



Stafford & Stone Town Centre Capacity Assessment

Final Report

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The research undertaken to complete this report was prepared between April 2010 and August 2010 and utilised the available data at that time.



EXECUTIVE SUMMARY

Context of Study

WYG Planning & Design (WYG) was commissioned by Stafford Borough Council in February 2010 to undertake an assessment of main town centre uses 'capacity' in Stafford and Stone. This study provides essential background information which forms part of the evidence base informing the production of the Local Development Framework (LDF). In particular, this study appraises the physical capacity of Stafford and Stone town centres and assesses their ability to accommodate additional main town centre uses (including retail, leisure and office uses) through to 2026.

Sub Regional Context

In terms of the wider sub region, although the 200 Study demonstrated that Hanley has historically provided one of the main alternative comparison goods shopping destinations to Stafford (and Stone), its position has been weakened in recent years due to a lack of further development/investment and improvement to competing centres such as Birmingham. However, plans are progressing on a £12 million redevelopment of the bus station and a subsequent £250 million mixed-use redevelopment of East West Shopping Precinct. This development should act to arrest Hanley's decline and help re-establish it as a retail and leisure destination for people living within Staffordshire. Therefore, whilst this study has gathered evidence which suggests that the 'lure' of Hanley for Stafford residents may have reduced since 2000 this may change again in the future and the Council must plan for this.

Stafford Town Centre is currently ranked 147th of all of the retail venues surveyed in the UK putting it in the top 7% of all centres assessed within the ranking. The centre is graded by Venuescore (who produce the ranking) as a 'Regional Centre' alongside other centres such as Walsall, Shrewsbury, Hanley and Wolverhampton. Stafford's position within the ranking appears to be fairly stable when compared to 2005 data (albeit it dropped to 177th in 2007). Stone's ranking has declined significantly since 2005 from 927th to 1,313rd.



Available Expenditure

The Study Area defined for this study, closely reflects the catchment adopted in 2000 so direct comparison can be made. The Study Area has a resident population of 242,150 people at 2010 which is forecast to increase to 264,605 people by 2026 – a growth of 22,455 people.

Using local expenditure data provided by Pitney Bowes AnySite (2010), this Study identifies that there is £409.9m of convenience goods expenditure generated within the Study Area at 2010 which is forecast to increase to £526.6m by 2026. In terms of comparison goods expenditure, the Study Area generates £654.3m of expenditure which is estimated to increase significantly to £1,307.9m by 2026.

Changes in Market Shares 2000-2010

This study has gathered original empirical evidence to establish current shopping patterns and customer preferences within the study area. This involved commissioning a survey of 1,000 households. The study area is broken down into 8 different zones which allow shopping patterns/behaviour to be assessed over different geographical areas.

The household survey has identified the market share of different retail and leisure patterns across the Study Area and has also allowed comparisons to be made with the 2000 Study. Table 1 below summaries the market share for the different retail sectors.

Table 1: Summary of Stafford Borough’s Retail Sector’s Market Shares 2010

Retail Sector	Market Share (%)
Main Food	50.8
Top-Up Food	47.3
Clothing & Footwear	48.5
Books, CD’s, DVD’s	54.7
Small Household goods	48.0
Toys, games & recreational	47.2
Chemist	52.2
Electrical	50.1
Furniture & Carpet	37.6
DIY	51.3
Garden	52.5

Source: Stafford Household Survey (March 2010)
Based on market share of expenditure

The evidence demonstrates that the overall main food shopping market share of facilities in the Borough has declined within the Study Area since 2000 the majority of this decline has occurred on the fringes of the Study



Area, particularly where it is close to Cannock (including the new Asda) and Rugeley. Within a number of survey zones close to the key centres of Stafford and Stone, the market share has increased since 2000. For example, within the Stafford Zone, the market share has increased from 98% to 99%. The market share within the Stone Zone has also increased from 77% to 96%. This increase in market share within the Stone is primarily due to the re-branding of the former Safeway to Morrison's.

The survey data has also highlighted a number of marked shifts in comparison goods shopping patterns since 2000, despite Stafford Borough's market share remaining fairly stable at 48%. However, there has been a shift in shopping patterns away from the town centre to the much improved retail parks such as Queens. Furthermore, shoppers for clothing and footwear are now more likely to travel to destinations such as Cannock, Lichfield and Walsall rather than destinations such as Stoke-on-Trent conurbation and Wolverhampton which were popular in 2000. Merry Hill's (now Brierley Hill) market share has marginally improved, but despite the introduction of the Bull Ring redevelopment in Birmingham, the Regional city's market share declined by nearly 15% from within the Study Area.

Identified Retail Capacity

Convenience Goods

Based on current shopping patterns and the strong performance of existing facilities, there is a demonstrable need for further retail floorspace within the Borough. Having assessed the performance of each footstore, this study has identified that certain facilities are trading much better than expected therefore, suggesting a need for greater competition and choice. Based on forecast increases in expenditure and current 'over-trading', there is an immediate convenience goods expenditure capacity within the Borough of £14.26m. This is forecast to increase to £33.95m by 2015, to £45.86m by 2021 and to £56.68m by 2026.

When applying average sales densities of the leading four main food operators to these figures, this identifies a need to accommodate 1,173 sq.m (net) of convenience goods floorspace increasing to 2,733 sq.m (net) by 2015; 3,570 sq.m (net) by 2021 and 4,300 sq.m (net) by 2026. This amounts to approximately two new foodstores by 2026.

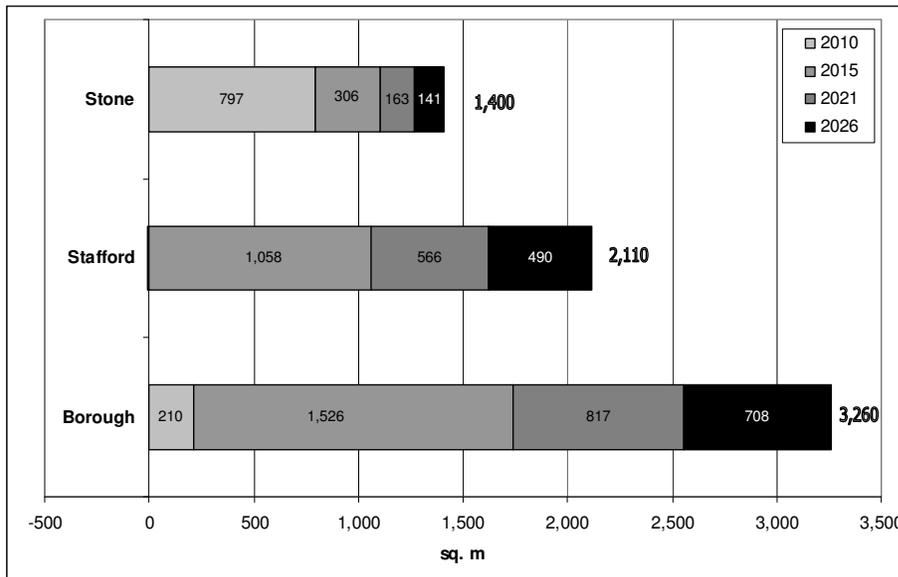
In terms of Stafford, this Study has identified that current planning permissions, including the extension of Tesco and Asda, would meet the identified capacity in the short term (2010) if implemented. By 2015 the Study estimates that there is capacity for £13.1m of new convenience goods floorspace.



In terms of Stone, the Study has identified that there is capacity for £12.8m of new trading floorspace at 2010, of which the permitted Aldi store will absorb 24% of the identified capacity. By 2015, the Study identifies £13.7m for new convenience goods floorspace after taking into account the Aldi store.

The Study has found after taking into account extant planning permissions, there will be a need for new supermarket provision in both Stafford and Stone at 2015. The introduction of further convenience goods floorspace will help reduce any overtrading that exists at Morrison's thereby increasing local choice and competition. Figure 1 below shows the distribution of identified capacity in Stafford and Stone over the plan period after taking into account extant planning permissions.

Figure 1: Phasing of Convenience Goods Floorspace Capacity 2010-2026) after Planning Commitments



Floorspace Capacity based on leading four operator average sales density (12,155 sq.m (Verdict 2009) plus increased productivity). Excludes extant convenience goods planning permissions (based on residual expenditure capacity divided by above sales density)
 Note: Stone floorspace capacity likely to be lower given lower sale density of approved Aldi store.

Comparison Goods

The Study 'rolls forward' the Borough's (including Stafford and Stone) overall market share to examine the likely level of comparison goods floorspace required in order to maintain its share (at a level of approximately 48% of all comparison goods expenditure within the defined Study Area).



When the total expenditure spent (£316.9m) at the Borough's facilities (derived from the market share) is compared to the estimated benchmark turnover of all facilities in the Borough (£296.1m) it would appear that existing facilities are performing well.

The retail model developed as part of this study estimates that there will be a capacity of approximately £70.4m by 2015 which could be spent in new facilities. This will increase further to £159.2m by 2021 increasing to £258.2m by 2026. This capacity is identified despite the difficult trading conditions that are forecast for the next three years. Beyond 2014/2015 the economy is expected to recover, and therefore the growth in expenditure is forecast to be much greater.

This amount of expenditure will be available for all comparison goods floorspace (both bulky and non-bulky) and is based on the current forecast growth in expenditure and population; a constant market share and assumption of static growth in non-store sales such as the internet. When an average sales density of £5,000 per sq.m is applied to this capacity this broadly equates to the following floorspace requirements within the Borough (not taking into account current commitments).

- By 2010 – 4,200 sq.m (net)
- By 2015 – 13,300 sq.m (net)
- By 2021 – 27,600 sq.m (net)
- By 2026 – 41,500 sq.m (net)

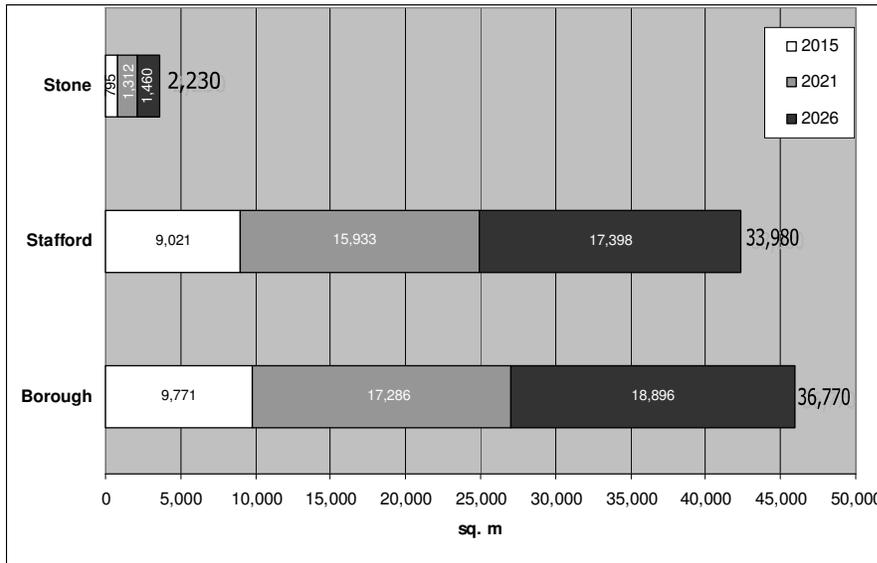
This study demonstrates that there is a qualitative need for improved retail provision within the Borough. Whilst current facilities are performing well it is acknowledged that Stafford's retail offer could improve and a better range/quality of retailers could be accommodated. Having spoken to key retailers not currently located within Stafford Town Centre it is evident that there is significant interest in the centre if the right accommodation can be provided. Therefore, it is assumed that most of the identified capacity should be focused at Stafford given the town's importance in the sub-region and the need to address current qualitative deficiencies (such as a quality department store and more high street fashion retailers). Therefore, where appropriate opportunities exist, the Council should seek to explore the possibility of improving both the quantity and importantly the quality of the existing retail offer within Stafford to retain if not improve its competitive position.

The comparison goods role for Stone is less significant and it is not anticipated that there will be any significant demand for comparison goods retail floorspace in the future. Figure 2 below shows the spatial



distribution of new comparison goods floorspace over the plan period after taking into account extant planning permission and based on current market share remaining constant.

Figure 2: Phasing of Comparison Goods Floorspace Capacity 2010-2026 after Planning Commitments.



Floorspace Capacity based on average sales density of £5,000 per sq.m for Stafford Town and Borough and £3,000 per sq.m for Stone plus increased productivity.
Excludes extant comparison goods planning permissions (based on residual expenditure capacity divided by above sales densities)

Other Main Town Centre Uses

For those people who go to the cinema, the most popular destination was identified to be the Apollo in Stafford Town Centre, which attracts nearly a quarter (24.8%) of residents within the Study Area. Based on anticipated growth and the limited offer at the Apollo, this study has identified a qualitative and quantitative need for new improved cinema provision in Stafford over the plan period.

The current ten pin facility in Stafford is extremely popular and attracts everyone who partakes in ten pin bowling within the catchment. It has a strong influence in seven of the eight survey zones within the Study Area (except Zone 4 which covers Uttoxeter). Given the popularity and the relatively limited offer elsewhere it would appear that local population is well catered for.

The Study found that the Borough benefits from a number of important sports and recreation facilities including public run leisure facilities, such as Stafford Leisure Centre and Beaconside Sports Centre in Stafford, and Westbridge and Alleyne's Sports Centres in Stone. There are a number of health clubs (both private and Council-operated) including the large scale Esporta in Stafford as well as small scale independent facilities.





There is also a strong evening economy in both Stafford and Stone Town Centres which adds to the vitality and viability. Any new development in this sector should be encouraged within or on the edge of existing town centres where possible – including forming part of new mixed used schemes.

The level of art and cultural facilities varied throughout the Borough. Stafford Town Centre benefits from the Gatehouse Theatre and the Green Staffordshire Performing Arts Theatre, Shire Hall art gallery as well as the Ancient High House. Stafford Town Centre benefits from two libraries as well as a number of religious facilities. Stone also benefits from a number of cultural events throughout the year and has a centrally located public library.

In terms of office floorspace, it is anticipated that there will be limited short term requirements for such development in Stafford and Stone. Stafford and Stone town centres are not perceived as a key office destination in the sub region, as extensive office accommodation is provided in out-of-centre locations such as the technology park near the University and other well established employment/industrial locations. The new Tipping Street redevelopment in Stafford is one exception which will deliver significant office investment at the heart of the town centre providing a new HQ for the County Council.

Once the economy recovers in the medium-term and the demand for office space increases, it is anticipated that this demand will be focussed on locations outside of the existing Town Centres where the accommodation will be able to meet modern occupier’s requirements. The level of extant office planning permissions and the level of vacant office floorspace will ensure that the RSS office targets can be delivered in the longer term.

Development Options

Whilst there is some need for additional convenience goods in Stafford, the key focus over the plan period will be the need to accommodate significant additional comparison goods floorspace which, in turn, may provide opportunities for additional leisure and office development as part of a comprehensive mixed use scheme. The challenge for Stafford is to ensure that any comprehensive development is delivered in a location that will further reinforce the health of the primary shopping area and provide the opportunity to capture important retailers who are not currently represented within the town centre.

This study has considered the redevelopment of the Princes Street area, which is located adjacent to the existing prime retail core. This area offers an excellent opportunity for a comprehensive redevelopment to create a natural extension linking to the town’s existing prime retail core, providing the type of





accommodation identified as lacking within the town. Ideally, these proposals would also incorporate at least some minor redevelopment of the existing market hall to accommodate a viable anchor for the Guildhall Shopping Centre. Whilst securing an anchor in the Guildhall may prove viable, the multiple land ownerships involved in the wider Princes Street area and the fact that significant levels of floorspace would have to be demolished would mean that any redevelopment is unlikely to be viable.

This study also considered the Kingsmead site which although currently situated outside the designated town centre boundary, is immediately adjacent to it. Due to the nature of the site and the Council's existing ownership, potential redevelopment of the site is likely to be viable in the short to medium term as long as improved connectivity with the town centre can be facilitated.

The site is large enough to accommodate the scale and type of development identified in the Study and could accommodate adequate car parking. The Kingsmead site could accommodate the possible Waitrose requirement, as well as additional non-food units providing the size and type of premises currently unavailable within the existing town centre offer. Whilst an additional foodstore offer may do little to enhance the town's long term vitality and viability, the Study considers that a Waitrose would deliver the diversity and quality of offer currently lacking within the core catchment. Such a quality store would help draw consumer expenditure from the wider catchment population therefore, helping to anchor any proposed development.

To ensure suitable connectivity with the primary shopping core, a clear strategy will be required from the outset to ensure that the site's development forms a natural extension to the town's existing prime retail core with cohesive pedestrian and visual links between the two. Physical pedestrian links will be critical to ensure that people can move easily between the existing prime shopping core and any potential development at Kingsmead. Any scheme will need to complement the existing retail offer in the town centre and not create a 'stand alone' destination which would draw retailers, trade and footfall away from the established core. Without a strong physical link to the established centre WYG would be concerned about the potential impact that could arise as a result of the redevelopment of Kingsmead in isolation.

Another opportunity that was considered was the Riverside development area which has been previously subject to mixed use proposals (including significant retail floorspace) which has not been delivered and is now unviable. Notwithstanding the extant permission, the Study considers that the site is not the best location for a comprehensive town centre scheme focused on comparison goods floorspace. The site including the former Tesco store is considered to be in a secondary location and is too remote from the established shopping core. Whilst connectivity may be improved by the redevelopment of Tipping Street any major retail development for high street type operators could shift activity away from the existing core.





The site is currently utilised for temporary town centre car parking and we understand that the possibility of bringing forward new proposals, potentially incorporating the former Tesco store and providing multi storey car parking above, are being explored.

With the convenience goods market remaining active, it may provide the opportunity for a large supermarket operator to pay the premium land value required to secure representation in the town centre. However, three of the four major food store operators would appear to be well represented in Stafford, with only Morrison's and Waitrose having an active requirement for the town. Both operators are considered to be less aggressive foodstore operators and generally do not pay the level of premium or rent usually associated with Tesco or Sainsbury's and more importantly, as this would not be a competitive situation, it is highly unlikely that a food store proposal in isolation would not achieve the values required to make the site economically viable.

Without significant interest (and values) that could be achieved through supermarket development it is difficult to envisage how the site could be developed in the future. Whilst there still may be a strong aspiration for retail development (linked to the significant outstanding debt) we do not believe that the site will achieve the values required. WYG considers that spatially this is not the best site to promote comprehensive retail development as it may prove damaging to the established retail core and would not form a natural expansion of the prime shopping pitch.

The Study concludes that Riverside redevelopment would be a best suited for mixed used (once market conditions improve) with retail, leisure (including a hotel), offices and possibly residential uses which could take advantage of the riverside location and connections to Bridge Street and Southwalls. However, such options are subject to the debt structure associated with the site.

In terms of Stone, the Study considers that Westbridge Park is the only opportunity available in close proximity to the town centre which could accommodate the identified capacity for a new supermarket in the town post 2015. The site benefits from excellent visual presence and access off Stafford Street making it a very attractive site for major foodstore operators. However, the study recognises that any redevelopment would involve the removal or relocation of the existing leisure centre and other social facilities, which would have to be compensated through any value obtained from the site's sale. The site is located within an area of flood risk but is considered less vulnerable in PPS25 terms and it is likely that an engineering solution would be feasible.



Local Policy Advice

In accordance with Policy EC3 of PPS4 the Study provides advice to the Council, in terms of delivering its vision at key centres, which will help shape the emerging framework or strategy for the management and growth of the Borough's centres over the future plan period. The Study has proposed a network and hierarchy of centres that will be resilient to anticipated future economic change and ensure that the identified capacity from the Study can be facilitated up to 2026. This will be centred on Stafford as the strategic centre within the Borough where major growth and investment should be focused.



1.0 INTRODUCTION

Objectives of the Study

- 1.01 WYG Planning & Design (WYG) was commissioned by Stafford Borough Council in February 2010 to undertake an assessment of main town centre uses 'capacity' in Stafford and Stone. This study provides essential background information and a robust evidence base to inform the production of the Local Development Framework (LDF). In particular, this study appraises the capacity of Stafford and Stone town centres and assesses their ability to accommodate additional main town centre uses.
- 1.02 The key focus of the study was to provide an up-to-date assessment of the future capacity for main town centre uses in the Borough in accordance with national planning policy. This Study is particularly important given the downturn in the UK economy since the completion of the previous study in 2000, which has had a notable impact on the commercial sectors within town centres. The Study seeks to inform the Borough Council on planning for sustainable economic growth in accordance with the requirements of PPS4 (Planning for Sustainable Economic Growth). The Study will draw on evidence to assess the future need for main town centre uses, such as retail, office and leisure development over the plan period to allow the Council to reach robust conclusions of the centre's future spatial needs. Furthermore, the study will identify any significant changes between 2000 and 2010 and will therefore help better inform the preparation of future main town centre uses planning policy and strategies.
- 1.03 Given this, the remainder of this assessment is set out as follows:

Section 2: sets out a brief summary of study's context in terms of current planning policy context (Appendix 1), a summary of the current and emerging retail and leisure trends in the UK (Appendix 2) and a summary of the current shopping and leisure patterns that occur within the Borough (Appendix 5).

Section 3: After reviewing the latest findings in section 2, this section compares current shopping and leisure patterns against the findings of the previous study in 2000, and examines whether there have been any significant changes and why these may have occurred.



Section 4: Outlines the current retail/leisure offer within Stafford and Stone Town Centres and provides an overview of current and future retailer demand.

Section 5: Taking into account the market shares of retail sectors in the Study area, this section identifies any retail capacity within the broad categories of convenience and comparison goods retailing through the plan period.

Section 6: Explores the current leisure provision within the Borough, and examines the results of the leisure patterns and participation from the household survey. Where applicable the section provides capacity estimates for commercial leisure use through the plan period.

Section 7: Provides an overview of future opportunities to accommodate retail/leisure/office development within the key centres of Stafford and Stone.

Section 8: Provide guidance and advice on future retail planning policy in Stafford and Stone.

Section 9: Provides conclusion and summary to the report.

- 1.04 The appendices include the main evidence bases from the study, including the household survey results, survey analysis, retail and leisure modelling, health checks of the two town centres and evidence on retail demand/gap analysis.



2.0 CONTEXT TO THE STUDY

2.01 This section contains a brief summary of the content of Appendix 1, 2 and 5, which examine the current planning policy position for main town centre uses, current and emerging retail and leisure trends, current and future population and expenditure forecasts, as well as a summary of analysis of shopping patterns within the Borough derived from the household survey.

The Planning Policy Context

2.02 The study provides important evidence that will assist in the future development of the Local Development Framework (LDF) process, in accordance with PPS4, which was published in December 2009. A full summary of PPS4 is contained in Appendix 1. The guidance seeks to assist in delivering the Government's goal of delivering sustainable economic growth through a number of key objectives, i.e. creating prosperous communities and improving economic performance, promotion of regeneration and tackling deprivation, reducing the need to travel, promote vitality and viability of established centres and improve the quality of life and environment.

2.03 PPS4 requires local planning authorities to pro-actively plan to promote competitive town centre environments and enhance consumer choice. This requires local planning authorities to assess the need for economic development and to identify an appropriate range of sites to accommodate the identified need. When identifying such sites, PPS4 reiterates that the sequential approach shall be applied giving first priority to sites within existing centres, which are likely to come forward during the plan period. The guidance also introduced a number of development management policies that are key considerations in determining planning applications. In dealing with main town centre uses, the most significant change in respect of the previous guidance (PPS6) is the removal of the needs test. Its removal will place more emphasis on the Council's own evidence when drawing up their LDF. The development management policies require applicants to ensure that the sequential approach is adopted, as well as demonstrating that no adverse impacts will be created from the proposed development.

