15%, which is above the national average

13.94 Willenhall has a distinctive historic environment with most of the town centre falling within a Conservation Area. However, this potential is not fully realised, with the environmental quality generally in need of improvement.

13.95 There are a high number of industrial areas within the centre's boundary, many of which are vacant. These present an opportunity for redevelopment and potentially could facilitate mixed use development with a variety of potential uses including residential, community facilities, and other main town centre uses.

13.96 Willenhall is defined as a town centre, which accurately reflects its role in the hierarchy of centres, and this should be maintained.

LPA: Walsall: Centre – Darlaston

13.97 Darlaston is centred upon King Street, expanding in all directions to include the roads of Crescent Road, Church Street, Pinfold Street, and Walsall Road. The centre has a vacancy rate of 14% which is above the national average.

13.98 The environmental quality of Darlaston varies significantly throughout the centre. The commercial units along King Street and Church Street are of a much better quality than elsewhere.

13.99 Darlaston does not have a sizeable number of commercial units yet the centre's boundaries are extensive with the potential for consolidation to the core retail area. It nevertheless remains a vital and viable town centre.

13.100 It is defined as a town centre though it is advised that the boundaries are reduced, which could be explored through a Tier-two plan review, and that an effort is made to concentrate key town centre uses towards the centre.

Town Centres Summary:

13.101 The town centres are diverse range, and provide an important focus for day-to-day shopping and particularly convenience goods shopping.

13.102 In broad terms, the town centres accurately reflect their role in the hierarchy of centres, and this should be maintained. Hence whilst the centres are vital and viable it is clear that there is an element of overcapacity in retail floorspace as denoted by the level of vacancies across the majority of the centres - reflective of their past usage and status.

13.103 As with the strategic centres the future of these centres is unlikely to be retail led and therefore a mix of uses should be encouraged. There is considerable variation in the environmental quality of the centres and there is a need to focus on the distinctiveness of

each centre e.g. historic heritage and buildings and improve on the physical fabric and associated public realm including more greening of the environments.

- 13.104 Centres are vulnerable to adverse impacts, particularly due to the lack of future capacity identified and from pressure for development not in centres. Future growth in the Black Country (particularly residential and employment) provide an opportunity to be served by the existing network of centres, thus helping to ensure their vitality and viability.
- 13.105 In the current and rapidly evolving retail and economic climate there is a need for a review and / or consolidation of core areas and perhaps even centre boundaries which can be assessed through tier two plans.

DISTRICT & LOCAL CENTRES

- 13.106 LSH endorse the tier-three centres currently identified. The BCP should emphasise the important role they play in serving the Black Country and it will be important that they maximise the opportunity to serve future growth (particularly housing and employment) to ensure their vitality. Given the large number of centres they do face challenges and will be vulnerable to being impacted if future expenditure is lost to their catchments, hence the importance of having a locally set threshold for the undertaking of NPPF impact tests. It will be important for the BCP to facilitate that Tier-Two Plans can designate future Local Centres where there are clusters of existing centre-use provision in the current urban area to serve existing and future communities, with the boundaries of Tier-three Centres (together with the boundaries of Tier-one and Two Centres) being able to be adjusted through Tier-two Plans.

OFFICES

- 13.107 An assessment of the prevailing office (B1a) floorspace market was undertaken. This has shown that when considering the viability of the office market in the BCLA, it is imperative to first look at the context of the sub-region being part of the wider Midlands Region.
- 13.108 The dominance of Birmingham and Coventry results in these cities receiving the greatest share of interest from occupiers looking to move to the region. This increased demand stimulates rental growth, which means they are also the cities that make the most sense in terms of viability when developers are looking to bring forward potential schemes at a scale that could accommodate large inward investment moves and regional consolidations.

13.109 Conversely, this also means that office markets such as the Black Country which currently struggle to generate the same levels of activity and have not seen the rental growth of the bigger cities may well find it increasingly difficult to compete.

13.110 On this basis, office development in the region is likely to be predominantly demand led. Speculative development is likely to focus on refurbishments that seek to satisfy any be pent up demand from local occupiers that would welcome the opportunity to take better quality accommodation.

POLICY REVIEW

13.111 The assessment has also set out high-level advice on how the BCLA can effectively plan for, manage and promote the vitality and viability of centres in the hierarchy over the plan period to 2038

13.112 The assessment has provided a broad policy review on extant Core Strategy Centres Policies **CEN1** to **CEN8**:

- **CEN 1** - The Importance of the Black Country Centres for the Regeneration Strategy
- **CEN 2** - Hierarchy of Centres
- **CEN 3** - Growth in the Strategic Centres
- **CEN 4** - Regeneration of Town Centres
- **CEN 5** - District and Local Centres
- **CEN 6** - Meeting Local Needs for Shopping and Services
- **CEN 7** - Controlling Out-of-Centre Development
- **CEN 8** - Car Parking in Centres

13.113 Pertinent policies in this context relate to **CEN 3** and on impact thresholds (**CEN 3 – CEN 7**). The policy recommendations and the implications and changes resulting from the current findings are:

- growth in the future will not necessarily be led by the retail sector;
- there should not be defined floorspace growth quantum;
- future growth will be predominantly market led;
- future growth will be characterised by qualitative enhancements and improvements to the existing offer and the need for flexibility;
- more mixed use to dominate centre provision;
- there will be potential for active LPA led intervention for longer terms benefits and growth of centres;
- it is reasonable for the BCLA to set a local impact test threshold of 280 sqm gross for retail and leisure proposals for edge and out-of-centre locations; and

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- the three tier hierarchy of centres is endorsed and no change to the current content or structure is proposed. It will remain appropriate for the BCLAs through tier two plans to make any adjustments to centre boundaries and the designation of tier-three centres, where clusters of existing centre-use provision in the current urban area to serve existing and future communities, could be explored.

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