Current and Emerging Retail and Leisure Trends

2.04 The retail and leisure landscape across the UK's town and cities has evolved significantly over the past 50 years from post war redevelopment in town centres to the emergence of retail warehousing, supermarket and regional shopping malls. This has mainly been as a result of consumer spending,





cheaper prices and the availability of new technologies. A more detailed commentary on current and emerging retail and leisure trends is contained in Appendix 2. Research confirms that the retail sector has been significantly affected by the economic climate due to a number of reasons, which has swiftly reduced consumer confidence, along with footfall across the Country's high streets and shopping centres.

- 2.05 The marked downturn has led to a number of failed retailers and challenging conditions which has led to reduced growth in the sector between 2008 and 2009. The latest retail consumer expenditure in the UK has been revised to reflect the current climate and is a significant reduction in comparison goods expenditure from that experienced in recent years. Convenience goods expenditure is not predicted to be subject to such a decrease in percentage terms as comparison goods expenditure but will experience a reduction.
- 2.06 With anticipated growth in retail spending unlikely to mirror that over the last decade, there is increasing impetus for retailers to achieve more efficient use of floorspace. This has led to retailer's being reluctant to commit to new floorspace and are now more selective in terms of location and type of premises. Retailers are now seeking to occupy larger units as it allows a greater range of goods to be sold which will attract shoppers from a wider area. Therefore, continued demand for large, modern retail will be required in the future. Retailers are also critically choosing locations, where marginal locations within centre will be increasingly overlooked as will smaller lower order centres.
- 2.07 In the aftermath of the growth of supermarkets in the 1990's and following stricter planning laws following the publication of PPS6 coupled with the lack of site, has meant that retailers have introduced a number of measures (wider product ranges, small format grocery stores, extended hourly rates etc.) to improve market share. The 'Big Four' operators remain active in both new store openings and extensions (particularly Sainsbury's and Morrison's). Hard discounters have also benefited from the recession, opening new stores as they attract more customers.
- 2.08 Research shows that demand for out-of-centre representation is limited and some retailers have a pick of vacant stock and secure attractive terms. Colliers CRE indicate that out-of-centre operators face an uncertain future as demand for Open A1 units continues for the fashion sector. Bulky goods stores will continue to suffer with the lack of transactions in the residential sector.
- 2.09 Colliers CRE have found that supply outstrips demand, which has led to development schemes (shopping centre and retail parks) being either delayed or postponed with many development where





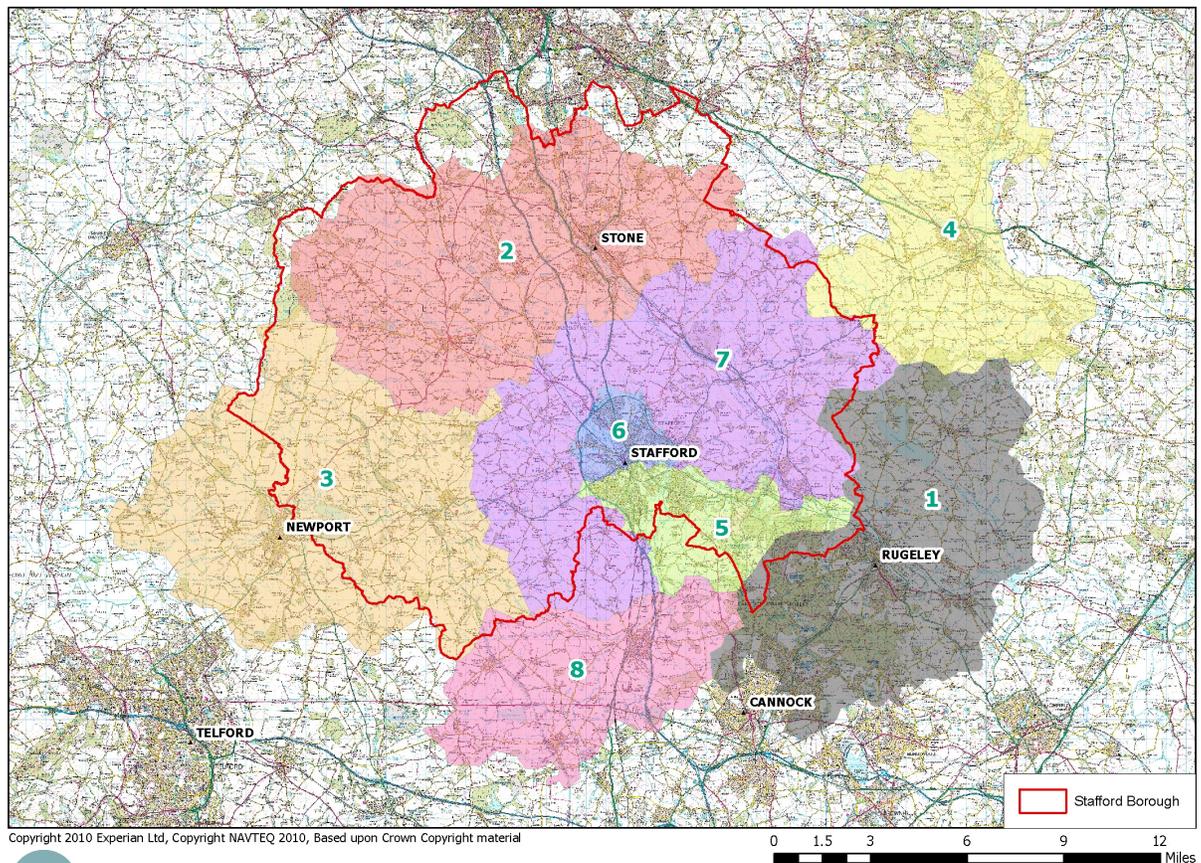
work has ceased after construction has started. Town centre shopping schemes that will be successful in the future are considered to be those which benefit from good design and good location with good sized flexible units and well located car parking.

- 2.10 The trend of e-tailing is set to continue, although the exact impact of e-tailing on the high street has yet to be fully established. However, it is clear that the rise in e-commerce has impacted on retailers, developers and investors. With access to internet, digital television and mobile phones, proportionally less money will be available to be spent in the high street or retail parks.
- 2.11 Research shows that the recession and higher prices due to increased overheads, spending on leisure activities has reduced in 2009. During the last five years cultural leisure has performed the best with increased spend on eating out and drinking, however, as a result of the recession, the eating out industry has had to focus on providing more value to customers which is set to continue in the short term as people have cut back their spent on such activities.

Shopping Patterns in Stafford Borough

- 2.12 The Study has drawn on empirical evidence to establish shopping patterns and customer preferences. This involved commissioning a survey of 1,000 households within the defined Study Area (See Figure 2.1 below). The study area has been broken down into 8 different zones which allow shopping behaviour to be assessed over different geographical areas. The methodology is set out in Appendix 5.
- 2.13 The Study area has a resident population of 242,150 people in 2010 rising to 264,605 by 2026, or an additional 22,455 people.

Figure 2.1: Plan indicating the Extent of the Stafford/Stone Study Area



2.14 After adopting expenditure per capita rates and expenditure growth from Pitney Bowes (AnySite), the resident population generates £409.9m of convenience goods expenditure at 2010 rising to £526.6m by 2026. Appendix 5 shows that the resident population will generate £654.3m of comparison goods expenditure by 2010 rising to £1,307.9m by 2026. Appendix 5 examines the shopping patterns across the study area for different retail sectors (including main food, top-up food, clothing and footwear goods; Books, CD's, DVD's goods; small household goods; recreational goods; chemist goods; and the three bulky goods of electrical; DIY and furniture and carpets).



Table 2.1: Summary of Stafford Borough's Retail Sector's Market Shares

Retail Sector	Market Share (%)
Main Food	50.8
Top-Up Food	47.3
Clothing & Footwear	48.5
Books, CD's, DVD's	54.7
Small Household goods	48.0
Toys, games & recreational	47.2
Chemist	52.2
Electrical	50.1
Furniture & Carpet	37.6
DIY	51.3
Garden	52.5

Source: Stafford Household Survey (March 2010)
Based on market share of expenditure

2.15 Table 2.1 above shows a summary of the market shares achieved for a number of different retail sectors within the Study Area. A detailed analysis is contained in Appendix 5 for each of the retail sectors.



3.0 CURRENT & PAST SHOPPING PATTERNS

Introduction

- 3.01 The Council previously commissioned Chesterton to undertake the Stafford Town Centre Study, which was published in March 2000. This study was also informed by a household survey of 750 local residents within and just beyond Stafford Borough. Significantly, much of the Study Area identified in the 2000 Study has been reflected in this study, with the exception that the latest Household Survey extends slightly further to the north to include post code sector ST12 9. Therefore, in comparing the two surveys the results have been revised to exclude this additional post code in order to ensure consistency.
- 3.02 Given this, it is possible to compare shopping patterns between the two household surveys. However, due to the different methodologies adopted for the surveys direct comparisons are not possible. For example, the 2010 Household Survey sought to identify shopping patterns within nine comparison goods categories. In contrast, the 2000 Study only considered shopping patterns for Clothing and Footwear but did ask a generic question relating to which retail warehouse people visited in the past month.
- 3.03 On this basis, this section of the Study focuses on shopping patterns for main food goods and clothing and footwear only.

Changes in Shopping Patterns

Main Food Shopping

- 3.04 The survey work undertaken as part of the 2000 Study identified that facilities in Stafford Borough achieved a main food shopping market share within the Study Area of 61%. This compares to the recent Household Survey identifying a lower main food shopping market share of 50%. **Table 3.1** provides a breakdown of the main food shopping market share by local authority on a zone-by-zone basis.



Table 3.1: Changes in Market Share (Main Food Shopping)

	Market Share (%)																	
	Rugeley		Stone		Newport/ Gnosall		Uttoxeter		Brocton		Stafford		Weston		Wheaton Aston /Penkridge		TOTAL	
	'00	'10	'00	'10	'00	'10	'00	'10	'00	'10	'00	'10	'00	'10	'00	'10	'00	'10
Stafford	7.1	1.6	77.3	96.0	37.0	30.2	2.0	3.1	88.7	97.7	98.0	99.0	78.8	81.7	46.3	37.9	60.9	49.7
Cannock Chase	76.8	82.7	0.0	0.0	0.0	2.3	0.0	0.0	2.7	1.6	0.0	1.0	18.2	13.3	12.2	32.8	14.0	28.5
Telford	0.0	0.0	3.1	0.0	54.0	65.1	0.0	0.0	0.7	0.0	1.0	0.0	0.0	1.7	2.4	8.6	8.2	7.3
Stoke-on-Trent	1.0	0.0	11.3	4.0	4.0	0.0	2.0	1.6	0.0	0.0	0.0	0.0	1.0	0.0	2.4	0.0	2.6	0.6
East Staffordshire	3.0	0.8	3.1	0.0	1.0	0.0	96.0	89.1	0.0	0.8	0.0	0.0	0.0	1.7	0.0	0.0	7.5	7.2
South Staffordshire	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0	0.0	1.0	0.0	1.0	0.0	9.8	15.5	2.4	1.1
Lichfield	9.1	12.6	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.2	0.0	2.4	3.8
Other	3.0	2.3	7.3	0.0	4.0	2.4	0.0	6.2	0.0	0.0	0.0	0.0	1.0	1.6	14.7	5.2	2.0	1.8

Source: Stafford Household Survey (March 2010) and Stafford Household Survey (December 1999)

3.05 Although the overall main food shopping market share of facilities in the Borough has declined within the Study Area, it is notable that within a number of survey zones, the market share has increased since 2000. Indeed, within the Stafford Zone, the market share has increased from 98% to 99%. Similarly, the market share within the Stone Zone has increased from 77% to 96%. This increase in market share within the Stone Zone is due primarily to the reduction in the attraction of facilities in Stoke-on-Trent since 2000.

3.06 In considering the changes in market share within the Borough, it is significant to note that there have been some changes in the convenience goods offer since 2000. In particular a new larger Tesco store has been built and Sainsbury's store in Stafford has been extended. Furthermore, a new Lidl store has also been developed in Stafford (at Madford Retail Park) since 2000. Elsewhere, within the Borough the Morrisons store in Stone was operated by Safeway at the time of the 2000 Study. Similarly, the Co-op in Stone was operated by Somerfield at the time of the 2000 Study.

3.07 Given these changes in the convenience goods offer in the Borough, **Table 3.2** provides a summary of the changes in market share of the main convenience goods destination since 2000.



Table 3.2: Changing Main Food Market Shares of Leading Destinations in Stafford Borough

Destination	Market Share	
	2000	2010
Asda, Queensway, Stafford	17.5%	15.1%
Sainsbury's, Chell Road, Stafford	19.7%	9.9%
Tesco Extra, Newport Road, Stafford	10.1% ¹	12.0%
Morrisons, Mill Street, Stone	2.4% ²	8.5%

Notes: ¹ – Operating from a smaller store on Bridge Street in 2000
² – Operating as Safeway in 2000

- 3.08 In 2000, the survey found that 83% of main food shoppers travelled to the facilities by private motor vehicle. In 2010, the household survey shows that this has increased to 89%. In 2000, 8% walked to the main food store, or 7% arrived by public transport (bus), this compares to 5.7% and 4% respectively by 2010.
- 3.09 In terms of the frequency of main food trips, in 2000, the vast majority (68.3%) visited just once a week, by 2010 this had increased to 73.6%. Shoppers who visited twice a week remained stable at between 9.6% (2000) and 10.7% (2010). Similarly those who visit every two weeks has remain stable at between 9.9% (2000) and 9.5% (2010).
- 3.10 We have also been able to compare the level of linked trips being undertaken with main food shopping trips. In 2000, 35% of respondents stated they undertook visits to other shops after undertaking their main food shop. In 2010, this had increased to 37%.

Clothing & Footwear

- 3.11 The survey work undertaken as part of the 2000 Study identified that facilities in Stafford Borough were identified to achieve a clothing and footwear shopping market share within the Study Area of 48.4%. This compares to the recent Household Survey identifying a slightly higher clothing and footwear shopping market share of 48.8%. Representing a 0.8% increase.
- 3.12 However, when we review this in more detail, we have found that there have been some localised shifts in shopping patterns. For example in 2000, Stafford Town Centre had a clothing market share of 47.5%; however, by 2010 the household survey results have suggested that this has declined to



40.6%. However, the results found that a 7% of the clothing and footwear shopping trips were undertaken at Stafford's retail parks (mainly Queens).

3.13 Together the town centre and retail parks retained 47.8% of such trips, which is comparable to 2000 levels.

3.14 **Table 3.3** provides a summary of the changes in market share of the clothing and footwear goods destinations since 2000.



Table 3.3: Changing Clothing & Footwear Market Shares of Leading Destinations in Stafford Borough

Destination	Market Share	
	2000	2010
Stafford	47.5%	40.6%
Retail Parks	N/A	7.28% *
Stone	0.8%	0.6%
Eccleshall	0.1%	0.3%
Total	48.4%	48.8%
Outside Borough		
Cannock		
Cannock	5.3%	7.2%
Rugeley	1.6%	1.6%
Total	6.9%	8.8%
Stoke-on-Trent		
Hanley/Stoke on Trent	8.9%	5.4%
Newcastle-under-Lyme	0.3%	0.1%
Total	9.2%	5.5%
Telford		
Telford	8.4%	8.5%
Newport	0.8%	1.8%
Total	9.2%	10.3%
Other Staffs		
Burton on Trent	3.1%	3.3%
Lichfield	1.1%	2.2%
Uttoxeter	1.9%	2.4%
Total	6.1%	7.9%
West Midlands		
Wolverhampton	5.5%	1.8%
Birmingham	3.5%	3.0%
Merry Hill	0.3%	0.5%
Walsall	2.1%	2.5%
Total	11.4%	7.8%
Shropshire		
Shrewsbury	1.1%	0.6%

3.15 The results show that there have been some marked shifts in shopping patterns since 2000, despite Stafford Borough market share remaining stable. Shoppers for clothing and footwear goods are now



more likely to travel to destinations such as Cannock, Lichfield and Walsall than previously popular destinations such as those in the Stoke-on-Trent conurbation and Wolverhampton. Merry Hill’s market share has marginally improved, whilst despite the introduction of the Bull Ring redevelopment in Birmingham, the Regional city’s market share has actually declined nearly 15% from the Study Area.

Leisure

3.16 The survey work undertaken as part of the 2000 Study examined a number of leisure activities within the Study Area and most of these can be directly compared with the latest 2010 findings. Both surveys examined the participation rates within the Study Area. Table 3.4 below sets out the participation rates of key leisure activities at 2000 and 2010.

Table 3.4: Changes in Leisure Participation Rates within the Borough between 2000 and 2010

Activity	Participation (%)	
	2000	2010
Cinema	36.0%	47.9%
Cultural	31.0%	55.7%
Ten pin	12.7%	29.3%
Leisure	22.4%	30.7%

Source: 2000 – Taken from Appendix 2 of Stafford Town Centre Study (2000) (Research & Marketing Ltd)

2010 – Taken from Appendix 4, (provided by NEMS Stafford Household Survey (April 2010))

3.17 Table 3.4 shows that since 2000, residents within the Study Area, participation rates have increased in cinema, cultural, ten pin bowling and leisure (health and fitness activities) and therefore, more leisure facilities should be provided to meet this increase in latent demand. The increase is comparable to the national picture which has seen a marked increase in leisure activities.

3.18 The survey has also allowed WYG to review where local residents are undertaking the different types of leisure activities to understand whether there have been any changes in spatial behaviour between 2000 and 2010. Table 3.5 below shows the differences in leisure destination for cinema, ten pin bowling and leisure (health and fitness) activities.

3.19 In terms of cinema activity, we found (Table 3.4) that whilst the participation has increased markedly since 2000, Table 3.5 also shows that residents cinema trips have also changed. In 2000, cinema



facilities in Stafford (Apollo) retained 45.8% market share from the study area, by 2010 this had decreased to 24.8% a 45% decrease. We have found that the decrease is mainly as a result of the increased competition from new facilities introduced in Newcastle-Under-Lyme (Vue Cinema) and the Cinebowl in Uttoxeter. Residents are also choosing to travel further to the Showcase Cinema at Junction 10 of the M6 in Walsall, whilst less people are travelling to the Odeon at Festival Park in Stoke-on-Trent.

Table 3.5: Changes in Leisure market shares Rates within the Borough between 2000 and 2010

Activity	Market Share (%)		
	Location	2000	2010
Cinema	Stafford	45.8%	24.8%
	Telford	13.6%	14.8%
	Stoke-on-Trent	10.6%	3.8%
	Walsall	7.0%	14.8%
	Newcastle-Under Lyme	-	14.1%
	Uttoxeter	-	10%
Ten pin	Stafford	83.2%	74.7%
	Telford	3.2%	2.3%
	Derby	3.2%	-
	Uttoxeter	-	11.5%
	Stoke-on-Trent	1.1%	3.4%
Leisure	Stafford	60.1%	40.6%
	Uttoxeter	11.9%	9.9%
	Cannock	6.5%	12.0%
	Telford	4.2%	4.1%
	Rugeley	3.0%	10.2%

Source: 2000 – Taken from Appendix 2 of Stafford Town Centre Study (2000) (Research & Marketing Ltd)
2010 – Taken from Appendix 4, (provided by NEMS Stafford Household Survey (April 2010))

3.20 In terms of ten pin bowling, whilst the participation has more than doubled since 2000, despite this, the market share of the Tenpin facility at Greyfriars has actually declined from 83% in 2000 to 75% in 2010. The decline is mainly as a direct result of the opening of the Cinebowl facility in Uttoxeter in



2008, but also a Tenpin facility in Stoke on Trent has gained in popularity since 2000. The introduction of Ten-pin at Uttoxeter has reduced the need for people to travel to Derby.

3.21 Lastly, in terms of leisure services (such as health and fitness), Table 3.5 shows that there has been a marked decline in the market share from 60% in 2000 to 40.6% in 2010, despite participation rates increasing within the Study Area. The main reason for the decline appears due to the increased popularity of facilities in Cannock District, in both Cannock and Rugeley.

3.22 The decline in market share is despite qualitative improvements to both Stafford Leisure Centre in Stafford and Alleynes Sports Centre in Stone. From examination of specific survey zones, we found that there was still a subtle decline in Stafford's market share in Zones 6 and 7. In terms of Stone, there was an increase in market share in Zone 2, from 28.6% in 2000 to 52.9% in 2010.



4.0 CURRENT ROLE OF STAFFORD AND STONE TOWN CENTRES

Introduction

- 4.01 As part of our assessment it is important to assess the current role of Stafford and Stone town centres. Whilst it is reasonable to encourage centres to develop and grow, it is important that such growth is placed in context of the centre's role and function.

Sub-Regional Hierarchy

- 4.02 Stafford and Stone are identified in the adopted Stafford Borough Local Plan (2001) as town centres where major new retail development should be concentrated. Eccleshall, Gnosall and Great Haywood are identified as major village centres. However, within the Regional Spatial Strategy for the West Midlands (2008) Stafford (and not Stone) is identified as one of 12 town centres along with Cannock, Telford and Tamworth (Policy UR2).
- 4.03 **Table 4.1** illustrates the position of Stafford and Stone within the sub-region based on the Venuescore (2010). The Index ranks 2,106 retail venues within the UK (including town centres, stand-alone malls, retail warehouse parks and factory outlets) based on existing retail provision. Towns and major shopping centres are rated using a straightforward weighted scoring system that takes account of each location's provision of multiple retailers and anchor store strength. The methodology adopted by Venuescore is contained at **Appendix 8**.



Table 4.1: The Sub-Regional Shopping Hierarchy

Centre	Venue Score	Location Grade	Rank 2010	Rank 2007	Rank 2005	Change in Rank (2007-2010)
Birmingham	535	Major City	3	3	2	0
Wolverhampton	220	Regional	49	68	65	19
Stoke-on-Trent	196	Regional	65	63	44	-2
Shrewsbury	158	Regional	109	101	92	-8
Walsall	141	Regional	143	132	96	-11
Stafford	140	Regional	147	177	145	30
Telford	137	Sub-regional	151	113	126	-38
Newcastle-under-Lyme	100	Sub-regional	226	220	214	-6
Lichfield	80	Major District	290	269	260	-21
Cannock	69	Major District	349	301	330	-48
Rugeley	33	Minor District	725	473	514	-252
Uttoxeter	28	Minor District	845	759	691	-86
Market Drayton	19	Local	1,192	1,231	1,148	39
Stone	17	Local	1,313	990	927	-323
Newport	14	Local	1,526	1,096	894	-430

Source: Venuescore (2010)

- 4.04 Stafford Town Centre is ranked 147th of retail venues surveyed and graded as a 'Regional Centre' alongside nearby Wolverhampton (Regional'), Hanley ('Regional'). It is evident that Stafford's position within the ranking has marginally declined since 2005 (by just 2 places), when it was ranked 145th despite falling to a rank of 177th in 2007. Indeed, in the short term (2007-2010) Stafford's ranking has improved from its lower 2007 ranking. This compares to Cannock declining by 38 places, Hanley by 2 places, Walsall by 11 places, Lichfield by 21 places and Uttoxeter by 86 places. Only Wolverhampton and Market Drayton of the identified centres within the sub-region have increased since 2007.
- 4.05 With regard to Stone, the Venuescore ranks the town centre 1,313rd and is classified as a 'Local', alongside Newport and Market Drayton. Furthermore, Stone's position in the ranking has declined by 323 places since 2007.

Stafford - Floorspace and Trade Mix

- 4.06 Stafford Town Centre (as identified by Experian Goad, March 2009 and updated by WYG in April 2010) has a total of 110,190 sq.m (gross) of floorspace within 398 commercial units. This is based on ground floor footprint of premises in the town centre. **Table 4.2** provides a breakdown of the diversity of uses within Stafford Town Centre as identified by Experian Goad and compares this to the national average.

Table 4.2: Retail Composition of Stafford Town Centre

Sector	No. of Outlets	% of Outlets		Floorspace (sq.m)	% of Floorspace	
		Stafford	GB		Stafford	GB
Convenience	29	7.3	8.8	27,680	25.1	14.4



Comparison	143	35.8	33.9	35,370	32.1	37.1
Retail Service	59	14.8	13.1	6,760	6.1	7.0
Leisure Services	76	19.0	21.6	19,960	18.1	22.7
Financial & Business Services	44	11.0	11.1	7,800	7.1	8.6
Vacant	49	12.3	11.2	12,490	11.3	9.5
TOTAL	400	100	100	110,060	100	100

Source: Experian Goad Report (April 2010) updated by WYG

- 4.07 **Table 4.2** illustrates that whilst the proportion of convenience goods units within Stafford Town Centre (7.3%) is marginally below the national average (8.8%) the proportion of floorspace given over to this sector (25.1%) is significantly above the national average (14.4%). This is reflective of representation within the town centre (as identified by Experian Goad) by three of the four large supermarket operators (i.e. Asda, Sainsbury's and Tesco).
- 4.08 In contrast, the proportion of comparison goods floorspace (32.1%) within Stafford Town Centre is below the national average (37.1%), whereas the proportion of units within this sector (35.8%) is above the national average (33.9%). This suggests that the town centre contains a number of small format comparison goods units. Indeed, the average size of comparison goods units at ground floor in March 2009 within the town centre was identified to be 247 sq.m (gross). This compares to an average unit size in nearby Telford (which is also identified by MHE as a sub-regional centre) of 416 sq.m (gross).
- 4.09 In terms of vacancies, as at April 2010 Stafford Town Centre was identified to comprise 49 vacancies and 12,490 sq.m (gross) of floorspace. This represents 12.3% of all units and 11.3% of all retail floorspace in the town centre. Whilst it is evident that both the proportion of units and floorspace that is vacant is above the national average, since March 2009, the vacancies have declined in part due to the former Woolworths store (1,080 sq.m gross) being reoccupied by Sports Direct. WYG are aware that information gathered by the Borough Council identified that vacancies were significantly lower than those identified by GOAD. The difference is as a result of different methodologies applied between the Borough Council and GOAD. For example, the Council's approach only considers vacant retail outlets, whereas GOAD includes all vacant outlets including offices, etc. WYG use Experian GOAD to allow comparisons to be made with national averages.

Stafford - Retailer Representation

- 4.10 One measure of the relative success of a town centre is the number of multiple retailers present, particularly for regional and sub-regional centres (such as Stafford). The presence of multiple outlets



and major retailers can have a significant impact on neighbouring outlets. However, with regard to smaller centres, such as Stone, the lack of national multiple retailers may not immediately suggest that the retail offer in the town centre is poor. Indeed, some centres may have a strong independent retail sector.

- 4.11 Within Stafford Town Centre, there are identified to be 142 multiple retailers represented in the town centre (April 2010), which presents over a third of all units (400). Multiple representation is considered strong with operators including Marks & Spencer, Next, TK Maxx, PC World, Wilkinson and JJB Sports present.

Stafford Retail Gap Analysis

- 4.12 Stafford is the county town and administrative centre of Staffordshire serving as a focus for retail, commercial and leisure facilities for the catchment population. However, in terms of retail, although a relatively strong centre, it does not offer the same scale and range of retail facilities provided in Hanley, Wolverhampton or Birmingham and therefore does not compete as effectively as it should. Although it has a Borough population of approximately 125,400¹, and an additional student population of approximately 16,000, the strength of the competing centres has constrained its catchment area and market share.
- 4.13 The quantity of town centre floorspace, totalling approximately 1,562,000 sq ft, is characterised by two specific factors. Firstly, there is a large supply of small poorly configured units from varying periods and secondly, there is a notable shortage of quality managed floorspace within the town.
- 4.14 The town's retail core is focused around Market Square, from which the pedestrianised thoroughfares of Gaolgate Street and Greengate Street extend, as does the Guildhall Centre, which forms the town's only covered, managed retail offer. Gaolgate and Greengate Streets are historically regarded as the prime retail pitch and include a mass multiple offer with retailers such as Marks and Spencer, Boots, Ernest Jones, Dorothy Perkins/Burtons, Next, River Island, Waterstones and Sports Direct, who have recently acquired the former Woolworths premises. Although well maintained and providing an attractive shopping environment, it does form, ribbon-type development with the majority of accommodation comprising poorly configured smaller type units not conducive to modern retailer requirements.

¹ Population estimate (2010) for Borough identified by Experian (Micromarketer, G3) derived from ONS mid year population estimates (2009)



- 4.15 The town has one covered scheme, this being the Guildhall Shopping Centre, which was developed in 1989 and comprises approximately 200,000 sq ft of floorspace. Although the scheme offers sufficient critical mass to create a dominant retail destination, it is a product of its time, in that it is again characterised by a high number of small units, linear in form with only the market and small multi-storey car park as anchors. The market has failed to be the anchor it was envisaged to perform as and therefore review of its operation and its role may be required in the future. The scheme is aesthetically poor both internally and externally, creating a poor shopping environment. It lacks a significant anchor store able to draw footfall, or quality leisure amenities to increase dwell time, and, as such, it is our opinion that the scheme only survives in its current format due to a lack of alternative suitable accommodation within the town. Therefore, without the implementation of a comprehensive strategy to address these issues and create larger units more conducive to modern retailer requirements, we are of the opinion that the scheme will ultimately be subject to long term decline.
- 4.16 Although the current economic climate renders large scale development in mid-sized towns similar to that under consideration prohibitive, Stafford remains a strong retail destination and as such latent demand for accommodation conducive to modern retailer requirements will ultimately ensure that such development is viable. In addition to providing for retailers who are not represented, it is inevitable that existing operators will seek to relocate to modern accommodation, some benefitting from economies of scale in dual representation, to the detriment of the existing prime core offer. In addition, retailers are becoming increasingly sensitive to occupational costs and would favourably view any new schemes offering an attractive retail environment without the prohibitive service costs associated with covered centres.
- 4.17 In our opinion, there is an oversupply of small units set within an historic context and hence, it is difficult to satisfy modern, national multiple retailer requirements who are demanding large space accommodation. In addition, there are limited opportunities within the existing stock to provide the density, size and configuration of units needed to attract the national multiple comparison goods providers required to reverse leakage and ensure the long term vitality and viability of the town centre.
- 4.18 In terms of out of town/edge of town trading, Stafford has a comprehensive offer, comprising the following four retail/leisure parks.



Madford Retail Park

- 4.19 This AXA owned scheme comprises approximately 78,000 sq ft and is subject to a restrictive bulky goods planning consent. Retailers include Currys, Lidl and Wickes. The recent letting to Pen Parc Pets has established values at approximately £13.0 to £13.50 per sq ft.

Greyfriars Place Retail Park

- 4.20 This scheme is owned by DVS Property and comprises approximately 40,000 sq ft with occupiers including Homebase, Dreams, Halfords, MFC Carpets, Magnet, Bensons for Beds and Tenpin Bowling Alley. Again, it has a restricted planning consent and achieves values in the order of £13.00 per sq ft. However, a number of units have remained vacant since the failure of MFI and Allied Carpets.

Hough Retail Park

- 4.21 This scheme is owned by Albermarle and comprises approximately 107,000 sq ft with tenants including Argos, B&Q, Comet, Frankie & Bennys, KFC, Maplin Electronics, Pizza Hut, SCS, Sleepmasters and Travel Lodge. Values achieved are in the order of £15.50 per sq ft.

Queens Retail Park

- 4.22 Owned by British Land, this scheme comprises approximately 170,000 sq ft and, benefitting from an open A1 consent, is now established as the principal out of town retail destination within Stafford. Tenants include New Look, Next, Mothercare, Brantano, Peacocks, In Store, Dunelm, Carpetright, Hobby Craft, Matalan, Boots, B&M Bargains, Pets at Home and Gala Bingo, with the recent letting to Next Home establishing rents at approximately £25.00 per sq ft.
- 4.23 As this type of development provides the large units conducive to modern retailer requirements, is easily accessible and provides free parking, it is now preferred by a number of occupiers who would have historically sought representation within the town centre's prime retail core and, as such, acts to dilute demand in this regard. Indeed, Next who have dual representation on Queens Retail Park and are represented within the town centre, have confirmed that due to their additional out of town acquisition, they would not seek to upsize or relocate within the town centre. Notwithstanding, current retail planning policy in the form of PPS4 should help mitigate further migration of this type.



Friary Retail Park

4.24 Located in the southern area of the town centre and comprises approximately 38,500 sq ft, the scheme was developed by Oswin Developments in 2004 with a prefunded sale agreed to the Tyne & Wear Pension Fund. Anchored by TK Maxx and PC World, rents are in the order of £15.00 per sq ft, with other occupants comprising Bathstore.com and Laura Ashley.

Stone – Floorspace and Trade Mix

4.25 Stone Town Centre (as identified by Experian Goad, March 2009 and updated by WYG in April 2010) has a total of 26,080 sq.m (gross) of floorspace within 154 commercial units. This is based on ground floor footprint of premises in the town centre. **Table 4.3** provides a breakdown of the diversity of uses within Stone Town Centre as identified by Experian Goad and WYG and compares this to the national average.

Table 4.3: Retail Composition of Stone Town Centre

Sector	No. of Outlets	% of Outlets		Floorspace (sq.m)	% of Floorspace	
		Stone	GB		Stone	GB
Convenience	13	8.4%	8.8%	6,270	24.0%	14.4%
Comparison	52	33.8%	33.9%	6,540	25.1%	37.1%
Retail Service	25	16.2%	13.1%	2,240	8.6%	7.0%
Leisure Services	34	22.1%	21.6%	7,500	28.8%	22.7%
Financial & Business Services	21	13.6%	11.1%	2,470	9.5%	8.6%
Vacant	9	5.8%	11.2%	1,060	4.1%	9.5%
TOTAL	154	100.0%	100.0%	26,080	100.0%	100.0%

Source: Experian Goad Report (April 2010) updated by WYG

4.26 **Table 4.3** illustrates that the proportion of convenience goods units within Stone Town Centre (8.4%) is comparable to the national average (8.8%) the proportion of floorspace given over to this sector (24.0%) is significantly above the national average (14.4%). This reflects the role and function of the centre (as serving local needs) and by the presence of the Co-op and Morrison’s supermarkets.

4.27 In contrast, the proportion of comparison goods floorspace (25.1%) within Stone Town Centre is significantly below the national average (37.1%), whereas the proportion of units within this sector (33.8%) is comparable to the national average (33.9%) - confirming that the town centre contains a number of small format comparison goods units. Indeed, the average size of comparison goods units at ground floor in April 2010 within the town centre was identified to be 125 sq.m (gross), which reflects the historical built environment and its local role and function. This compares to an average unit size in Stafford of 237 sq.m (gross).





- 4.28 The town centre has a high level of service provision, both in terms of retail service, leisure service and financial and business service, both in terms of units and floorspace, which are often found in smaller town centres.
- 4.29 In terms of vacancies, as at April 2010 Stone Town Centre was identified to comprise 9 vacancies and 1,060 sq.m (gross) of floorspace. This represents 5.8% of all units and 4.1% of all retail floorspace in the town centre. Whilst it is evident that both the proportion of units and floorspace that is vacant is below the national average, since March 2009, vacancies have remained constant.

Stone - Retailer Representation

- 4.30 Within Stone Town Centre, there are identified to be 22 multiple retailers represented in the town centre (April 2010). Businesses represented within the town centre include Boots, WH Smith, Ethel Austin, Superdrug, Clifton Cards and Hallmark. The town centre is dominated by independent traders which adds to its diversity and offer.

Stone Retail Gap Analysis

- 4.31 Although Stone is a key market town – being the second town in the Borough after Stafford itself – it only comprises a relatively small retail offer totalling approximately 26,080 sq ft.
- 4.32 The town predominantly serves a localised catchment population, which is evidenced by the high proportion of convenience goods and service operators located in the town. Indeed, the principal comparison goods offer predominantly comprises charity retailers seeking to benefit from the relatively affluent catchment population. Given the fact that the Morrisons supermarket is known to significantly overtrade, it is anticipated that there will be continued demand for space in the convenience goods sector by both major supermarket operators (looking to capture some of Morrisons market share) and high end operators responding to the needs of Stafford/Stone’s more affluent population.
- 4.33 The town’s existing prime retail core is focused on the pedestrianised High Street, again forming an historic, ribbon-type retail parade with poorly configured units of varying sizes.



- 4.34 The vast majority of comparison goods expenditure which originates in Stone is lost to larger competing centres and, due to the town's location and role, it is not considered that this trend will be reversed. The town does not compete as a retail destination and therefore this type of demand will remain limited, as evidenced by the limited and stagnant values achieved.
- 4.35 This lack of demand should ensure that rental and, to a lesser extent, investment values remain relatively low, making any larger scale development proposals economically unviable. Any long term growth is likely to be organic and small in scale.

Competition

- 4.36 In terms of retail, there are five principal or sub-regional centres which influence the current shopping hierarchy within which Stafford Town Centre operates. Similar to Stafford, Telford and Wolverhampton have a relatively strong national multiple representation and as such, serve a comparison and convenience goods role for the wider catchment population. The Summer Row proposals for Wolverhampton (comprising a mixed retail and leisure scheme of approximately 600,000 sq ft, which includes a Debenhams store of approximately 100,000 sq ft, new Marks and Spencer, additional 85 retail units and 780 car parking spaces) have now stalled due to funding issues and, as such, it is unlikely it will form a retail destination able to significantly draw on the wider catchment population in the short to medium term.
- 4.37 Although Hanley has historically also provided one of the main alternative comparison goods shopping destinations within the sub-region, its position has been weakened in recent years due to a lack of further development/investment and the improvement of Birmingham's retail offer. Notwithstanding this, Realis Estates are progressing a £12 million redevelopment of the bus station and subsequently a £250 million mixed-use redevelopment of the derelict East West Shopping Precinct. Although this development should act to halt Hanley's decline and help re-establish it as a retail and leisure destination, it will undoubtedly have a negative impact on Stafford, drawing further comparison goods spend from its core catchment.
- 4.38 Birmingham and, to a lesser extent, Hanley still benefit from superior retail offers. Although these centres are significant distances from Stafford's core catchment, with problems relating to accessibility along the M6 deterring some leakage, they will undoubtedly account for some deflection in trade, particularly with regard to high-end comparison goods.



- 4.39 It is worth noting that a number of the retailers questioned indicated that the Potteries tended to comprise a relatively loyal catchment profile. Their data indicated that consumer migration was more limited than witnessed on a national basis with each centre serving as the principal convenience and comparison goods spend destination for their core catchment.
- 4.40 As a consequence, the retail offer is part convenience and part comparison goods orientated, although there remains a strong representation from the mid-range fashion operators essential to maintaining the town's long term vitality and viability.
- 4.41 As indicated, the two main competing centres are Hanley and Birmingham. Although a more comprehensive comparable retail offer would enable Stafford to compete with Hanley, as evidenced on a national basis the majority of consumers now tend to focus their high end comparison goods spend on larger regional centres. This is due to the enhanced shopping environment and brand offers and leisure facilities they provide and will result in Birmingham and to a lesser extent Manchester and the Trafford Centre, remaining a main focus in this regard. Indeed, with the notable exception of Solihull (where Lend Lease's prize winning Touchwood Scheme has enabled it to better compete and thereby deter consumer leakage) the advent of the Bullring Shopping Centre will have exacerbated what in many cases is the long term decline of neighbouring mid-ranking towns acting as a constraint on future retail growth.
- 4.42 Improved rail, and to a lesser extent road communications, have helped promote consumer leakage and therefore Stafford, like the majority of similar mid-ranking town centres, will need to be actively managed by the relevant local authorities in conjunction with retailers, businesses and residents to ensure their long term vitality and viability.
- 4.43 In addition to competing centres, it is also important to consider the advent of internet shopping. Although historically acknowledged as a possible threat to the high street, it was often dismissed until recent years, where it has now become the fastest growth sector for the majority of retailers who are therefore adjusting their trading formats accordingly. It is still unknown what long term impact this will have on demand for traditional high street/shopping centre accommodation and ultimately what functions it will serve. However, on the assumption that demand for the flagship/regional centre stores will remain due to the retail/leisure experience they offer, it is likely that the negative impact of these retailing formats will predominantly be on demand/values for the small to mid-sized towns similar to that under consideration.



Values

Stafford

- 4.44 Prime rental values within Stafford peaked at the height of the market in 2007, with figures reaching approximately £90.00 to £100.00 per sq ft in terms of zone A (ITZA). These figures were achieved in both the Guildhall Shopping Centre and prime Gaolgate and Greengate Street locations, although more recent transactions at these locations have tended to be nearer £60.00 per sq ft ITZA. We would emphasise that these transactions are often difficult to analyse as they tend to reflect the retail market on a national basis, comprising flexible lease terms and/or substantial incentives. Rental values on prime Gaolgate and Greengate Street have fared better, stabilising at approximately £75.00 to £80.00 per sq ft ITZA, with vacancies and occupier turnover remaining minimal. One of the main reasons for this discrepancy is due to retailers becoming increasingly sensitive to occupational costs and, therefore, the prohibitive service charges usually associated with covered schemes will be factored in and their rental parameters adjusted accordingly.
- 4.45 Due to the current economic climate, sub-regional mid-ranking towns such as Stafford have witnessed a significant contraction of their prime retail core to the detriment of the secondary and tertiary stock within the town. Occupiers who would have previously sought representation in these locations now have the ability to 'trade up' due to the rental reductions as discussed and landlords being more amenable on issues such as covenant due to empty rates liabilities, and so on. Therefore, although the rental reductions in prime locations have on the whole been manageable, the lack of demand for secondary and tertiary stock has had a significant impact on values with transactions often approximately 50% below their peak, at approximately £25.00 sq ft ITZA, and there has been an increase in voids of varying sizes and configurations.

Stone

- 4.46 Values peaked at approximately £35.00 per sq ft ITZA at the height of the market and have marginally slipped in the subsequent downturn. Due to the lack of managed floorspace and fragmented ownership, values do fluctuate, but the letting of 55 High Street to Costa Coffee in 2009 gives an indication of current values reflecting a headline rent of approximately £32.25 per sq ft ITZA. However, once incentives are taken into consideration, this devalues to a figure of sub £30.00 per sq ft ITZA.



- 4.47 Although we have tried to quantify current values in both towns, the full effects of the downturn, where the significant fall in demand and dramatic increase in failing retailers has resulted in an oversupply of high street accommodation, are yet to be realised.
- 4.48 In the current market, where retailer demand for both prime and secondary accommodation remains limited, there is likely to be a distinction between the level of rent that can be proved for rent review purposes and the likely rental values obtainable from an open market letting. The majority of acquisitive retailers that remain tend to be 'deal led', focusing on opportunities where attractive terms can be secured rather than on individual requirements. Due to the significant oversupply of high street accommodation evidenced in most towns and cities on a national basis, the change in empty rates legislation and often service charge liabilities, landlord's priorities tend to be focused on securing tenants and maintaining income rather than underpinning rental values.

Demand

- 4.49 The stagnation of rental values in Stafford and Stone since 2007 has not been predominantly due to a weakness in demand, but more to a lack of suitable accommodation conducive to satisfying modern retailer requirements. Although, as on a national basis, Stafford has suffered in the current economic climate with a downturn in demand and an increase in vacancies in both prime and secondary locations, the number of vacancies in prime locations still appears limited and below the national average. Notwithstanding this, the lack of rental growth and proliferation of poorer quality occupiers in secondary locations, indicates weak demand for the type of accommodation predominantly available within the town.
- 4.50 Appendices 1 and 2 indicate the current known active requirements for Stafford and Stone. However, most of these requirements would be deemed low priority on the basis that the majority of acquisitive retailers now tend to be 'deal led', i.e. analysing opportunities on a national basis and then focusing on those areas where the most attractive terms can be secured. In the current market this will often not only mean flexible lease terms and significantly reduced rents, but also substantial incentives.
- 4.51 A number of the identified requirements will also be longstanding, where they have not been satisfied on the basis that suitable accommodation does not exist within the target area and it would be economically unviable to consider new standalone developments. These occupiers tend to comprise the value retailers and department store operators, such as TJ Hughes who, due to their relatively low



rental parameters and prohibitive fit out costs, often require significant cash incentives, which would deem many proposals unviable unless part of a more comprehensive scheme.

- 4.52 With regard to those national multiple retailers already represented within Stafford, the majority would appear satisfied with their representation. Although they perceive Stafford to be a satisfactory trading centre, it is considered a finite market where there would be little advantage gained from relocating within the town on the basis it would result in only a limited increase in store turnover, negated by the prohibitive costs of relocation and existing liabilities. However, a number of retailers did indicate that they were in compromised accommodation and that if a comprehensive scheme were proposed, providing accommodation conducive to modern retailer requirements, with suitable national multiple representation and any relocation being cost neutral, or at least heavily incentivised, then they would possibly seek to move.
- 4.53 With regard to retailers currently not represented within Stafford, we have contacted a broad spectrum of operators in order to provide a fair reflection of their views (see Appendix 12). We have attempted to target those retailers that would not only usually consider representation in a town the size of Stafford, but also the type of operators required to enable the town to compete with the other major comparable spend retail destinations within the sub-region. We acknowledge that there will be a number of aspirational names omitted. Unfortunately, this is a reflection of the current market where the majority of retailers are either non-acquisitive or are in the process of rationalising their portfolio. Moreover, although a number of such operators may have previously considered representation in towns with a catchment comparable to Stafford, they are now deemed too low priority in the short to medium term.
- 4.54 Of the mid-range fashion operators targeted (who, as we have previously stated, are key to the long term vitality and viability of the town), the majority did indicate that although they did have a requirement for the town, there were better opportunities in stronger towns/cities in the retail hierarchy and therefore Stafford would be deemed low priority.
- 4.55 Notwithstanding the above, from our knowledge of the retail market and confirmed by a number of those retailers contacted, we would conclude that if a well anchored scheme were delivered, providing accommodation conducive to modern retailer requirements in either a town centre or edge of town location, then a number of the brands identified as key to the town's long term vitality and viability would seek representation.





- 4.56 With regard to the major food store operators, Asda, Sainsbury's and Tesco are already well represented in full trading store formats. Therefore, although they are currently concentrating their acquisition strategy in the south, Morrisons confirmed that if a suitable opportunity were identified, able to accommodate a store to compete with the perceived competition in the catchment area, and offering prominence and good accessibility, they would seek to gain representation and subsequently market share. Notwithstanding this, as it is probable they would form the only demand in respect of the main four foodstore operators, it is unlikely that they would pay a significant premium or a rent in excess of £16.00 to 18.00 per sq ft.
- 4.57 Of the smaller food store operators, Waitrose have a confirmed requirement as indicated for both Stone and Stafford. In both instances we would envisage rents equating to approximately £16.00 to 18.00 per sq ft. Of the discount food operators, Lidl are represented on the Madford Retail Park and Aldi have recently secured a planning consent on Stafford Road on the outskirts of Stone. If a suitable opportunity became available then Aldi would still consider representation within Stafford on either a freehold, long leasehold or leasehold basis although they would not normally pay a rent equating to in excess of approximately £15.00 per sq ft.



5.0 RETAIL CAPACITY

Introduction

5.01 The modelling for the retail capacity assessment has been undertaken for two different categories of expenditure. Typically these categories reflect the differences in patterns for convenience and comparison shopping. This approach is advocated in PPS4, which states at paragraph EC1.4 that:

'When assessing quantitative need, have regard to relevant market information and economic data, including a realistic assessment of:

- i. existing and forecast population levels**
- ii. forecast expenditure for expenditure for specific classes of goods to be sold, within the broad categories of comparison and convenience goods and for main leisure sectors and**
- iii. forecast improvements in retail sales density.'**

5.02 For the purposes of this capacity exercise WYG has primarily examined the need for new convenience and comparison floorspace. Indicative capacity assessments are provided for 2015 together with 2021 and to 2026, in order to reflect the research undertaken for the now revoked RSS. However, any assessment in the long-term should be viewed with caution. Any identified need or capacity beyond 2015 is not justification for new retail floorspace outside of existing centres, as this could prejudice more central sites coming forward that, although not available for retail development at present, may become available between now and 2015, or after 2015.

Capacity Formula

5.03 For all types of capacity assessment, the conceptual approach is identical, although the data sources and assumptions may differ. The key relationship is Expenditure (£m) – allowing for population change and retail growth – *less* Turnover (£m) (allowing for improved 'productivity') – *equals* Surplus/Deficit (£m).

Expenditure (£m) – the expenditure element of the above equation is calculated by taking the population within the defined catchment and then multiplying this figure by the average annual expenditure levels for various forms of retail spending per annum. The formula is subject to a number



of factors, which need to be considered to help provide the most accurate figure for that particular local catchment. These include:

- Growth in population;
- Growth in expenditure per person per annum; and
- Special Forms of Trading (e.g. catalogue shopping / internet).

Turnover (£m) – the turnover figure relates to the annual turnover generated by existing retail facilities within the Study Area. The turnover of existing facilities is calculated using national published data (where available).

Surplus/Deficit (£m) – this represents the difference between the expenditure and turnover figures outlined above. A surplus figure will suggest an 'under provision' of retail facilities within the Study Area (which all things being equal would imply that additional floorspace is required), whereas a deficit would suggest an over provision of retail facilities (and in these circumstances it would prove difficult to justify additional floorspace).

- 5.04 Although a surplus figure is generated in monetary terms, it is possible to convert this figure into an indication of aggregate floorspace. The level of floorspace will vary dependent on the type of retail/goods sold. Indeed, electrical retailers such as Currys and Comet (which are considered a bulky goods retailer) have a much higher sales density than other bulky goods retailers such as Carpetright.

Stafford Borough

Overview

- 5.05 The adopted Stafford Borough Local 2001 (October 1998) identifies that Stafford and Stone town centres provide the largest concentration of shopping facilities within the Borough. Accordingly, the Local Plan identifies that Stafford and Stone, as the main shopping centres in the Borough, should be the focus for major new retail development.
- 5.06 In addition to these two centres, the local centres within the Borough sell a more limited range of goods. These comprise: Eccleshall, Gnosall and Great Haywood.



- 5.07 Of the two main centres within the Borough, Stafford is clearly the dominant retail destination comprising more than 63,000 sq.m of retail floorspace (Experian Goad, April 2010)². A plan showing the extent of the town centre (as defined by Experian) is contained at **Appendix 8**.
- 5.08 This compares to Stone Town Centre comprising almost 13,000 sq.m of retail floorspace as identified by Experian Goad (April 2010). A plan indicating the extent of Stone Town Centre (as defined by Experian) is contained at **Appendix 9**.

Convenience Goods Shopping

Existing Provision

- 5.09 In order to ascertain the likely need for additional convenience floorspace within the Borough, it is important to understand the nature of existing supply. The Borough contains a number of large format superstores³, comprising the Asda store at Queensway, the Tesco Extra store on Newport Road and Sainsbury's store on Chell Road, which are all located at the edge-of Stafford Town Centre. Although smaller than provision within Stafford, there is also a Morrisons store at the edge-of Stone Town Centre.
- 5.10 In addition to these stores, the Borough also contains a range of smaller convenience stores and independent retailers that complement the offer available within the larger stores.

Market Shares and Capacity

- 5.11 Based on the current market share of all existing facilities within the Borough, which includes Stafford and Stone town centres, local centres, freestanding stores, local shopping parades, etc., our analysis indicates that existing facilities in the Borough achieve goods turnover of £204.59m in 2010. This equates to a market share of **49.9%** of expenditure generated by residents within the Study Area.
- 5.12 Accordingly, it is evident that over half of expenditure generated in the Study Area is directed to facilities outside the Borough. As would be expected, most is from the peripheral zones of the Study Area. For example, less than 3% of convenience goods expenditure generated in the Rugeley Zone is

³ Defined in PPS4 (Annex B) as self service stores selling mainly food, or food and non food goods, usually with more than 2,500 square metres trading floorspace, with supporting car parking



directed to facilities in the Borough. Indeed, facilities in Cannock Chase District are identified to be particularly popular for residents within this zone. It is also worth noting that a number of improvements to the convenience goods offer are proposed in Cannock Chase District, including the introduction of a new foodstore in Rugeley. Therefore, the limited expenditure that is currently directed to facilities in Stafford Borough from this part of the Study Area could reduce in the future.

- 5.13 In terms of individual foodstores within the Borough, the Household Survey results suggest that the Asda store in Stafford is the most popular attracting a convenience goods turnover from within the Study Area of £52.88m in 2010. More than 65% of this turnover is identified to be derived from Stafford and Weston zones of the defined Study Area.
- 5.14 This store is followed in popularity by the Tesco Extra store at Newport Road in Stafford (£41.47m), the Sainsbury's store on Chell Road in Stafford (£35.39m) and the Morrisons store on Mill Street in Stone (£34.48m). Collectively, these four stores are identified by the Household Survey to attract 80% of the convenience goods expenditure generated in the Study Area that is directed to facilities in Stafford Borough.
- 5.15 The findings of the Household Survey suggest that all facilities within the Borough achieve a main food shopping catchment population within the Study Area of approximately 122,155 people in 2010.
- 5.16 In terms of capacity for additional convenience goods floorspace within the Borough, **Table 5.1** provides a breakdown of the trading performance of existing foodstores within the Borough. The trading performance of existing foodstores is based on the survey derived turnover (based on the findings of the Household Survey) and the anticipated 'benchmark' (or expected) turnover derived from nationally published trading information from Mintel and Verdict or professional assumptions.



Table 5.1: Trading Performance of Current Foodstores in Stafford Borough

Store	Net Floorspace – sq.m ¹	Net Convenience – sq.m ²	Turnover per sq.m - £ ³	Benchmark Turnover - £m	Survey Estimate - £m ⁴
Stafford					
Marks & Spencer, Gaolgate	675	642	11,107	7.13	5.33
Iceland, Hunters Row	616	573	5,787	3.31	1.42
Other, Stafford Town Centre	3,682	3,682	3,500	12.89	4.40
<i>Edge-of-Centre/ Out-of-Centre</i>					
Asda, Queensway	4,292	2,489	15,458	38.48	52.88
Tesco Extra, Newport Road	4,647	3,067	12,656	38.82	41.47
Sainsbury's, Chell Road	4,213	3,160	9,661	30.53	35.39
Lidl, Madford Retail Park	929	743	3,111	2.31	1.07
Sub-Total	19,055	14,356	-	133.47	141.95
Stone					
Co-op, High Street	1,114	925	6,087	5.63	5.25
Other, Stone Town Centre	616	616	3,500	2.16	1.23
<i>Edge-of-Centre/Out-of-Centre</i>					
Morrisons, Mill Street	2,118	1,695	11,117	18.84	34.38
Somerfield, Eccleshall Road	269	221	8,135	1.80	0.35
Sub-Total	4,118	3,456	-	28.42	41.21
Zone 2					
Co-op, Stafford Street, Eccleshall	1,005	834	6,087	5.08	1.56
Local Shops, Eccleshall	100	100	3,500	0.35	0.90
Local Shops, Barlaston	100	100	2,000	0.20	0.35
Local Shops, Walton-on-the-Hill	100	100	2,000	0.20	0.18
Sub-Total	1,305	1,134	-	5.83	2.98
Zone 3					
Co-op, High Street, Gnosall	252	209	6,087	1.27	1.85
Local Shops, Gnosall	100	100	2,000	0.20	0.57
Sub-Total	352	309	-	1.47	2.42
Zone 4					
Co-op, Stone Road Stafford	278	231	6,087	1.27	1.85
Sub-Total	278	231	-	1.27	1.85
Zone 5					
Co-op, Cannock Road	897	745	6,087	4.53	4.11
Co-op, Bodmin Avenue, Weeping Cross	135	112	6,087	0.68	0.89
Co-op, Burton Square, Rising Brook	773	642	6,087	3.91	2.58
Spar, Cape Avenue, Western Downs, Stafford	266	239	6,914	1.66	0.34
Spar, West Way	45	40	6,914	0.28	0.35
Sub-Total	2,116	1,778	-	11.06	8.27
Zone 6					
Co-op, Holmcroft	186	154	6,087	0.94	1.04
Co-op, Silkmore Lane	989	821	6,087	5.00	3.12
Co-op, Weston Road	297	246	6,087	1.50	0.61
Sub-Total	1,472	1,222	-	7.44	4.76
Zone 7					
Spar, Main Road, Great Haywood	70	63	6,914	0.44	0.52
Local Shops, Great Haywood	100	100	2,000	0.20	0.17
Local Shops, Haughton	100	100	2,000	0.20	0.48
Local Shops, Hixon	100	100	2,000	0.20	0.52
Local Shops, Weston	100	100	2,000	0.20	0.17
Sub-Total	470	463	-	1.24	1.87
TOTAL	29,166	22,950	-	190.32	204.59

Notes: ¹ – Net floorspace based on IGD Database where available, or Goad applying WYG judgement on gross/net ratio
² – Net convenience floorspace derived from Verdict Grocery Retailers (2009) where available
³ – Sales densities derived from Verdict (2009) or Mintel Retail Rankings (2009) for national multiples and WYG assessment for local shops
⁴ – Survey derived turnover derived from Stafford Household Survey (2010)
 May not add up due to rounding (at 2007 prices)

5.17 Based on current market share, existing facilities within the Borough are identified to have a convenience goods turnover of £204.59m within the Study Area. This compares to an expected turnover of £190.32m. Accordingly, existing convenience goods floorspace in the Borough is identified to be trading above expected levels by £14.27m, or 7.5%.



- 5.18 Our analysis of the trading performance of the main convenience goods destinations within the Borough identifies that the four largest stores (the Sainsbury's, Asda, Tesco and Morrisons) are all overtrading. Indeed, the Morrisons store in Stone is identified to be trading some 82% above expected levels. The Asda store at the edge-of Stafford Town Centre is the most popular store in the Borough overtrading by some 37%, followed by the Sainsbury's store (overtrading by 16%), and the Tesco Extra store (overtrading by 7%). In contrast a number of smaller stores in the Borough, such as the Lidl store at Madford Retail Park and the Co-op store in Stone are identified to be trading below expected levels. However, survey results should be treated with a note of caution as they tend to have a bias towards larger stores and understate the role of smaller stores. Therefore, our assessment is based on the trading performance of all convenience goods floorspace in the Borough.
- 5.19 In terms of capacity for additional convenience goods floorspace within Stafford Borough, **Table 5.2** provides a breakdown of the capacity for additional convenience goods floorspace in monetary terms (based on current market shares). This assessment does not take into account outstanding commitments, which are considered later in this report.

Table 5.2: Estimated 'Capacity' for Convenience Goods Facilities – Stafford Borough

Year	Turnover - £m ¹	Expenditure Available - £m ²	Surplus Expenditure - £m
2010	190.32	204.59	14.26
2015	195.13	229.08	33.95
2021	201.06	246.91	45.86
2026	206.13	262.81	56.68

Notes: ¹ - Allows for increased turnover efficiency of +0.5% per annum
² - Assumes constant market share at 49.9% within the Study Area
 Surplus expenditure between 2010 and 2026 is a cumulative total for Borough (e.g. capacity by 2015 includes the identified capacity in 2010)
 At 2007 prices

- 5.20 Given the overtrading of existing floorspace in the Borough and assuming no change in market share there is identified to be immediate capacity for additional convenience goods expenditure within the Borough of £14.26m. This is forecast to increase to £33.95m by 2015, to £45.86m by 2021 and to £56.68m by 2026. It is important to note that this capacity is for the Borough as a whole and as would be expected all the identified capacity should not be met in one destination.

Table 5.3: Quantitative Need for Additional Floorspace in the Borough – Convenience Goods

Year	Convenience Goods	
	£m	Floorspace Requirement
		Min ^{1*} Max ^{2*}
2010	14.26	1,173 2,851
2015	33.95	2,733 6,620
2021	45.86	3,570 8,680
2026	56.68	4,300 10,460

Notes: ¹ - Average sales density assumed to be £12,155/sq.m (based on the average sales density of the leading four supermarkets as identified by Verdict 2009)
² - Average sales density assumed to be £5,000/sq.m
 * - Allows for increases in turnover efficiency of +0.5% per annum
 At 2007 Prices



5.21 Having regard to the identified undersupply of convenience goods floorspace (based on current market shares) there is a clear capacity for additional convenience goods floorspace within the Borough. Table 5.3 shows that there is an immediate capacity (i.e. 2010) for a further new floorspace within the Borough comprising approximately 1,173 sq.m (net) of convenience goods floorspace (based on leading four main food operators average sale density). This will increase to 2,733 sq.m (net) by 2015; 3,570 sq.m (net) by 2021 and 4,300 sq.m (net) by 2026. Therefore need for a new larger format foodstore is identified post 2015.

5.22 In addition to the overall capacity within the Borough, it is also crucial to review the capacity within each of the main towns within the Borough to ensure that communities are adequately provided for. Evidence from the Household Survey, highlights that facilities in Stafford retained 34.6% (or £141.9m) of the available expenditure within the Study Area. From WYG’s analysis, it is evident that existing convenience goods floorspace in Stafford is overtrading when compared to their respective benchmarks (£133.5m).

5.23 Therefore there would appear to be a clear and immediate need for further convenience goods floorspace within Stafford of £8.5m by 2010. If no new provision is secured, and just to retain existing market share, then this capacity would increase to £22.1m by 2015, £30.3m by 2021 increasing to almost £37.8m by 2026. The results show that nearly 60% of the identified Borough wide capacity should be directed towards Stafford at 2010 increasing to 65% at 2015. To put this into perspective; Stafford currently retains 70% of all the expenditure retained at facilities within the Borough.

Table 5.4: Estimated ‘Capacity’ for Convenience Goods Facilities – Stafford

Year	Benchmark Turnover - £m ^{1**}	Expenditure Available - £m ^{2*}	Surplus Expenditure - £m
2010	133.5	141.9	8.5
2015	136.9	158.9	22.1
2021	141.0	171.3	30.3
2026	144.6	182.3	37.8

Notes: ¹ – Allows for increased productivity at +0.5% per annum
² – Assumes constant market share 34.6% in the Study Area
 Surplus expenditure between 2010 and 2026 is a cumulative total for Stafford (e.g. capacity by 2010 includes the identified capacity in 2007)
 Only includes facilities within and around Stafford Town Centre (includes the Tesco, Sainsbury’s and Asda stores)
 At 2007 prices



Table 5.5 Quantitative Need for Additional Floorspace in Stafford – Convenience Goods

Year	Convenience Goods		
	£m	Floorspace Requirement	
		Min ^{1*}	Max ^{2*}
2010	8.5	700	1,700
2015	22.1	1,780	4,300
2021	30.3	2,360	5,740
2026	37.8	2,880	6,980

Notes: ¹ - Average sales density assumed to be £12,155/sq.m (based on the average sales density of the leading four supermarkets as identified by Verdict 2009)

² - Average sales density assumed to be £5,000/sq.m

* - Allows for increases in turnover efficiency of +0.2% per annum

Rounded up to nearest 10 sq.m

At 2007 Prices

5.24 Table 5.5 indicates that over the period to 2015 (based on current market share) there is a requirement for between 1,780 sq.m (net) and 4,300 sq.m (net) of additional convenience goods floorspace (dependent upon the end-operator and type of development). The level of capacity identified provides the opportunity to strengthen the main food offer in Stafford through the introduction of a greater choice and competition (albeit three of the top four leading supermarkets are already located within Stafford).

5.25 The results of the household survey and retail model identifies that facilities in Stone retained 10% (or £41.2m) of the available expenditure. Table 7.6 estimates the available capacity for additional convenience goods floorspace in Stone through to 2026. The study identifies that existing facilities were significantly overtrading, when compared to their respective benchmark turnovers (£28.4m). This was mainly as a result of the popular Morrison's store on Mill Street, which is overtrading by £15.5m. Table 7.6 shows that there is an immediate capacity at 2010 for £12.8m. If no new development is secured and if the existing market share is to be retained over the plan period, then this surplus may increase to £17.0m by 2015, £19.7m by 2021 and to £22.2m by 2026.

Table 5.6: Estimated 'Capacity' for Convenience Goods Facilities – Stone

Year	Benchmark Turnover - £m ^{1*}	Expenditure Available - £m ^{2*}	Surplus Expenditure - £m
2010	28.4	41.2	12.8
2015	29.1	46.1	17.0
2021	30.0	49.7	19.7
2026	30.8	52.9	22.2

Notes: ¹ - Allows for increased productivity at +0.5% per annum

² - Assumes constant market share 10.1% in the Study Area

Surplus expenditure between 2010 and 2026 is a cumulative total for Stone (e.g. capacity by 2010 includes the identified capacity in 2007)

Only includes facilities in and around Stone Town Centre (includes Morrisons store)

At 2007 prices



Table 5.7 Quantitative Need for Additional Floorspace in Stone – Convenience Goods

Year	Convenience Goods		
	£m	Floorspace Requirement	
		Min ^{1*}	Max ^{2*}
2010	12.8	1,050	2,560
2015	17.0	1,370	3,320
2021	19.7	1,540	3,730
2026	22.2	1,680	4,100

Notes: ¹ - Average sales density assumed to be £12,155/sq.m (based on the average sales density of the leading four supermarkets as identified by Verdict 2009)

² - Average sales density assumed to be £5,000/sq.m

* - Allows for increases in turnover efficiency of +0.2% per annum

Rounded up to nearest 10 sq.m

At 2007 Prices

Potential Growth in Special Forms of Trading

5.26 Whilst an allowance for the potential increase in Special Forms of Trading has been made in assessing future capacity for additional comparison goods floorspace, for the purposes of this assessment no allowance has been made for any increase in special forms of trading for convenience goods shopping. Although recent research undertaken by Experian identifies that the market share of non-store retail sales for convenience goods shopping could increase, it is important to note that an internet sale does not necessarily imply that items have not passed through a retail outlet. Indeed, Experian acknowledges that some supermarkets source internet goods from existing stores and therefore the current market share identified by Experian for non-store retail sales may be an over-estimate.

Outstanding Commitments

5.27 It is important to take into account outstanding commitments within the Borough for additional convenience goods floorspace. There are a number of commitments within the Borough that will help improve the convenience goods offer. These include extant permission for the extension of the existing Tesco and Asda superstores in Stafford, as well as a new Aldi foodstore in Stone.

5.28 The proposed extension to the existing Tesco store on Newport Road will involve creation of 320 sq.m of new convenience floorspace. We estimate, based on benchmark sales density from Verdict (2009) but assuming trading at 50% levels, that the new extension could generate a convenience goods turnover of £2m.



- 5.29 Likewise the proposed Asda extension at Queensway in Stafford will involve an additional 849 sq.m (net) of new convenience goods floorspace. We estimate that the new floorspace will have a turnover of £6.6m if implemented (again based on 50% of benchmark sales density).
- 5.30 The proposed out-of-centre Aldi store in Stone, will create a convenience floorspace of 821 sq.m and is estimated to have a turnover of £3.1m.

Table 5.8: Outstanding Commitments within the Borough (2010)

Scheme	Gross Floorspace (sq.m)	Convenience	
		Net Sales Area	Benchmark Turnover (£m)
Stafford			
Tesco Extension*	-	320	2.0
Asda Mezzanine*	-	849	6.6
Sub-Total	-	1,169	8.6
Stone			
Aldi, Former Buffer Depot Site	1,626	821	3.1
Sub-Total	1,626	821	3.1
TOTAL	-	1,990	11.7

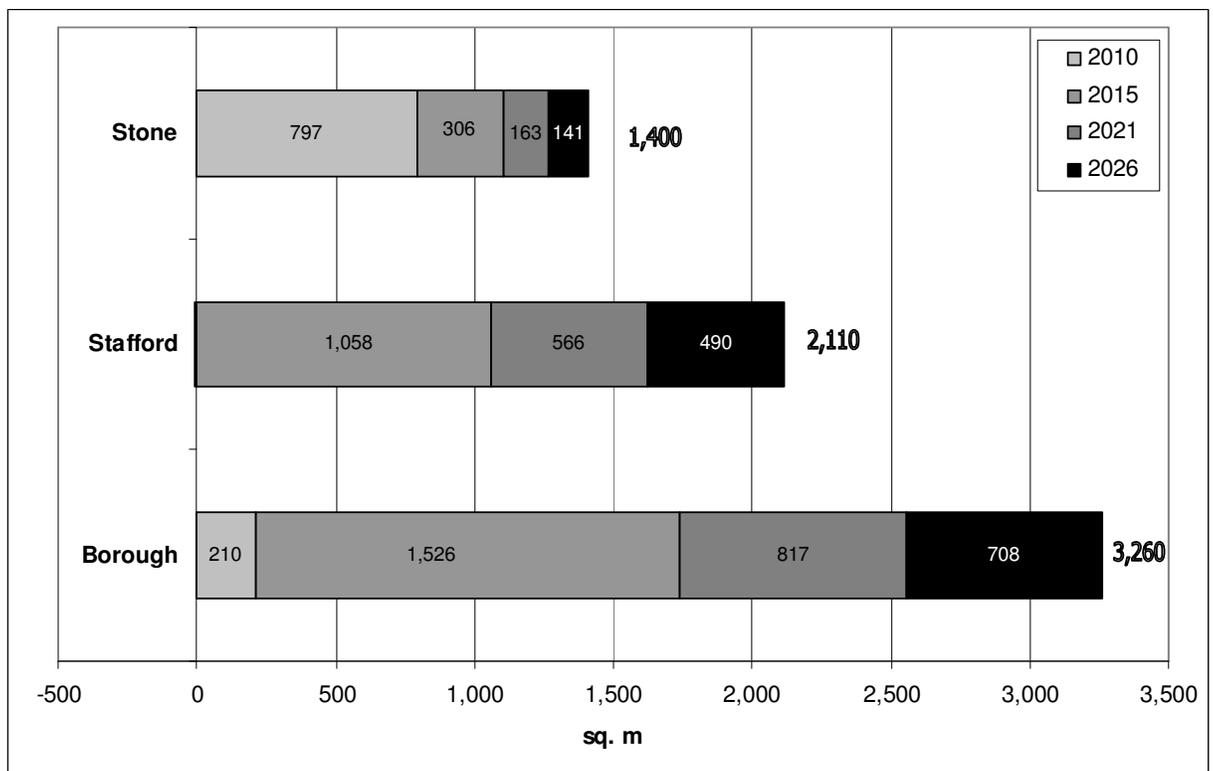
Notes: * Assumed to trade at 50% expected levels
 Net floorspace derived from relevant application or WYG judgement
 Benchmark sales densities derived from Mintel Retail Rankings (2009) or Verdict Grocery Retailers (2009)
 At 2007 prices

- 5.31 In total, extant planning commitments for new convenience goods provision will if implemented generate a cumulative turnover of £11.7m. If we compare this to the level of capacity identified of £14.3m at 2010 for the whole Borough, we believe that the current permissions will absorb 82% of the identified capacity. By 2015 or the next five year interval, if the commitments are implemented they would have an estimated turnover of £12.3m (based on increased productivity rate of 1% per annum) which would absorb 36% of the capacity (or £33.9m).
- 5.32 We have also explored this in more detail in terms of Stafford and Stone below. As set out in **Table 5.8** above, existing commitments in Stafford have a total turnover of £8.6m, this compares to the identified capacity of £8.5m at 2010, thus the current commitments will meet the current capacity identified in the short term. However, at 2015, we estimate that this turnover will increase to £9m, which is comparable to the identified capacity of £22.1m by 2015, which represents 41% of the capacity available in Stafford. Therefore, in 2015, there is a quantitative need for £13.1m of new convenience goods floorspace. WYG estimate that this could accommodate convenience goods floorspace of between 1,050 sq.m and 2,550 sq.m (net), depending on the end operator at 2015.



5.33 In terms of Stone, we estimate that there is capacity of £12.8m by 2010, taking into account the current planning permission (Aldi), then if implemented this would absorb just 24% of the immediate capacity at 2010. At 2015 the identified capacity will increase to £17.0m after taking account the potential turnover of the Aldi store (£3.3m at 2015) then there is a quantitative need for £13.7m of new convenience goods floorspace in the medium term based on the existing market share. WYG estimate this could accommodate convenience floorspace of between 1,100 sq.m and 2,680 sq.m (net), depending on the end operator at 2015. Figure 5.1 below shows the cumulative phasing of convenience goods floorspace over the short to long term (2010 – 2026) for the Borough, Stafford and Stone (based on one of the 'big four' supermarkets) and after excluding known planning commitments at 2010.

Figure 5.1: Phasing of Convenience Goods Floorspace Capacity 2010-2026) after Planning Commitments



Floorspace Capacity based on leading four operator average sales density (12,155 sq.m (Verdict 2009) plus increased productivity).
 Excludes extant convenience goods planning permissions (based on residual expenditure capacity divided by above sales density)
 Note: Stone floorspace capacity likely to be lower given lower sale density of approved Aldi store.



Qualitative Need

- 5.34 Unlike its predecessor, PPS4 places equal weight to quantitative and qualitative need. Therefore, in addition to considering quantitative need (or retail capacity), in line with guidance contained in PPS4, it is important to also assess wider qualitative issues.
- 5.35 The Household Survey suggests that most households undertake two kinds of food shopping – main food shopping (i.e. a bulk food shop) and 'top-up' food shopping (regular purchases for small-scale goods such as bread, milk, etc.).
- 5.36 Stafford Borough is identified to contain three superstores (defined as comprising more than 2,500 sq.m of trading floorspace in Annex B to PPS4). These comprise the Asda, Sainsbury's and Tesco Extra stores at the edge-of Stafford Town Centre.
- 5.37 Although falling below the 2,500 sq.m threshold identified by PPS4, the Morrisons store in Stone also performs an important main food shopping role, particularly for residents within the north of the Borough.
- 5.38 These stores are supported by a number of smaller stores, including representation within the Borough from Co-op, Iceland, Lidl and Marks & Spencer. In addition, planning permission exists for a new Aldi store in Stone. There are also a number of smaller convenience stores and independent traders (such as butchers, bakers, grocers, etc.), which sell a variety of convenience goods, but generally serve a 'top-up' shopping role.
- 5.39 Existing facilities within the Borough are identified to attract approximately 50% of convenience goods expenditure generated within the Study Area. Whilst this suggests that half of convenience goods expenditure is directed to facilities elsewhere, as previously highlighted the Study Area extends beyond the administrative area of Stafford into the neighbouring authorities. Accordingly, residents within the peripheral parts of the Study Area (such as the Rugeley Zone) are located closer to competing provision than they are to facilities in Stafford Borough. Therefore, it is to be expected that expenditure generated in these zones is directed to facilities elsewhere.
- 5.40 Although approximately half of convenience goods expenditure generated in the Study Area is directed to facilities outside the Borough, it is significant to note that within the core zones (i.e. Stone, Brocton, Stafford and Weston zones) more than 80% of convenience goods expenditure generated is



directed to facilities inside the Borough. Furthermore, within the Stone, Stafford and Brocton zones more than 94% of convenience goods expenditure is attracted to facilities in the Borough. These high market shares (which have increased since 2000) suggest that limited convenience goods expenditure generated in the core areas is being directed to competing facilities elsewhere. Therefore, it appears that there is limited scope to claw back expenditure currently being directed to facilities outside Stafford Borough. Furthermore, in considering any increase in market shares from the peripheral areas of the Study Area, it is important to note that significant proposals to improve the convenience goods offer in both Rugeley and Hednesford, which will be well positioned to serve residents within parts of the Study Area, particularly the Rugeley Zone.

- 5.41 PPS4 also indicates that the degree to which shops are overtrading should be taken into consideration when determining the qualitative need for new convenience floorspace. Our analysis identifies that collectively existing convenience floorspace within the Borough is trading above expected levels in 2010 (by 7%). Furthermore, it is notable that the four largest stores in the Borough (Asda, Sainsbury's and Tesco in Stafford and the Morrison's store in Stone) are all trading above expected levels. In particular the Morrison's store in Stone is identified to be trading some 82% above expected levels. The strong performance of this store is likely to be reflective of the limited main food shopping provision within this part of the Borough.
- 5.42 As set out above the identified need reflects the level trading that currently occurs within the Borough. The need identified in the short term has been derived from an assessment of over trading of specific stores within the Borough. It is clear that after taking into account extant planning permissions, there will be a need for new supermarket provision in both Stafford and Stone at 2015. The introduction of further floorspace will help reduce any overtrading that exists and will also increase local choice and competition. It is generally accepted that supermarkets compete for trade against other supermarkets. Therefore, the potential impact of any new supermarket entering either town will mostly be focused on trade draw from existing supermarkets rather than the town centre as a whole. However, the potential impact will ultimately depend on the location of any new store (s), for example new locations not well related to town centre may have an adverse impact on supermarkets that currently support the vitality and viability of the Borough's existing town centres, where established linked trips are evident. Therefore, careful consideration will need to be given to the location of future provision. If site(s) exist within or on the edge of existing town centres, then these should be encouraged wherever possible to ensure that linkages can be facilitated.



5.43 Whilst the use of household survey results is commonly accepted in seeking to identify existing shopping patterns, their findings should be treated with a 'note of caution' as they tend to have a bias towards larger stores and understate the role of smaller stores and independent retailers. However, the results should be monitored regularly (every 5 years) to ensure that shopping pattern do not alter radically or changes in future provision can be assessed. **Table 5.9** provides a summary of the current market share of the leading supermarket operators within the Borough.

Table 5.9: Market Share of Leading Foodstore Operators within Stafford Borough (Based on defined Study Area)

Fascia	Market Share (%)
Asda	25.9
Tesco	20.3
Sainsbury's	17.3
Morrisons	16.8
Co-op	10.9
Marks & Spencer	2.6
Iceland	0.7
Spar	0.6
Lidl	0.5
Somerfield	0.2
Waitrose	0.0
Aldi	0.0
Netto	0.0

Notes: Derived from Stafford Household Survey and WYG analysis
Based on market share of expenditure attracted to facilities in the Borough only

5.44 Unsurprisingly, the table above illustrates that within the Borough, the four leading supermarket operators are identified to achieve the highest market shares. Indeed, collectively these four retailers are identified to attract more than 80% of convenience goods expenditure directed to facilities in the Borough.

5.45 Elsewhere, Co-op is identified to attract a relatively high market share within the Borough, albeit focused predominantly in small-format stores with the exception of the store in Stone. Representation from the discount retailers (i.e. Lidl, Aldi and Netto⁴) is limited. Indeed, there is currently no representation in the Borough by either Aldi or Netto. However, it is significant to note that planning permission has recently been granted for a new Aldi store in Stone, which will improve representation within the north of the Borough. Similarly, the Borough is not currently represented by retailers such as Waitrose, who are located nearby in Newport, Lichfield and Wolverhampton.

5.46 The current representation of convenience retailers in the Borough would suggest that there is a qualitative need for a greater range of retailers to be represented within Stafford Borough in order to

⁴ Asda has recently taken over Netto in the UK



enhance consumer choice and provide increased competition, this can be met through improved provision in Stafford and Stone, which also help to reduce the level of overtrading experienced in both towns.

Comparison Goods Shopping

Existing Provision

- 5.47 The main focus for comparison floorspace within the Borough is Stafford Town Centre (particularly for non-bulky comparison goods). The town centre (as identified by Experian Goad) comprises some 35,370 sq.m (gross) of comparison goods floorspace. However, it is notable that there has been a growth in out-of-centre retailing in recent years, including notably for non-bulky comparison goods such as clothing. Indeed, the retail offer of Queens Retail Park has increased significantly in recent years by moving away from a more traditional bulky goods retailer park to include retailers such as Next, Mothercare, Boots, Peacocks and New Look. In this respect, it is notable that a number of retailers (including Mothercare who closed their store in the Guildhall Shopping Centre) are not represented in the town centre. Similarly, the growing strength of large-format superstores as both a convenience and comparison goods destination also have a growing influence on the strength of existing centres as retail destinations.
- 5.48 The comparison goods elsewhere in the Borough, including Stone, is much more limited and generally serves a more localised role.

Market Shares

- 5.49 Analysis of the Household Survey identifies that the current level of trade passing through existing facilities within the Borough from the Study Area is estimated to be £316.9m in 2010. This represents a market share of **48.4%** within the Study Area.
- 5.50 It is evident that the market share for comparison goods (48.4%) achieved by existing facilities in the Borough is comparable to that identified for convenience goods (49.9%). This suggests that local residents are less likely to travel further distances for purchasing comparison goods and shows that people are generally not looking to drive to higher order centres (such as Wolverhampton, Stoke-on-Trent or Birmingham) to satisfy their comparison goods shopping needs.



5.51 **Table 5.10** provides a breakdown of comparison goods market share achieved by different destinations within the Borough.

Table 5.10: Comparison Goods Market Share and Turnover within the Study Area (2010)

Destination	Market Share (%)	Survey Estimate Turnover (£m)
Stafford		
Town Centre	33.6	219.8
<i>Edge-of-Centre / Out-of-Centre</i>		
Supermarkets	0.9	5.9
Hough Retail Park	3.4	22.6
Madford Retail Park	1.6	10.6
Queens Retail Park	4.8	31.7
Other Out-of-Centre	0.5	3.0
Sub-Total	44.9	293.6
Stone		
Town Centre	2.4	15.5
Other	0.1	0.2
Sub-Total	2.4	15.7
Other	1.2	7.6
Sub-Total	1.2	7.6
TOTAL	48.4	316.9

Notes: Based on findings of the Stafford Household Survey (2010)
Based on market share of expenditure
At 2007 prices

5.52 Based on the findings of the household survey, facilities in Stafford Town Centre are the most popular within the Borough for comparison goods shopping, retaining a third of all the available expenditure within the Study Area. Elsewhere in Stafford, existing edge and out-of-centre destinations are also retaining a significant level of expenditure, for example Queens and Hough Retail Parks are the second and third most popular destinations respectively, at 4.8% and 3.4%. Together (or 8.2%) they represent 19% of the comparison goods expenditure retained in Stafford, illustrating their importance on local shopping patterns and influence on the town centre. Stafford Town Centre retains 75% of all the comparison goods expenditure retained at facilities in Stafford Borough.

5.53 Elsewhere in the Borough, Stone is identified to attract just 2.4% of all comparison goods expenditure in the Study Area. This is below that attracted to both Hough and Queens Retail Parks demonstrating shift in shopping patterns away from traditional town centres to purpose built retail parks. The position of Stone as a comparison goods destination is somewhat limited by Stafford but also the facilities available in the Stoke-on-Trent conurbation.

5.54 Analysis of the Household Survey identifies that Stafford Town Centre attracts a comparison goods turnover of £219.8m in 2010 from the Study Area. Based on a net comparison floorspace within the



centre of 28,300 sq.m (assuming 80% of the gross floorspace identified by Goad) this level of turnover equates to an average comparison goods sales density in excess of £7,760 per sq.m. This figure appears high and we would usually expect a centre such as Stafford to achieve an average sale density of between £5,000 and £6,000 per sq.m.

- 5.55 From analysis of the survey evidence the strong performance of Stafford Town Centre is likely to be due to respondents to the survey recording Stafford Town Centre, when instead respondents may have visited facilities in the surrounding retail parks. Indeed, for furniture and electrical goods shopping, the survey evidence identifies that facilities in Stafford achieve market shares of 22% and 30% respectively within the Study Area, whereas edge/out-of-centre facilities, which contain a number of large format retailers is identified to achieve a market share of 14% and 16% respectively. Consequently based on the potential respondent bias towards Stafford Town Centre, the centre is trading significantly above expected levels, whereas the retail parks were found to be trading below expected levels, which does not reflect on-site observations. Often this is a result of people responding 'Stafford Town Centre' rather than stating specifically where they go – i.e an individual shop or retail park.
- 5.56 **Table 26 at Appendix 6** provides an assessment of the survey derived turnover of existing facilities within the town centres but also the retail parks and compares these against 'expected benchmark' levels. The expected turnover is derived from data published by Verdict and Mintel Retail Rankings or professional assumptions (if no data is available).

Capacity

- 5.57 As highlighted, the Household Survey appears to over estimate the market share of existing centres (notably Stafford) and underestimated the role of retail provision elsewhere (retail parks). Therefore, in assessing future capacity, our assessment is based on the turnover of all comparison floorspace within the Borough which will equal any variances out of the capacity exercise. Later we will examine Stafford and Stone individually.
- 5.58 By 'rolling forward' the Borough's overall market share it is possible to examine the likely comparison goods floorspace required in order to maintain current market share (at a level of approximately 48% of all comparison goods expenditure within the defined Study Area). This exercise does not take into account any changes to special forms of trading (e.g. internet sales) and allows for modest levels of improved productivity of existing floorspace. It is forecast that between 2010 and 2026, an additional



£258.2m will be available for comparison goods shopping within the Borough. On this basis, **Table 5.11** identifies the available capacity for additional comparison goods floorspace in the Borough up to 2026.

Table 5.11: Estimated 'Capacity' for Comparison Goods Facilities – Stafford Borough

Year	Benchmark Turnover - £m ¹	Expenditure Available - £m ²	Surplus Expenditure - £m
2010	296.1	316.9	20.8
2015	319.0	389.3	70.4
2021	348.8	508.0	159.2
2026	375.7	633.9	258.2

Notes: ¹ – Allows for increased productivity at +1.0% per annum up to 2015 and 1.5% thereafter
² – Assumes constant market share 48.4% in the Study Area
 Surplus expenditure between 2010 and 2026 is a cumulative total (e.g. capacity by 2015 includes the identified capacity in 2010)
 At 2007 prices

5.59 When comparing the turnover (£316.9m) derived from the market share, to the estimated benchmark turnover of all facilities in the Borough's (£296.1m) it would appear that existing facilities are overtrading £20.8m at 2010. However, this analysis has to be treated with a note of caution as it is difficult to assess the benchmark turnovers of a significant number of town centre traders. Based on the analysis within the retail model, it is estimated that there will be a capacity of approximately £70.4m by 2015. This will increase further to £159.2m by 2021 increasing to almost £258.2m by 2026. This capacity is identified despite the difficult trading conditions after the recession of 2008 and 2009. Furthermore, beyond 2014/2015 the economy is forecast to recover, and the potential level of capacity may increase further.

5.60 However, this level of capacity does not take into account outstanding commitments. This amount of expenditure will be available for all comparison goods floorspace (both bulky and non-bulky) and is based on the current forecast growth in expenditure and population, constant market share and assumption of static growth in non store sales. Accordingly the Council will need to carefully monitor any changes in the future.

5.61 By applying an average sales density of £5,000 per sq.m (and allowing for increased productivity through to 2026⁵), this capacity equates to the following floorspace requirements within the Borough (not taking into account extant commitments).

- By 2010 – 4,200 sq.m (net)

⁵ Increased productivity has been assumed at 1% per annum up to 2015 and then 1.5% thereafter.



- By 2015 – 13,300 sq.m (net)
- By 2021 – 27,600 sq.m (net)
- By 2026 – 41,500 sq.m (net)

5.62 Using the same approach as above, **Table 5.12** estimates the available capacity for additional comparison goods floorspace in Stafford through to 2026. By ‘rolling forward’ Stafford’s overall market share it is possible to examine the likely comparison goods floorspace required in order to maintain its current market share 44.4%.

Table 5.12: Estimated Available Comparison Goods Expenditure – Stafford

Year	Benchmark Turnover – £m	Expenditure Available - £m	Surplus Expenditure - £m
2010	266.6	290.5	23.9
2015	287.2	356.9	69.7
2021	314.0	465.7	151.7
2026	338.3	581.1	242.8

Notes: Allows for increased productivity of +1.5% per annum and assumes constant market share of 44.4% in the defined Study Area
Assumes constant SFT
Includes growth directed to out-of-centre retail parks (Hough Retail Park, Queens Retail Park and Madford Retail Park)
At 2007 prices

5.63 When comparing the turnover (£290.6m) derived from the market share, to the benchmark turnover facilities in Stafford (£266.6m) it would appear that existing facilities are overtrading and therefore, there is a clear demonstrable need (£23.9m) at 2010. This is based on the market share remaining constant and allowing for improved productivity⁵, the capacity of Stafford will be £69.7m. Capacity will increase to £151.7 by 2021 increasing to almost £242.8m by 2026. The majority of the needs will be driven by the growth which should be directed towards Stafford Town Centre to support improved facilities and its future expansion. By applying an average sales density of £5,000 per sq.m (and allowing for increased productivity through to 2026⁶), this capacity equates to the following floorspace requirements within Stafford (not taking into account extant commitments).

- 2010 – 4,800 sq.m (net)
- 2015 – 13,200 sq.m (net);
- 2021 – 26,270 sq.m (net); and
- 2026 – 39,000 sq.m (net).

5.64 By ‘rolling forward’ Stone’s overall market share it is possible to examine the likely comparison goods floorspace required in order to maintain its current market share, namely at a level of approximately 2.4% of all comparison goods expenditure within the defined Study Area.

⁶ Increased productivity has been assumed at 1% per annum up to 2015 and then 1.5% thereafter.



Table 5.13: Estimated Available Comparison Goods Expenditure – Stone

Year	Benchmark Turnover – £m	Expenditure Available - £m	Surplus Expenditure - £m
2010	18.6	15.5	-3.1
2015	20.0	19.3	-0.7
2021	21.9	25.2	3.3
2026	23.6	31.4	7.8

Notes: Allows for increased productivity of +1.5% per annum and assumes constant market share of 2.4% in the defined Study Area
 Assumes constant SFT
 At 2007 prices

5.65 When comparing the turnover (£15.5m) derived from the market share, to the Stone’s benchmark turnover (£18.6m), the survey evidence suggests that existing comparison goods floorspace is trading below expected levels. As a result **Table 5.13** highlights that there is no capacity identified for additional comparison goods floorspace in Stone (based on currently market shares) until after 2015. At 2021 there is expected to be capacity for £3.3m increasing to £7.8m by 2026. By applying an average sales density of £3,000 per sq.m (and allowing for increased productivity through to 2026⁷), this capacity equates to the following floorspace requirements within Stone (not taking into account extant commitments).

- 2010 – Nil
- 2015 – Nil
- 2021 – 970 sq.m (net); and
- 2026 – 2,220 sq.m (net).

5.66 Whilst the results demonstrate that there is significant capacity in the short term (up to 2015) especially in Stafford, any capacity identified in the long term (beyond 2019) should be treated with caution and not be used as a basis to support additional out-of-centre retail floorspace in the short term.

Outstanding Commitments

5.67 As previously highlighted, there are a number of extant planning permissions with the Borough which are set out in **Table 5.14** below. The first relate to the non food element of the extensions to the Tesco and Asda supermarkets, which together will have create 1,483 sq.m (net) of new comparison goods floorspace and generate a benchmark turnover of £6.8m.

⁷ Increased productivity has been assumed at 1% per annum up to 2015 and then 1.5% thereafter.



5.68 The Riverside redevelopment which will deliver 14,420 sq.m of new retail floorspace and will provide 10,815 sq.m of net comparison goods floorspace if implemented, we estimate (based on average sales density of £5,000 per sq.m) that it will have a turnover of £54.1m. In addition, there is a commitment at Tipping Street which will deliver 981 sq.m of net comparison goods floorspace which based on the same average sale density as Riverside will have an estimated turnover of £4.9m.

5.69 In total, we estimate that existing facilities in Stafford will have a combined turnover of £65.8m if fully implemented. These commitments will absorb nearly 95% of the identified capacity (£69.7m) by 2015. WYG are aware that if the existing planning permission at Riverside is not implemented before 2015 and the permissions lapses then an additional £54.1m of expenditure would be available to the town centre.

Table 5.14: Outstanding Commitments within the Borough

Scheme	Gross Floorspace (sq.m)	Comparison	
		Net Sales Area	Turnover
Stafford			
Tesco Extension*	-	917	4.3
Asda Mezzanine*	-	566	2.5
Riverside Redevelopment	14,420	10,815	54.08
Tipping Street	1,308	981	4.91
Sub-Total	-	13,279	65.8
Stone			
Aldi, Former Buffer Depot Site	1,626	304	0.9
Sub-Total	1,626	304	0.9
TOTAL	-	12,602	66.7

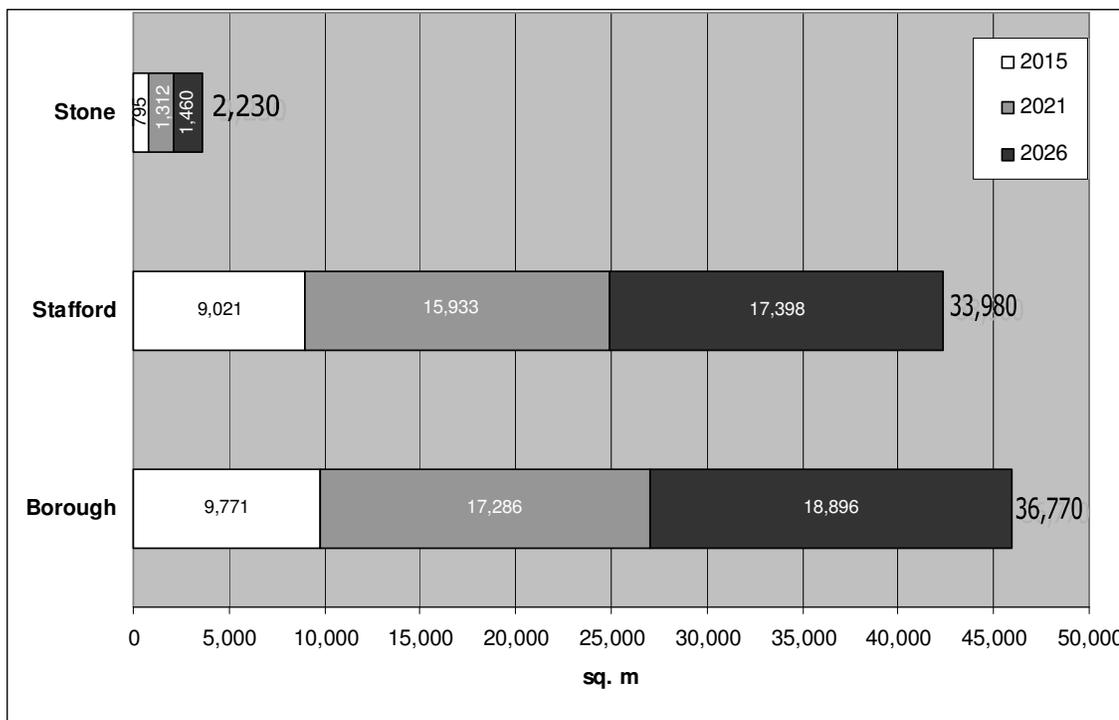
Notes: * Assumed to trade at 50% expected levels
 Net floorspace derived from relevant application or WYG judgement
 Benchmark sales densities derived from Mintel Retail Rankings (2009) or Verdict Grocery Retailers (2009)
 At 2007 prices

5.70 In terms of Stone, planning permission has been granted for a new Aldi foodstore located off the A34. This will have a small element of non-foods sales area (304 sq.m), which we estimate will have a turnover of just £0.9m.

5.71 Clearly, it is evident that outstanding planning commitments for additional comparison goods floorspace within both Stafford and Stone (which is identified to results in additional comparison goods turnover of approximately £66.7m) will meet the identified capacity within the Borough until 2015 based on market shares remaining constant. Figure 5.2 shows the cumulative phasing of new comparison goods floorspace above and beyond existing extant planning permissions through the plan period to 2026.



Figure 5.2: Phasing of Comparison Goods Floorspace Capacity 2010-2026 after Planning Commitments.



Floorspace Capacity based on average sales density of £5,000 per sq.m for Stafford Town and Borough and £3,000 per sq.m for Stone plus increased productivity. Excludes extant comparison goods planning permissions (based on residual expenditure capacity divided by above sales densities)

Qualitative Need

Non Bulky Goods

5.72 Stafford Borough contains a range of non-bulky comparison goods floorspace (which includes clothing and footwear, books, CD's, chemist goods and small household goods), including in centre and out-of-centre provision. However, the strength and proximity of competing provision such as Cannock, Telford and facilities in the Stoke-on-Trent conurbation clearly influence shopping patterns within the Borough. The survey evidence suggests that nearly 50% of non-bulky goods expenditure generated within Zones 1 to 8 is directed to existing facilities in the Borough. This is comparable to that achieved for main food shopping. On reflection the results shows that existing facilities provide a strong position in the local area, which reflects the range and quality of such provision that is available in the Borough.



5.73 In terms of non-bulky goods, the household survey identifies that existing facilities within the core area of the Borough (Zones 2, 5, 6 and 7) the market shares range between 60% and 90%. For example Zone 5 and 6 which cover the areas around Stafford achieve market share of between 86% and 90% which shows strong retention of non-bulky expenditure with Zone 7 achieving a non bulky market share of 71%.

Table 5.15: Breakdown of Market Shares of Stafford Borough – Non Bulky Goods

Goods	Market Share by Survey Zone								Total
	1	2	3	4	5	6	7	8	
Clothing	31.4	53.3	32.2	10.2	75.6	85.2	66.7	40.0	48.8
Books, etc.	21.3	73.8	35.9	4.8	89.0	98.7	89.5	56.3	56.9
H'hold	22.0	48.4	35.9	16.3	85.3	87.7	60.6	44.1	46.1
Toys, etc.	16.9	48.7	31.3	10.0	91.7	88.6	71.4	40.7	45.4
Chemist	8.2	88.4	26.4	2.8	98.6	99.1	82.0	40.3	52.2
TOTAL	21.4	59.7	31.8	9.4	86.4	90.0	71.3	42.1	49.3

Notes: Based on findings of the Stafford Household Survey (2010)
Based on market share of expenditure
At 2007 prices

5.74 In terms of Zone 5 and 6, it is clear from **Table 5.15** that high levels of expenditure is retained for each of the different non bulky good sectors, which shows that there is limited leakage of expenditure to other destinations. This suggests that the existing provision is meeting the needs of the local communities and any leakage could be a result of travel to work and more specialised trips or days out which appear reasonable.

5.75 However, on the more peripheral Zones (like 1, 3 4 and 8) the market shares are lower, this is to be expected given the proximity of competing facilities within or just beyond these Zones. For example in Zone 3, the influence of Telford is clear and is normal given its comparable offer to Stafford. On a qualitative basis, we believe that the market shares within the core Zones appear reasonable and retaining sufficient levels of expenditure.

Bulky Goods

5.76 Existing facilities within the Borough are identified to achieve a market share of bulky goods (defined as furniture, DIY, garden and large electrical goods) within the Study Area of 46.2%. This figure is lower than that achieved for non-bulky goods. The market share within the core Zones increases to between 69% and 90%, which is comparable if not slightly higher than that found for non bulky goods.



5.77 Within the Borough, modern large format retail floorspace is predominantly located outside the two main town centres, but is generally located in and around Stafford urban area. These are located at Queens, Hough and Madford Retail Parks.

Table 5.16: Breakdown of Market Shares of Stafford Borough – Bulky Goods

Goods	Market Share by Survey Zone								Total
	1	2	3	4	5	6	7	8	
Electrical	9.2	76.1	28.8	9.8	95.3	97.5	79.2	34.8	49.6
DIY	14.7	72.8	20.8	0.0	99.0	98.7	96.5	29.9	50.5
Furniture	5.1	58.4	18.9	0.0	74.1	80.5	63.7	19.1	36.5
Garden	42.7	71.5	68.8	3.7	59.8	72.5	86.2	4.7	51.2
TOTAL	11.6	68.9	26.7	3.9	86.0	89.9	78.0	26.0	46.2

Notes: Based on findings of the Stafford Household Survey (2010)
Based on market share of expenditure
At 2007 prices

- 5.78 A breakdown of the market share achieved by existing facilities in the Borough on a zone by zone basis is contained in **Table 5.16** above.
- 5.79 Within the Study Area, existing facilities within the Borough are identified to attract between 36.5% for furniture goods and 51.2% for garden goods. The lowest market shares are achieved in Zones 1 (Rugeley), 4 (Uttoxeter) and 8 (Wheaton Aston/Penkridge), given their proximity to other competing centres (Cannock, Burton and Wolverhampton).
- 5.80 In terms of DIY and electrical goods, the principle zones (Zones 5, 6 and 7) covering the Borough, all retain over 95% (except electrical in Zone 7), which show strong trade retention in these key retail sectors, which demonstrates the strong retail offer in Stafford. Therefore there is a qualitative need to improve the retail offer in the other bulky goods sectors to levels obtained in DIY and electrical sectors.
- 5.81 Whilst there appears to be a qualitative need for improved retail provision within the Borough (both in the bulky and non-bulky goods sectors) it is well provided for in most sectors and there may be limited qualitative need in certain sectors. With both a strong provision of non-foods retailing and the close proximity of nearby provision, which are easily accessible by a variety of modes of transport, means that local residents are not inconvenienced by the lack of retail offer. Despite this, should appropriate opportunities exist, the Council should seek to explore the possibility of improving both the quantity and importantly the quality of the existing retail offer within the Borough, so long as it does not have an adverse impact on the existing network of town, district and local centres.



Summary

- 5.82 Based on current shopping patterns and strong performance of existing facilities, there is a demonstrable need for further retail floorspace within the Borough. First in terms of convenience goods floorspace, we have found that existing planning commitments in Stafford will meet the current identified need at 2010 and that a medium sized supermarket can be accommodated in Stone in the immediate to short term (up to 2015) above that to be realised through the introduction of the Aldi supermarket.
- 5.83 The identified need for additional comparison goods floorspace in the Borough, will be met by outstanding planning commitments in the short term. However, there may be a qualitative need to improve certain sectors in the longer term.



6.0 LEISURE AND OFFICE PROVISION AND CAPACITY WITHIN STAFFORD

Background

6.01 In order to establish commercial leisure patterns within Stafford Borough, it is possible to examine the results of the Household Survey, which asked specific questions on where and how frequently residents undertake a variety of leisure activities. The Household Survey asked questions relating to the following leisure activities under the categories set out in PPS4:

- Entertainment
 - Cinemas;
 - Ten-pin bowling; and
 - Bingo.
- Intensive Sports and Recreation
 - Health & Fitness;
- Leisure
 - Nightlife such as bars, pubs and nightclubs;
 - Restaurants;
- Art and Cultural (Theatres/Galleries/Museums);

6.02 A copy of the questionnaire and full tabulations of the Household Survey are contained at **Appendix 4**. This section will also consider the office as an identified main town centre use in PPS4, although this was not reviewed within the household survey.

Existing Entertainment Provision and Patterns

6.03 Commercial entertainment provision within the Borough is limited and includes the Apollo cinema on Newport Road in Stafford Town Centre, and bingo clubs (comprising Gala Bingo Club) and the tenpin bowling centre at Greyfriars in Stafford. In terms of Stone, facilities are more limited, with no recognised commercial entertainment facilities.

6.04 Set out below is our assessment of current leisure patterns within the defined Study Area as identified by the Household Survey.



Cinemas

- 6.05 Within the defined Study Area, the Household Survey identified that approximately **48%** of respondents visit the cinema.
- 6.06 The most popular destination was identified to be the Apollo cinema in Stafford Town Centre, which attracts nearly a quarter (24.8%) of residents within the Study Area that visit the cinema. Understandably, this facility is particularly popular with residents within Zones 5 (Brocton) and 6 (Stafford), attracting 63% and 59% respectively, together with Zone 7 (Weston) at 50%. The Showcase Cinema at Walsall (15%), primarily from the Zone 3 (Newport/Gnosall) (35%), the VUE at Newcastle under Lyme (14%), primarily from the Zone 2 (Stone) (67%), the Cinebowl at Uttoxeter (10%), primarily from the Zone 4 (Uttoxeter) (84.5%), are identified to be popular destinations for residents within the Study Area.

Cinema Capacity

- 6.07 As previously highlighted, the Borough contains one cinema (Apollo) which is identified to be the most popular destination for residents within the Study Area. Despite this cinema only offering 3 screens, it is clear that it is attracting both local residents and residents from further afield demonstrating its popularity. It is clear that this cinema is performing strongly, probably as the larger multiplex cinemas are located over 15 miles away (Walsall, Newcastle etc).
- 6.08 The lack of competing facilities in the local area is clearly sustaining the performance of this cinema. The distance to other leisure facilities available at larger centres when compared to the existing cinema make competing facilities less attractive. Based on existing market shares within the Study Area, our assessment (**Appendix 7**) indicates that there is an marginal undersupply of cinema screens within the Borough. Based on the current market shares, the Borough could support a cinema with at least 4 screens. This compares to the existing Apollo cinema containing three screens.
- 6.09 We believe that there is also a qualitative need to improve the current cinema provision within the Borough which will help create more sustainable travel patterns. If for example the market share were to increase from 25% to 30%, then we estimate that 6 screens could be supported over the plan period to 2026. Any new cinema provision should be focused however within a central location in Stafford forming strong links with the established centre; this will encourage a more diverse and vibrant town centre throughout the day and evening. Given the population of Stone's and its



proximity to the Stoke-on-Trent conurbation, it is unlikely that new cinema provision could be sustained in the town.

Ten-pin Bowling

- 6.10 Within the defined Study Area, the Household Survey identifies that **29%** of respondents participate in this activity.
- 6.11 Of those respondents within the Study Area who stated that they visited such facilities, approximately two thirds (74.7%) used facilities within the Borough. This equates to a catchment population of approximately 52,500 people in 2010. There is only one facility within the Borough, which is the Tenpin facility at Greyfriars Place adjacent to Madford Retail Park to the north of the defined town centre.
- 6.12 The current facility is extremely popular and everyone who partakes in such activity in Zones 5, 6 and 7 visits the Stafford ten-pin facility. It also has a strong influence in seven of the eight survey zones (except Zone 4 which covers Uttoxeter).

Table 6.1: Market Shares Achieved by Main Centres – Ten Pin

Local Authority	Market Share								TOTAL
	1	2	3	4	5	6	7	8	
Within Stafford Borough									
Tenpin Stafford	77.4	84.6	72.7	4.9	100	100	90	66.7	74.7
All Borough	77.4	84.6	72.7	4.9	100	100	90	66.7	74.7
Cinebowl Uttoxeter	0	0	0	90.2	0	0	10	0	11.5
Tenpin, Stoke-on-Trent	0	15.4	0	4.9	0	0	0	3	3.4
Strykers, Wolves	3.2	0	0	0	0	0	0	21.2	2.5
Tamworth	9.7	0	0	0	0	0	0	0	2.5
Telford	0	0	22.7	0	0	0	0	6.1	2.3

Source: NEMS Stafford Household Survey (April 2010) and Appendix 4
Excludes 'varies/no pattern' and 'online' shopping

Ten-pin Bowling Capacity





- 6.13 The Household Survey identifies ten-pin bowling participation rate within the Study Area of 29%. As previously highlighted the Borough currently contains one ten-pin bowling facility providing 20 lanes which appears to be well utilised by both local and surrounding residents travelling from outside the Borough, including the Cannock and South Staffordshire areas. Given the popularity and the relatively limited offer elsewhere it would appear that local population are well catered for bowling facilities.
- 6.14 With the current facility built in the 1980's we believe that given the clear popularity of the facility, there may also be a qualitative need to improve the current offer and enhance the number of lanes currently available. However, WYG are well aware that the commercial demand to deliver such facilities is extremely limited and given the fact Stafford already has a successful facility the potential to capture another is unlikely to be significant.

Bingo

- 6.15 Within the defined Study Area, the Household Survey identifies that more than 4% of respondents participate in bingo. This participation rate is below that found from our experience in completing similar surveys elsewhere in the UK. For example, within the recently completed Salford Retail Study (2010) and Oldham Retail & Leisure Study (2009) the survey identified a participation rate of approximately 8% and 10% respectively. The unpopularity of bingo, may be due to the limited provision within the Borough which is restricted to the Gala Bingo on Queensville Retail Park in Stafford.
- 6.16 Of those respondents who stated that they participated in bingo, a significant proportion (76%) indicated that they use facilities within the Borough. The most popular destination within the Borough is identified to be the Gala bingo on Queensville Retail Park off Silkmore Lane (67%). Given the low market share, facilities within the Borough are identified to achieve an adult catchment population for bingo of just 6,000 people within the Study Area.
- 6.17 **Table 6.2** provides a breakdown of the market share achieved by facilities within and outside the Borough. Low participation appears to be related to the proximity of facilities, whereby the highest participation levels are in Zones 1, 6 and 8 which benefit from facilities.



Table 6.2: Market Shares Achieved by Main Centres – Bingo

Local Authority	Market Share								TOTAL
	1	2	3	4	5	6	7	8	
Within Stafford Borough									
Gala, Stafford	60	0	33.4	0	100	75	100	62.5	67.4
Stafford	0	0	0	0	0	25	0	0	6
Gnosall	0	0	33.4	0	0	0	0	0	2.6
All Borough	60	0	66.8	0	100	100	100	62.5	76.0
Cannock	20	0	0	0	0	0	0	0	6
Telford	0	0	33.4	0	0	0	0	0	2.6
Walsall	10	0	0	0	0	0	0	0	3

Source: NEMS Stafford Household Survey (April 2010) and Appendix 4
Excludes 'varies/no pattern' and 'online' shopping

6.18 **Table 6.2** illustrates that the Household Survey did not identify significant trips for this activity within the Borough nor are they directed to facilities elsewhere. This reflects the limited popularity of such activity within the study area.

Bingo Capacity

6.19 Currently the Borough contains just one main bingo club (Gala Bingo). Despite limited participation rates and market share, by 'rolling forward' current market share there appears scope to support an additional facility within the Borough through to 2026. However, it is important to highlight that previous discussions between WYG and bingo operators indicate that bingo expansion is currently less active than it has been in recent years. The smoking ban that came into force in July 2007 has affected bingo participation rates. Consequently, it is unclear whether there will be commercial demand for additional facilities within the Borough. Notwithstanding questions over the commercial demand, if an opportunity arises to secure such provision then this should be focused towards a central locality in either Stafford or Stone to encourage linked trips with the town centre and enhance its diversity.

Intensive Sport & Recreation

6.20 The Borough benefits from a number of important sports and recreation facilities including public run leisure facilities, such as Stafford Leisure Centre and Beaconside Sports Centre in Stafford, and Westbridge and Alleyne's Sports Centres in Stone. There are a number of health clubs (both private



and Council-operated) including the large scale Esporta in Stafford as well as small scale independent facilities.

6.21 Approximately 31% of respondents (Adult) within the Study Area indicated that they participated in health and fitness activities. Of those respondents who do undertake this type of activity, most (41%) indicated that they used facilities in the Borough. This equates to a catchment adult population within the Study Area of approximately 23,660 people in 2010. Within zones 5 to 7 of the defined Study Area (which broadly represents Stafford local authority area) the market share of existing facilities within the Borough increases to more 92%, 90.5% and 70.5% respectively. 73.5% of residents within Zone 2 (Stone) visited facilities within the Borough.

6.22 **Table 6.3** provides a breakdown of the market share achieved by facilities within the Borough on a zone-by-zone basis for this activity.

Table 6.3: Stafford Borough 'Health & Fitness' Market Share - 2010

Survey Zone (%)								
1	2	3	4	5	6	7	8	TOTAL
1.4	73.5	22.2	7.9	91.8	90.5	70.5	11.1	40.6

Source: NEMS Stafford Household Survey (April 2010) and Appendix 4

6.23 Existing facilities within the Borough are identified to attract the vast majority of respondents (at least 70%) who undertake this activity within the Brocton, Stafford, Weston and Stone zones. Within the Borough the most popular destinations are identified to be facilities in Stafford primarily to Stafford Leisure Centre (22.8%) and public facilities in Stone (Westbridge and Allevines (achieving a combined market share of 7.8% within the Study Area). As with shopping and other leisure activities, the influence of facilities outside the Borough is greatest within Zones 1 (Rugeley), 4 (Uttoxeter) and 8 (Wheaton Aston/Penkridge) zones. This is to be expected given that these zones extend outside the Borough.

6.24 Outside the Borough the most popular destinations are identified to be facilities include Cannock District (where there are three public centres at Rugeley Leisure Centre, Chase Leisure Centre and the private Canon Health Club) and Penkridge Leisure Centre in South Staffs, and East Staffordshire (facilities in Burton-upon-Trent).

6.25 Given the current market share achieved by existing facilities there appears to be good provision of facilities within the Borough. Indeed, there is a mix of national operators, independent traders and strong Council run provision centres. The Household Survey identifies that collectively such facilities



attract 41% of respondents within the Study Area who partake in this activity (this increases to +70% within zones 2, 5 to 7). Therefore, there does not appear to be a pressing need for improved provision within this sector. However, there may be scope to improve the qualitative range of facilities within the Borough, namely in Stafford to help create a more competitive sector, any such new facilities should be encouraged to a central site with strong physical links with the town centre to support linked trips. Stone is well provided with recreational facilities.

Evening and Leisure Economy

- 6.26 The evening and leisure offer within the Borough generally comprises local leisure facilities such as pubs, bars, restaurants, etc. Most public houses and restaurants can be found in the main urban areas (Stafford and Stone) and surrounding villages. Stafford has the greatest variety of restaurants ranging from national chain operations (such as Pizza Express, Bella Italia) to independently operated restaurants offering a mixture of cuisines. Similarly Stafford benefits from a variety of public houses, ranging from brewery to independently operated establishments. Goad identified 18 public houses in April 2010 dispersed throughout the town centre but mainly on secondary streets such as Eastgate and Mill Street as well as seven bars and the Zanzibar (now called Couture and Noir et Blanc) nightclub on Newport Road.
- 6.27 Stone's evening economy is dominated by mainly independently operated restaurants and bars. The town centre benefits from eleven restaurants, and three bars. The town centre benefits from seven public houses, including the Poste of Stone operated by Wetherspoons, the remainder are either independently operated or managed by a brewery. The evening economy is centred around Granville Square in the northern quarter of the town centre and Stafford Street in the southern area of the town centre.
- 6.28 Given the rural nature of parts of the Borough, residents benefit from a number of freestanding country public houses and restaurants throughout the Borough.

Bars, Pubs and Clubs

- 6.29 Within the defined Study Area, the Household Survey identifies that more than half (**51%**) of respondents indicated that they visited pubs, bars or nightclubs.
- 6.30 Of those respondents within the Study Area who stated that they visited such facilities, approximately a third (52%) used facilities within the Borough. This equates to an adult catchment population of



approximately 49,800 people in 2010. Within the Borough, the most popular destinations are identified to be Stafford (34%), Stone (13%) and Eccleshall (1%).

6.31 It is evident that less than half (48%) of respondents within the Study Area use facilities outside the Borough, but this is because the study area extend beyond Stafford Borough’s administrative boundary. This is most notably to facilities in neighbouring Cannock Chase District (23%). **Table 6.4** provides a breakdown of the market shares achieved by the most popular destinations within and outside the Borough on a zone-by-zone basis.

Table 6.4: Market Shares Achieved by Main Centre Pubs/Clubs/Nightclubs

Local Authority	Market Share								
	1	2	3	4	5	6	7	8	TOTAL
Within Stafford Borough									
Stafford	5.1	6.5	21.1	4.8	89.9	94.1	39.5	13.3	34.4
Stone	0	79.0	0	2.4	1.4	0	7	2.2	12.9
Eccleshall	0	6.5	0	0	0	0	2.3	0	1.1
Others	3.5	3.2	5.3	0	0	0	27.9	2.2	3.4
All Borough	8.6	95.2	26.4	7.2	91.3	94.1	76.7	17.7	52.1
Cannock District									
	65.8	0	0	0	2.8	0	7.0	51.1	22.7
Wolverhampton									
	0.9	0	2.6	0	0	2	0	4.4	1.0
Birmingham									
	3.4	0	2.6	0	2.9	0	7	2.2	2.2
Uttoxeter									
	0.9	0	0	64.3	0	0	0	0	2.8
Stoke & NuL									
	0	3.2	0	2.4	0	2	0	0	0.9

Source: NEMS Stafford Household Survey (April 2010) – Table 6B, Appendix 4
Excludes 'varies/no pattern' and 'online' shopping

6.32 **Table 6.4** illustrates the strong influence of local facilities within the Borough and on this type of activity for residents within the Study Area. It illustrates that people visit local facilities during the majority of time. In particular, more than 91% of respondents within the zones 2, 5 and 6 indicated that they primarily visited facilities within the Borough for this activity. Within Zone 2 which covers Stone, 79% of residents visited local facilities within the town, the same findings were found for Zone 5 and 6 which cover Stafford, where people visited facilities within Stafford. In Zone 7 which is more rural in nature, there was greater emphasis on people visiting their local village. The results show that sustainable visitor patterns occur in the Borough where people travel less distance to satisfy their evening activity.



Restaurants

- 6.33 Within the defined Study Area, the Household Survey identified well over three quarters (**78%**) of respondents visit restaurants. Of those people who visit restaurants, just over half (51%) use facilities in the Borough. This equates to an adult catchment population of approximately 73,775 people using facilities within the Borough.
- 6.34 Within the Borough the most popular destinations were identified to be Stafford (35%), followed by Stone (13.6%), and Eccleshall (1%). This is also reflective for pubs and clubs. The results show that Stone is more popular for restaurants than it is for pubs/clubs/nightclubs. Similarly in the zones which reflect the administrative boundary of the Borough, there is a high (+85%) retention of visits to facilities within the Borough.
- 6.35 **Table 6.5** provides a breakdown of the market shares achieved by main centres within and outside the Borough on a zone-by-zone basis.

Table 6.5: Market Shares Achieved by Main Centres – Restaurants

Local Authority	Market Share								
	1	2	3	4	5	6	7	8	TOTAL
Within Stafford Borough									
Stafford	7.6	10.8	23.2	1.8	81.9	94.7	49.1	21.4	35.1
Stone	0.6	48.3	0	7	1.2	1.3	14.0	1.4	13.6
Eccleshall	0	4.8	1.8	0	0	0	1.8	1.4	1.1
Others	1.2	0	1.8	0	2.4	1.3	32.1	2.8	1.6
All Borough	9.4	93.9	26.8	8.8	85.5	97.3	72.0	27.0	51.4
Cannock District									
	58.2	0	0	0	3.6	0	5.3	47.1	20.6
Lichfield									
	15.2	0	0	1.8	2.4	0	3.5	0	4.8
Birmingham									
	0.6	0	3.6	0	3.6	1.3	3.5	1.4	1.5
Uttoxeter									
	0.6	1.2	0	68.4	0	0	1.8	0	5.6
Stoke & NuL									
	0	2.4	0	1.8	0	0	0		0.5

Source: NEMS Stafford Household Survey (April 2010) and Appendix 4
Excludes 'varies/no pattern' and 'online' shopping

- 6.36 The evidence from the survey shows that there is a strong evening economy in both Stafford and Stone Town Centres which clearly adds to the vitality and viability. Therefore, any new development in this sector should be encouraged within or on the edge of existing town centres where possible – including forming part of new mixed used schemes. However, there may be instances where specific 'local needs' have to be met elsewhere and the Council will need to assess each case on its merits.



Art & Culture Facilities

- 6.37 The level of art and cultural facilities is varied throughout the Borough. Stafford Town Centre benefits from the Gatehouse Theatre on Eastgate Street and the Green Staffordshire Performing Arts Theatre on Lichfield Road, Shire Hall art gallery as well as the Ancient High House on Greengate Street, offering museum and art gallery facilities. The town centre benefits from two libraries as well as a number of religious facilities.
- 6.38 Stone's benefits from a number of significant cultural events occurring throughout the year ,including the Food and Drink, Books, Antique and Music festivals. The town centre also benefits from the public library on the High Street.
- 6.39 In terms of activity for this type of activity (e.g. theatres, galleries, museums, etc.) over half (**55.7%**) of respondents participate in this activity. However, of those respondents who participate in this activity less than a quarter (22%) is directed to facilities in the Borough. Within the Borough existing facilities are concentrated in Stafford, which include the Gatehouse theatre. Analysis of the Household Survey results suggests that existing facilities in the Borough achieve a catchment adult population of over 29,350 people for this activity.
- 6.40 Unsurprisingly, facilities in large cities, such as Birmingham are identified to be the second most popular destination for this type of activity attracting 19% of respondents. All facilities in the Potteries (27%) (Stoke-on-Trent and Newcastle-under-Lyme) were the most popular destination. 10% stated that they visited London and 9% took trips to Wolverhampton, demonstrating the variety of trips undertaken by local residents. The strength of Birmingham and the Potteries for this type of activity reflects the range of facilities typical in the larger regional centres and shows that residents have a willingness to travel to satisfy their cultural needs.



Table 6.6: Market Shares Achieved by Main Centres – Art and Culture

Local Authority	Market Share								TOTAL
	1	2	3	4	5	6	7	8	
Within Stafford Borough									
Stafford	4.5	5.7	12.5	10.6	50	59.2	26.5	13.8	21.9
All Borough	4.5	5.7	12.5	10.6	50	59.2	26.5	13.8	21.9
Birmingham	24.3	7.5	25	12.8	14.7	16.3	24.5	26.2	19
The Potteries	1.8	75.5	16.7	44.6	16.2	10.2	36.7	4.6	27
London	15.3	5.7	6.3	14.9	7.4	8.2	8.2	13.8	10.4
Wolverhampton	18	0	20.8	0	0	0	2	30.8	9.6

Source: NEMS Stafford Household Survey (April 2010) and Appendix 4
Excludes 'varies/no pattern' and 'online' shopping

Office

- 6.41 This study has not examined in detail the likely future need for office development based on complex economic forecasting of potential growth sectors. Whilst this exercise is primarily assessed as part of employment land studies, it is important to note that before the revocation of the Regional Spatial Strategy, there was a suggested need/requirement for approximately 45,000 sq m of new office floorspace within Stafford Borough through to 2026.

Existing Provision

- 6.42 Stafford Town Centre has a number of office accommodation both within the core of the town centre but also within secondary locations. This provides a variety of small above commercial shops to purpose built office accommodation for both the public and private sectors. The town benefits from Staffordshire Technology Park located adjacent to Staffordshire University campus. The site provides a major strategic employment site which comprises over 46,500 sq. m (Instaffs) purpose built modern office accommodation and is the largest office park between Manchester and Birmingham. Other office locations are contained within employment areas such as Beacon Business Park, Tollgate Park and Prologis Park. In terms of Stone, there is limited office provision within and around the town centre, with major office accommodation located in the employment areas around Whitebridge Business Park to the north of Stone, Stone Business Park to the south west but also Brookside towards Cold Meece.



Capacity

- 6.43 However, this estimate of future need/capacity was arrived at when the economic conditions for office development were significantly different to those currently faced in both Stafford Borough and the West Midlands in general. Since the economic downturn took effect, the demand for office floorspace has reduced significantly with both public and private sector organisations focussing heavily on rationalisation strategies and cost cutting exercises, rather than growth and expansion.
- 6.44 As a result, it is anticipated that the short term requirements for office floorspace and development will be limited, with well established forecasters such as Oxford Economics projecting weak domestic demand to persist until 2012, especially while business investment is constrained by spare capacity and the uncertainty surrounding the recovery set against the recent government spending cuts.
- 6.45 In addition, from our discussions with local and regional agents, it is evident that within the West Midlands as a whole, whilst Stafford Town Centre is not perceived as a key office destination, there is extensive office accommodation located at the technology park near the University which plays an important role in the wider West Midlands economy. Significant demand is anticipated once the economy begins to recover. In fact, it is anticipated that given Stafford's County Town status, the majority of current and future demand will be primarily driven by the public sector as part of ongoing rationalisation plans linked to anticipated budget cuts. There is clear evidence of this rationalisation already taking place with the ongoing development at Tipping Street, where the County Council are investing in new, improved high quality office premises in a central location, thereby releasing the need for a number of existing office locations throughout Stafford town.
- 6.46 Whilst it is anticipated that there will be demand from the private sector once the economy begins to recover in the medium-term, it is likely that much of this demand will be focussed on locations outside of the existing Town Centre where key requirements can be met in terms of car parking, rental levels, proximity to motorway junctions, etc. As a result, whilst demand may occur in the medium to long-term for additional office development within Stafford, we do not anticipate that this demand will result in a significant need for additional sites for office development within Stafford Town Centre.
- 6.47 Clearly the investment secured at Tipping Street is a successful outcome for this site which has been identified for redevelopment for well over 10 years. In addition, the location of the County Council's headquarters adjacent to the established primary shopping area will clearly assist in enhancing the



future vitality and viability of the centre and enable office workers to undertake linked trips with their journey to work.

6.48 Whilst the scale of this office development is significant, we do not anticipate that there will be additional demand outside of the public sector that would warrant additional sites being identified for further office development in the short to medium-term. Whilst there may be opportunities to secure new office development as part of mixed-use schemes (more than likely driven by retail development) in the future, it is anticipated that the majority of the demand from the private sector will be targeted at existing out-of-centre locations.

6.49 In summary, as much of the demand for office floorspace within Stafford Town Centre has been driven by the public sector in the past, it is anticipated that once the development at Tipping Street is completed, the likely need for significant further additional space will be minimal due to future rationalisation programmes. In addition, the demand generated by the private sector for office floorspace within Stafford Town Centre has also been limited in the past and is not seen as a key office destination within the West Midlands as a whole. Therefore, given the anticipated lack of demand within the short to medium-term, particularly set against the impact of the recession on speculative office developments, it is not recommended that significant areas of land or suite based opportunities are identified within Stafford Town Centre for future office development. Given the nature of any demand that may occur once the economy begins to recover, it may be more appropriate to focus future office requirements elsewhere within Stafford where the accommodation provided could better meet the needs of companies looking for floorspace within Stafford as a whole.

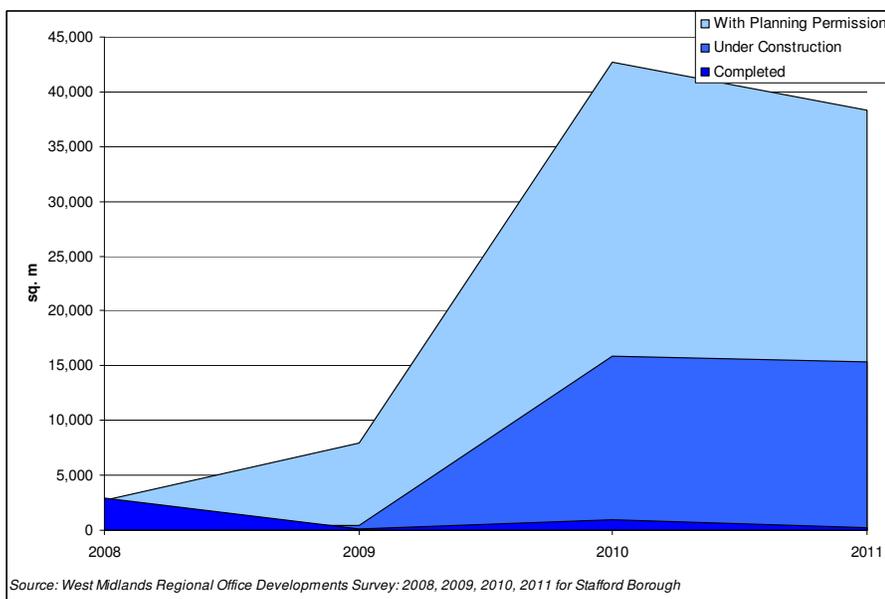
Office Commitments

6.50 Furthermore, there are significant commitments/planning permissions already in place which would more than achieve the requirements set out in the former Regional Spatial Strategy. In addition to the current development at Tipping Street (which amounts to over 15,000 sq m of office development), there are also significant consented schemes at:

- the Beacon Barracks (MoD Stafford) amounting to 20,000 sq m,
- Alstom and adjoining land amounting to 12,500 sq m, and
- over 4,000 sq m of consented office floorspace at Beacon Business Park.

6.51 Drawing on the West Midlands Regional Office Development Survey (WMRODS), WYG has reviewed the stream of planned and committed office development within the Borough. **Figure 6.1** below shows the high level of office floorspace permissions granted since 2008, whilst completions have declined since 2008, a significant level of office construction has commenced, which is due to the implementation of the Tipping Street redevelopment approved in April 2009. Also since 2008 the level of planning permissions has also increased significantly due to projects at Beacon Barracks and Beacon on the edge of Stafford.

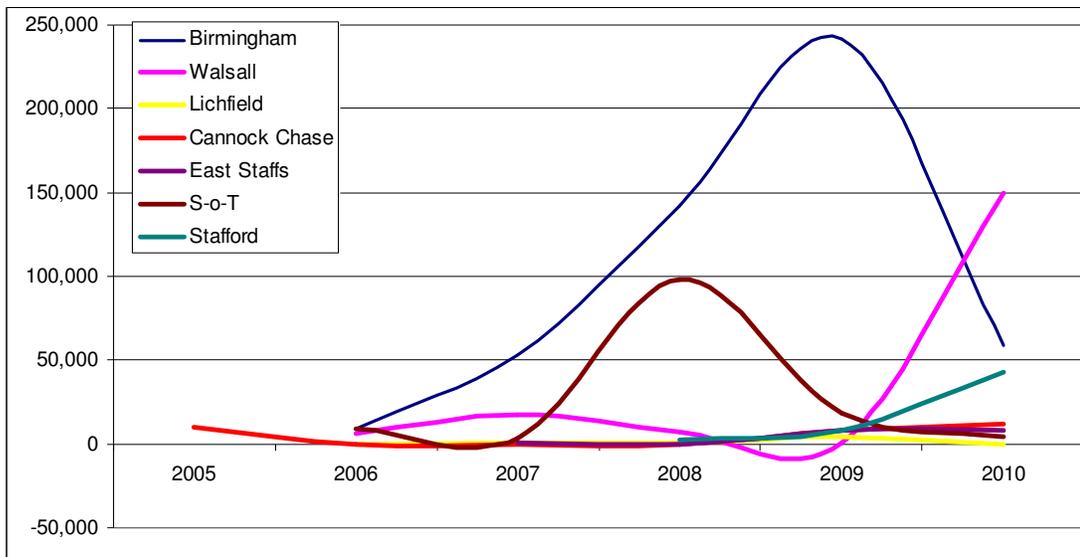
Figure 6.1: New Office Supply 2008-2011



6.52 In terms of the wider West Midlands economy, this study has considered the level of planning permissions, under construction and completions from neighbouring authorities to understand the competitive situation. **Figure 6.2** below shows that Stafford Borough has the highest level of office planning permissions behind Birmingham and Walsall. In 2009, the level of office commitments has meant that Stafford has surpassed Stoke-on-Trent's office commitments, which was previously the main focus for new office development within Staffordshire. The results clearly illustrate the position that Stafford Technology Park has grown in recent years as a premium office location.



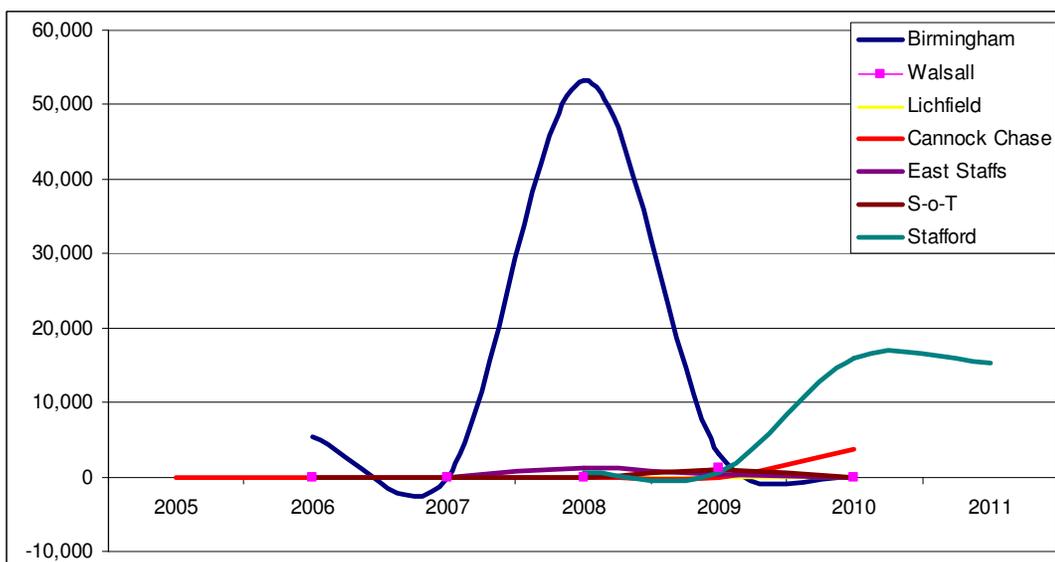
Figure 6.2: West Midland Region - Office Planning Commitments (2005 to 2010)



Source: West Midlands Regional Office Developments Survey (2005-2011)

6.53 **Figure 6.2** below shows the level of office accommodation under construction between 2005 and 2010. It shows the dominance of construction in Birmingham between 2007 and 2009 especially when compared to other neighbouring authorities. However, since 2010, both Stafford Borough and Cannock Chase are the only two authorities to have seen experienced modest office construction commence.

Figure 6.2: West Midland Region - Offices under Construction (2005 to 2010)

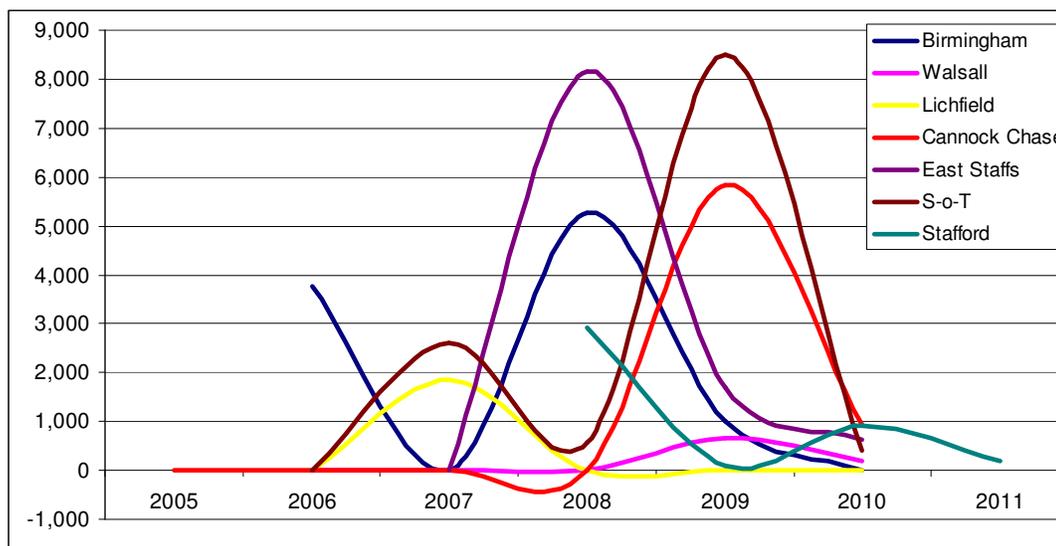


Source: West Midlands Regional Office Developments Survey (2005-2011)



6.54 **Figure 6.3** below shows the level of office accommodation being completed by neighbouring authorities taken from the WMRODS. The result show that Stafford was well behind other authorities for completions between 2008 and 2009 but at 2010 is comparable with Cannock Chase and Stoke-on-Trent. It also shows that completions have declined since 2008 but this will increase next year with the completion of the Tipping Street office. **Figure 6.3** shows that across the region the level of completions has slowed significantly as a result of current economic conditions.

Figure 6.3: West Midland Region - Offices Completed (2005 to 2010)



Source: West Midlands Regional Office Developments Survey (2005-2011)

6.55 In addition, to extant planning permissions, WYG has reviewed the level of vacant office floorspace within the Borough drawing on property search information from Instaffs (2010). **Table 6.7** below shows the spatial distribution of vacant office floorspace. The results show that there are nominal levels of vacant office floorspace in Stone Town Centre, whilst there is over 2,100 sq.m of office floorspace available in surrounding employment locations.

Table 6.7: Spatial Distribution of Available Office Floorspace

Location	Vacant Floorspace (sq. m)
Stone Town Centre	293
Stone Out-of-Centre	2,149
- Whitebridge Business Park	1,096
- Brookside Industrial Park	921
- Other	132
Stafford Town Centre	6,000
Stafford Out-of-Centre	20,501



- Tollgate, Stafford	1,394
- Beacon Business Park	4,097
- St George's Park	2,323
- Stafford Technology Park	9,515
- Astonfields Industrial Estate	988
- Other	2,186
Total (Town Centre)	6,300
Total (Out-of-Centre)	22,650

Source: Instaffs, adjusted by WYG to reflect PPS4 locational definitions.

6.56 In terms of Stafford, the results show that the town centre has 6,000 sq. m of vacant office accommodation available. However, there is a significant level (20,500 sq.m) of available office space at existing out-of-centre employment areas which illustrate the limited role of Stafford Town Centre as an office destination. The level of vacant office floorspace represents nearly half of the RSS requirement (45,000 sq. m) of new office provision up to 2026.

6.57 From review of existing commitments (whilst not all under construction at this stage) and the level of vacant office accommodation available, it clearly underlines the fact that we do not anticipate significant need for further office sites within Stafford Town Centre over the next plan period. However, the analysis demonstrates that both Stafford and Stone are not considered as major office destinations as the vast majority of office accommodation is located in out-of-centre locations.

Summary

6.58 Our analysis of the Household Survey suggests the following participation rates for leisure activities should be at a minimum sustained by residents within the Study Area over the future plan period:

- 48% participate in cinema going, with the existing Apollo facility being the most popular destination;
- 31% participate in health and fitness activities, with 41% of trips directed to facilities in the Borough;
- 50.6% visit bars, pubs and nightclubs with 52% of respondents using facilities in the Borough;
- 78% of respondents within the Study Area visit restaurants (the highest participation in the Borough), of which only 51% are directed to existing facilities in the Borough;
- 29% participate in ten-pin bowling with the vast majority (75%) visiting the existing Ten-pin facility at Greyfriars;



- More than 4% of respondents participate in bingo activity, although 76% of respondents visited the single facilities in the Borough; and
- 55.7% of respondents visit art/cultural facilities, although only 22% use facilities in the Borough, with most people either visiting the Potteries or Birmingham.
- Existing extant office planning permissions and the vacant office portfolio can deliver the future office requirement during the plan period.



7.0 MEETING FUTURE NEEDS IN STAFFORD AND STONE

Introduction

- 7.01 This section of the report seeks to assess how the identified need for future retail, leisure and office development could be accommodated within the centres of both Stafford and Stone to ensure that their future vitality and viability can be at least maintained if not enhanced. As highlighted in the previous section, this study anticipates that the need for future development in both centres will be primarily driven by retail development with opportunities for leisure and office floorspace forming part of potential mixed-used developments where possible.
- 7.02 The key issue for Stone in the short to medium term is likely to focus on the need for additional convenience goods floorspace to better meet local needs and provide greater choice and competition. There is unlikely to be significant need for additional comparison goods floorspace or commercial leisure development given the role and function of the centre and the proximity of competing facilities in both Stafford and Hanley.
- 7.03 Whilst there is some need for additional convenience goods in Stafford, the key focus over the plan period will be the need to accommodate significant additional comparison goods floorspace which, in turn, may provide opportunities for additional leisure and office development as part of a comprehensive mixed use scheme. The challenge for Stafford is to ensure that any comprehensive development is delivered within a location that will further reinforce the health of the primary shopping area and provide the opportunity to capture important retailers who are not currently represented within the town centre.

Matching Future Needs to Opportunities

- 7.04 Whilst Stafford is a strong retail destination, its overall health has evidently suffered from its inability to attract the type and quality of retailers required to underpin it as a sub-regional retailing destination. As discussed previously, this has been predominantly due to the lack of modern retail accommodation and, more pertinently, the lack of a well anchored scheme with adequate car parking provision and units of a size and configuration suitable to satisfy modern retailer requirements, rather than a weakness in demand. On the assumption that any comprehensive development proposals would take a number of years to deliver and thereby one would assume would not be tied to current



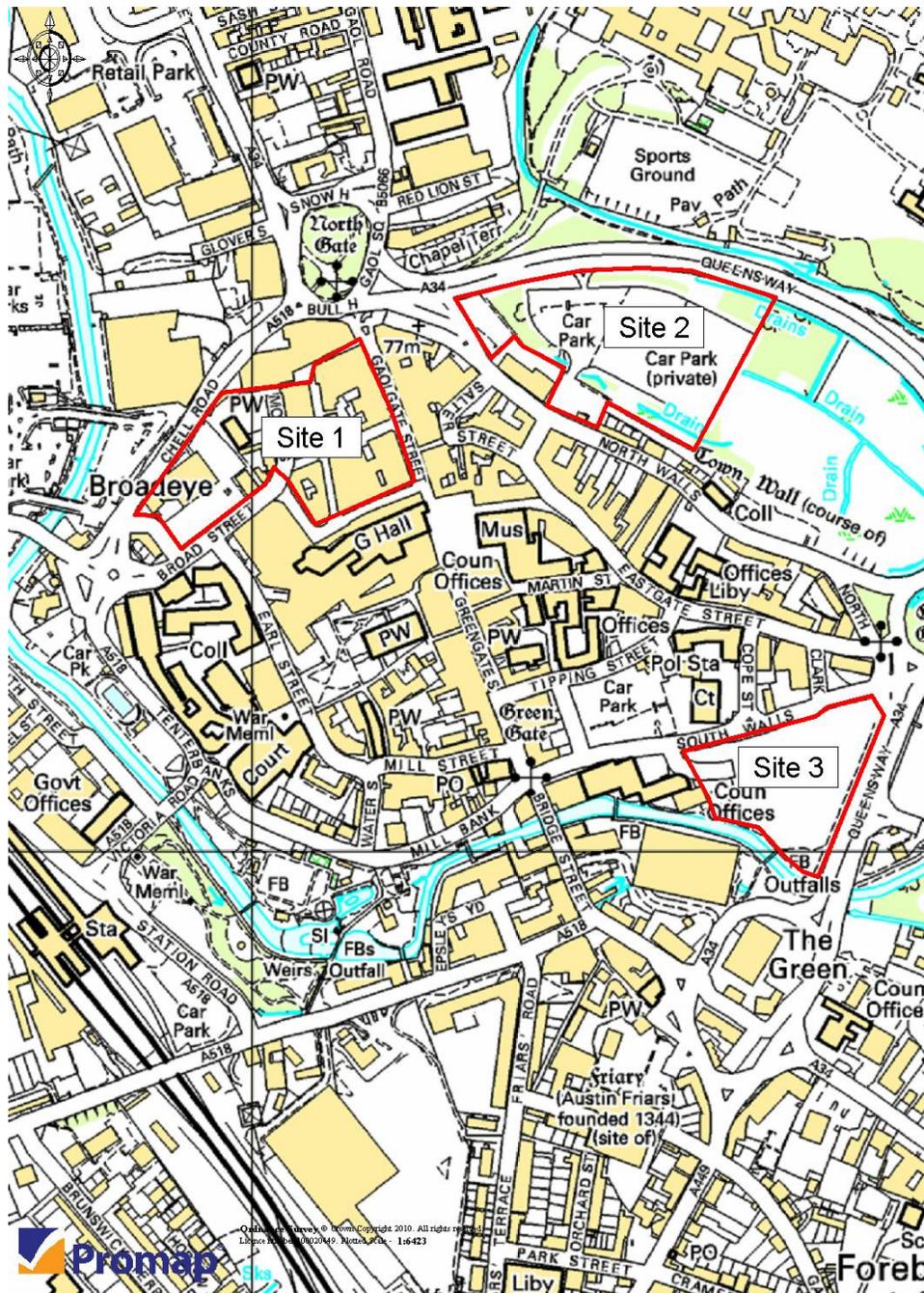
market conditions, we have undertaken an analysis of potential sites with a view to identifying a suitable opportunity to address these issues.

- 7.05 With reference to the retailer responses as indicated in Appendix 12, it is evident that there is significant latent demand from a number of key comparison goods national multiple retailers for either representation or relocation within Stafford. Nevertheless, it is our opinion that in order to secure representation from a number of these operators it would not be enough to provide stand alone or infill units outside of the existing prime retail core. The nature of retailers is that they are 'risk averse', particularly in the current market where supply tends to exceed demand in perceived stronger retail centres.
- 7.06 Therefore, it is our opinion that a comprehensive retail development would be required of a scale large enough to ensure a significant density of adjacent occupiers to provide comfort that a strong destination pitch would be created alongside the provision of adequate car parking. In addition, as we have stated above, retailers are becoming increasingly sensitive to occupational costs and any new scheme should, whilst offering an attractive retail environment, be cost effective in terms of occupational costs, that is to say only requiring a modest service charge.
- 7.07 As part of this Study, WYG have visited and reviewed both Stafford and Stone town centres to identified potential sites or opportunities where new commercial (retail or leisure) development could be facilitated. As set out in Appendix 13, WYG has identified (in consultation with the Borough Council) a number of sites where the identified need or capacity could be met. WYG and the Council have identified 11 sites in Stafford and 7 sites in Stone. A number of these sites have been automatically dismissed because they are now being redeveloped or are not available.

Stafford

- 7.08 The search identified 11 sites, many of which were in active use or generally unavailable. In addition, a number were also relatively small in size and would not be able to accommodate the likely level of commercial floorspace required to meet the quantitative and qualitative need outlined in sections 5 and 6 of this study. After considering each site, WYG believe that there are only three sites which are worthy of detailed consideration and which could accommodate the likely capacity identified for the town over the plan period. We will deal with each site below:

Figure 3.1: Main Town Centre Opportunities.





Opportunity 1 – Princes Street

- 7.09 Of the sites identified, we are of the opinion that this would offer the best location for a comprehensive retail development within the town centre thereby offering the best linkages to existing primary frontages and securing new investment at the heart of the town centre.
- 7.10 With the exception of the Co-operative department store, we have assumed that any proposals would not incorporate the units fronting Gaolgate Street due to existing values and viability issues. The remainder of the site to the rear comprises dated buildings with poor quality retail and office accommodation and relatively high vacancy rates. The existing retail accommodation is poorly configured and of a size not conducive to modern retailer requirements, and forms a secondary pitch evidently in long term decline.
- 7.11 Clearly, the site's location adjacent to the existing prime retail core, offers an excellent opportunity for a comprehensive redevelopment to create a natural extension linking to the town's existing prime retail core, providing the type of accommodation identified as lacking within the town. Ideally these proposals would incorporate at least some minor redevelopment of the existing market hall to accommodate a viable anchor for the Guildhall Shopping Centre, as previously discussed. Dependent on scale, some road closures to extend the site towards Chell Road would be required with the natural gradient of the land possibly facilitating a development with undercroft car parking to ensure the existing provision is at least retained.
- 7.12 Although these proposals would further anchor and thereby strengthen the town's existing prime retail core, due to the extensive site assembly required it is extremely unlikely that any proposals of this nature would be economically viable in the short to medium term.
- 7.13 Whilst comprehensive development in this location would address a number of key issues (including the increasing vacancy rate in this part of the centre) the potential land assembly issues and net additional floorspace that could be achieved would appear to suggest that the redevelopment of this area is unviable and undeliverable. Even in strong market conditions it is difficult to anticipate how any prospective developer would be able to deal with the complex land assembly issues as well as support the cost of relocating and/or compensating key tenants. Therefore, whilst from a land use planning perspective, this is by far the best location to secure future comparison goods floorspace within the town centre, at this stage it is difficult to conclude that the site would ever be delivered.





Opportunity 2 – Kingsmead Car Park

- 7.14 This site comprises approximately 8.5 acres and although currently situated outside the designated town centre boundary, is immediately adjacent to it. Due to the nature of the site and the Council's existing ownership, potential redevelopment of the site is likely to be viable in the short to medium term.
- 7.15 The site is large enough to accommodate the scale and type of development proposed with adequate car parking. We note the Council's aspirations for a multi-storey car park, totalling approximately 1,200 spaces in this location but feel this may be somewhat excessive when considering the existing provision, scale of development proposed and the existing town centre offer. By comparison, the recently completed Rock development in Bury comprising approximately 1.6 million sq ft has a car parking provision of approximately 1,200 spaces. We would assume that any developer interest would address this issue in conjunction with the local authority with a view to addressing all relevant parties' requirements for the site. Indeed, it is understood that this site has previously been marketed with initial interest generated from a number of developers and that it is likely this process will be undertaken again later this year in accordance with current OJEU procedures.
- 7.16 Notwithstanding the positive retailer interest, any development will obviously be dependent on the Council's aspirations for the site and for the town centre offer. As indicated, Morrisons do have an active requirement for the town and, in terms of location and accessibility, the subject site would appear appropriate. However, due to the existing major foodstore representation within the area of influence, any store would need to be at least of a comparable size to the existing competition to ensure it is viable and, if the Council were insistent on the scale of car parking proposed, it is unlikely that the site could accommodate an additional store of the size required.
- 7.17 With regard to the other foodstore demand, evidently the site could accommodate the possible Waitrose requirement, in addition to non-food units providing the size of premises currently unavailable within the existing town centre offer. Although it is standard to caveat that an additional foodstore offer may do little to enhance a town's long term vitality and viability, we are of the opinion that Waitrose comprise a diversity and quality of offer lacking within the core catchment of the majority of competing centres. As such, it should help draw consumer expenditure from the wider catchment population therefore helping anchor any proposed development. In addition, we are of the opinion that a majority of comparison goods retailers indicated would also consider Waitrose a strong draw and be satisfied with their representation within the scheme.



- 7.18 Marks and Spencer have confirmed that their current town centre store is undersized and compromised in terms of its configuration. In addition, the store forms part of their portfolio previously disposed of by way of sale and leasebacks and as such, they are capable periodically of breaking the lease, providing a suitable exit strategy. Evidently, any general merchandise Marks and Spencer store would carry a full food offer. As Marks and Spencer and Waitrose would likely perceive each other as one another's main competition within the sector, it is probable both would require exclusivity, thereby excluding one of them gaining representation within any proposed development.
- 7.19 We appreciate the sensitivity of any possible relocation of an anchor store from an existing town centre offer, specifically in relation to Marks and Spencer. However, due to the strength and quality of the brand and additional non-food offer, Marks and Spencer would undoubtedly provide the stronger anchor for any scheme proposals.
- 7.20 In addition, the opportunity at Kingsmead is currently somewhat detached from the primary retail core. One way of achieving better linkages with the town centre would be to promote the opportunity that any redevelopment would provide a new store for M&S thereby removing their current store on Goalgate and creating the all important pedestrian link to the primary shopping core.
- 7.21 So long as suitable pedestrian linkages could be achieved, the aim of any proposal on this site will be to improve the diversity and quality of Stafford's comparison goods offer. New development must be of sufficient quality and be of sufficient critical mass to compete with existing centres within the area of influence, thereby drawing consumer expenditure, helping reverse leakage and ultimately lift the town in the retail hierarchy. As indicated, Marks and Spencer would provide the better anchor in this regard from both the consumer perspective and in generating additional demand from quality comparison goods occupiers, particularly of the mid-range fashion operators crucial to ensuring any mid ranking, sub regional towns long term vitality and viability. They should therefore create the catalyst for the successful implementation of any development proposals and ultimately Stafford's continued success as a retail destination.
- 7.22 On the assumption that at least one more of the quality anchor tenants indicated could be secured (i.e. Primark, Debenhams, or similar), then we believe additional demand would be generated from the type and quality of comparison goods retailers required to ensure any scheme proposal's success. On this basis we would presume a development comprising double height units with a minimum floor



to ceiling height of approximately 7 to 8 metres to facilitate the provision of mezzanine accommodation.

- 7.23 We would emphasise that the site is adjacent to rather than within the town's existing retail core. If the type of retailers identified above were delivered, then it is probable that a number of the quality fashion operators located within the existing town centre offer would seek to relocate. Not only would the scheme offer larger quality modern retail accommodation, they would also derive synergy from similar adjacent occupiers and strong anchor stores in addition to easily accessible, abundant car parking facilities.
- 7.24 As has been witnessed in a number of recent examples including Parc Llandudno, The Eagles Meadow Centre in Wrexham and most recently The Rock in Bury, these edge of town developments, whilst addressing the objectives indicated, can have a significant impact on a town's existing prime retail core. If anchor tenants and the main fashion brands are relocated then obviously the town's prime retail core will shift. Although it is argued that development should result in a 'positive ripple effect', in that the town will lift in the retail hierarchy, enhancing retailers' perceptions and thereby stimulating demand for the town, in reality, in the current market, there is limited demand for the vacancies created by the relocation of retailers.
- 7.25 The above situation can create a 'downward spiralling effect' with the increase in vacant units and influx of poorer quality/value retailers detracting from the shopping environment, which can subsequently fall into long term decline. In addition, the often abrupt correction in both rental and investment values that results, can act to accelerate this process, restricting the required investment needed to address the decline.
- 7.26 To ensure this scenario is avoided, a clear strategy will be required from the outset with the aim of addressing the objectives indicated. Whilst the type of development indicated would undoubtedly help Stafford compete better with the other centres within the area of influence, it must form a natural extension to the town's existing prime retail core with cohesive pedestrian and visual links between the two. This is why we believe that a physical pedestrian link or connection will be critical to ensure that people can move easily between the existing prime shopping core and any potential development at Kingsmead. It is essential that the scheme complements the existing retail offer in the town centre and does not create a 'stand alone' destination which would draw retailers, trade and footfall away from the established core. Therefore, without a strong physical link to the established centre we



would be concerned about the potential impact that could arise as a result of the redevelopment of Kingsmead in isolation.

Opportunity 3 – Riverside

- 7.27 This site has previously been the subject of comprehensive mixed use development proposals which has subsequently stalled due to viability issues exacerbated by the current economic climate. At the time planning permission was granted, we understand that this site was the only opportunity for comprehensive redevelopment within Stafford and was inextricably linked to the provision of a new wet and dry leisure centre. When examining this site from a spatial planning perspective careful consideration needs to be given to its integration into the remainder of the town centre.
- 7.28 In seeking to develop a clear strategy for the growth/expansion of Stafford’s comparison goods offer, we believe that the Riverside site (including the former Tesco store) is currently somewhat detached from the established primary shopping core whereby shoppers could easily move between the site and the established centre. This situation is likely to be improved with the redevelopment of Tipping Street which will help create an improved connection to the established primary shopping frontage. Improvement of the shopping offer under the Civic Centre would further improve the Riverside site’s position.
- 7.29 Although currently utilised for town centre car parking, we understand that the possibility of bringing forward new proposals, potentially incorporating the former Tesco store and providing multi storey car parking above, are currently being explored.
- 7.30 In terms of securing the redevelopment of the former leisure centre (now surface level car parking) the most active market within the property sector at present remains the convenience goods sector. However, three of the four major food store operators would appear to be well represented in Stafford, with only Morrisons having an active requirement for the town. Whilst there may be some interest from such operators, the close proximity of Asda (opposite the site) would also have a significant influence on the overall attractiveness of the site for a new supermarket.
- 7.31 Alternatively, the site might prove attractive to non-food (comparison goods) operators who are seeking ‘bigger and better’ retail premises within Stafford but are unlikely to find suitable units (at present) within the established primary shopping area. Commercially, the site would prove attractive given its prominent frontage and clearly, any significant retail development could help reinforce the



linkages between the established town centre retail core and more peripheral (but popular) facilities such as Asda.

- 7.32 The particular attraction of the Riverside site is that it is in unified ownership and can be developed in the short term without significant land assembly.
- 7.33 Overall, it would appear that the best opportunity for the redevelopment of Riverside would be a mixed used scheme incorporating attractive frontages to the river which 'knit-in' to the existing built form of the town centre in Bridge Street and South Walls with retail, leisure (including a hotel), offices and possibly residential uses.
- 7.34 In the short term we would recommend that the site is best utilised for its current use as overspill car parking for the town centre until a comprehensive proposal for this area can be developed.

Stone

- 7.35 A number of sites have been identified by WYG and the Council, to potentially accommodate the demand for additional convenience goods floorspace in Stone. Similar to Stafford many of the sites were in active use or were not suitable for significant retail (or leisure) uses and would be more appropriate for small scale 'infill type' development. Of the seven sites identified WYG believe that just one site has the potential to accommodate the anticipated demand for a new foodstore in Stone. In this regard, the Council are aware that Tesco have secured an option on the ABB site with a view to achieving a mixed use scheme incorporating a full line food store and residential element. As this site is removed from the town centre with an industrial use, doubts remain as to whether these proposals will be successful.

Opportunity 4 – Westbridge Park

- 7.36 The Westbridge Park site offers the only edge of centre opportunity to deliver a major supermarket that would be able to address the current overtrading identified at the existing Morrisons store. The site is level and could accommodate a purpose built store with either undercroft or surface level car parking. If strong links with the existing town centre are to be encouraged then careful consideration will need to be given to the orientation of any development on the site including the entrance to the store.



- 7.37 Any redevelopment is likely to involve the removal and relocation of the existing leisure centre and the associated tennis courts, girl guides building and children's playgrounds. WYG do not believe that demolition and the relocation of such uses would undermine the viability of any scheme in this locality. However, finding an alternative location may prove more difficult. The Council will need to carefully consider any potential relocation options if the site is to be released for redevelopment. There may even be the potential to re-provide these uses on-site.
- 7.38 The site benefits from strong visual presence on Stafford Street which would make it very attractive to all of the major grocery operators. The existing site is accessed off Stafford Street and benefits from its own dedicated service road. This access will require upgrading to accommodate potential customer and delivery vehicles.
- 7.39 The site is located within an area of flood risk as identified by the Environment Agency. However, retail development of this nature is considered less vulnerable in PPS25 terms and any constraints could potentially be addressed.

Summary

- 7.40 Although considered a relatively strong centre evidenced by its position in the retail hierarchy, Stafford's retail offer does not offer the same scale and range of retail facilities provided within the competing centres and therefore it does not compete as effectively as it should.
- 7.41 Stone exists to provide the immediate catchment population with convenience goods and services with the vast majority of comparison goods spend lost to the larger competing centres, a situation that is unlikely to change in the foreseeable future.
- 7.42 The main competing centres have either significantly improved or have major development proposals that if implemented will further impact on Stafford exacerbating comparable spend leakage from its core catchment.
- 7.43 Initial retailer responses, particularly from the quality comparison retailers identified as being crucial to the town's long term vitality and viability, would indicate that the stagnation of rental values has not been due to a weakness in demand but more to a lack of suitable accommodation conducive to satisfy modern retailer requirements.



7.44 Within Stafford, the Kingsmead Car Park site is likely to offer the only economically viable opportunity in respect of a comprehensive retail development comprising a modern well-anchored scheme with adequate car parking provision and units of a size and configuration suitable to satisfy modern retailer requirements. However, as this site is situated outside the defined town centre boundary, a clear strategy will be required to ensure any new scheme forms a natural extension to the town's existing prime retail core to minimise its impact in this regard.

7.45 In terms of Stone, we anticipate that any future demand will be focused on the need for a new supermarket to compete with Morrisons. In order to deliver a scheme that could achieve strong linkages with the centre (similar to the existing Morrisons) we believe that the best site that warrants further investigation is Westbridge Park.



8.0 FUTURE RETAIL POLICY

8.01 Policy EC3 of PPS4 requires local planning authorities, as part of their economic vision for their area, to set out a strategy for the management and growth of centres over the plan period. As part of their strategy, local planning authorities should, *inter alia*:

- Define a network (the pattern of provision of centres) and hierarchy (the role and relationship of centres in the network) of centres that is resilient to anticipated future economic changes, to meet the needs of the catchment.
- Define the extent of town centres and their primary shopping area, distinguishing between realistically defined primary and secondary frontages in designated centres and set policies that make clear which uses will be permitted in such locations.
- At the local level, consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development which should be subject to an impact assessment (as required by Policy EC16.1 of PPS4) and specify the geographic areas these thresholds will apply to.

8.02 Each of the above three requirements is considered below in relation to Stafford and Stone Town Centres in the context provided by this study.

Hierarchy

8.03 The current retail strategy for both Stafford and Stone Town Centres is set out in the 'saved' policies of the Stafford Borough Local Plan. The plan was adopted in October 1998 with relevant policies being 'saved' to remain part of the statutory development plan in September 2007 under the provisions of the Planning and Compulsory Purchase Act 2004. The Local Plan identifies Stafford and Stone as the two key concentrations of retailing in the Borough.

8.04 The Stafford Borough Local Plan identifies a hierarchy which comprises of:

- Stafford Town Centre;
- Stone Town Centre;
- Local Centres (urban area)
- Major Village Centres (Eccleshall, Gnosall, and Great Haywood);



8.05 In accordance with PPS4, the Council needs to reconsider their future retail hierarchy to ensure that it can be resilient to future economic conditions and adequately serve the local communities satisfactorily. PPS4 (Annex B) sets out the definitions on the hierarchy of centres that should be considered when drawing up future strategies.

8.06 The research undertaken during the course of this study indicates that Stafford remains an extremely important retail, leisure and office centre (the County Town) which caters for the majority of the Borough's convenience, comparison goods as well as leisure needs. Accordingly, it is considered that future retail policy must emphasise Stafford's role as a key centre, serving an important role across a wide catchment; and which should be the primary focus for significant additional retail and town centre development (main town centres uses). In comparison, the research shows that Stone provides a more complementary role to Stafford satisfying more local convenience and service needs with a limited comparison goods offer. There is a clear distinction between the two and this will need to be identified in any future planning strategy to ensure that appropriately scaled development is focused within both centres.

8.07 Although not specifically required as part of this study, the evidence has found that there is an extensive network of smaller centres which provide for the daily needs of specific settlements and communities. These centres should also form a lower level of centres within the hierarchy which seek to address day to day requirements/needs. The study has not examined their role and function in detail and therefore, future analysis of these centres/parades should be undertaken at some stage in the future to ensure that their role is fully recognised within the overall hierarchy. In accordance with the requirements of PPS4, WYG suggest that the Council adopt a three tier hierarchy which ranks town and rural centres as follows.

- **Strategic Town Centre:** Stafford;
- **Town Centre:** Stone; and
- **Local / Neighbourhood Centres:** (TBC – but such as Rising Brook)

8.08 Any future strategy should ensure that policy specifically identifies Stafford as the preferred location for major comparison goods retail provision, leisure provision, large scale office floorspace and other uses which attract large numbers of people. The policy approach for Stone should relate to providing appropriately scaled shopping and service facilities which meet more localised needs. WYG considers the hierarchy proposed above to be appropriate.



Town Centre – Boundary Definition

- 8.09 PPS4 requires local planning authorities to define areas, which should be the focus of main town centre uses, including retail, leisure and office. Having consideration of the main office areas, the primary shopping area, service provision and leisure provision within Stafford and Stone, WYG have suggested a definition of the town centre boundary in both cases. These are set out in Appendices 10 and 11. .
- 8.10 WYG recommend that the proposed Stafford Town Centre (Appendix 10) should be considerably wider than that set out in the Local Plan to incorporate office and leisure uses. WYG has stretched the boundary to cover existing office areas at the periphery of the existing town centre, but also potential expansion areas.
- 8.11 The extent of Stone town centre boundary (Appendix 11) has also been drawn wider to take into account the Morrisons store and other areas of the town which have leisure and office related roles.

Primary Shopping Areas – Boundary Definition

- 8.12 As indicated at paragraph 8.01 above, it is necessary for the local planning authority to identify the primary shopping area of existing centres as this forms the basis in terms of the application of the sequential approach to development. In this respect, Annex B of PPS4 provides the following definitions for the primary shopping area, the primary frontage and the secondary frontage.

- Primary Shopping Area

'Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage). The extent of the primary shopping area should be defined on the proposals map. Smaller centres may not have areas of predominantly leisure, business and other main town centre uses adjacent to the primary shopping area, therefore the town centre may not extend beyond the primary shopping area.'

- Primary Frontage

'Primary frontages are likely to include a high proportion of retail uses.'

- Secondary Frontage

'Secondary frontages provide greater opportunities for a diversity of uses.'



- 8.13 Stafford Borough Council will need to define the extent of the Town Centre Boundary and the Primary Shopping Area through the Core Strategy DPD in the future Local Development Framework (LDF) documents. The CS will need to be subject of an initial 'Issues and Options' consultation. Further stages of the document's development will allow further community involvement on policy development and the site allocation process.
- 8.14 WYG has reviewed the extent of Primary and Secondary Frontages and the Primary Shopping Area as part of this study and our recommendations are provided in illustrative form in Appendix 10 and 11 for both town centres. WYG's starting position was to review the core, primary and secondary frontages as set out in the Stafford Borough Local Plan. WYG has also considered the mix of uses as set out in Figure 6 in Appendix 8 and 9 which shows the current diversity of both towns centres to redefine the extent of required boundaries in PPS4. The Primary Shopping Area should cover the main area with predominant retail activity only. Within the primary shopping area, we have defined the primary and secondary frontages. The primary frontages are those areas which WYG consider hold a key retail role to the street and areas which include national and multiples attractions. Secondary frontages are identified as those areas which hold less retail activity but are more likely to provide a wider range of occupiers (such as banks, restaurants and other service provision).
- 8.15 In summary, we recommend that the existing Primary Frontages defined by the adopted Stafford Borough Local Plan Proposals Maps are amended so that:

Stafford

- Included a Primary Shopping Area, which focuses on the main shopping areas (both primary and secondary frontages);
- Amalgamation of the core and primary shopping frontages as defined in the Local Plan to a single primary shopping frontage with subtle amendments to reflect the key area of retail activity;
- Change of Primary Shopping Frontage to secondary along Bridge Street to reflect more service and leisure role of the street;
- Extension of secondary frontages to reflect leisure areas around Newport Road and Lichfield Road; and
- The new primary shopping area should include the Friary Retail Park;





Stone

- Introduce a primary shopping area which will replace the previous primary and secondary frontages;
- Primary and Secondary frontages remain similar to those adopted in Local Plan, with minor amendments and extensions.

8.16 In accordance with the provisions of PPS4, it is recommended that the Primary Shopping Area identified above should comprise the Primary and Secondary Frontages set out at Appendices 10 and 11. This policy approach will ensure that future development proposals can be managed to the most suitable and appropriate locations.

8.17 WYG would also recommend that policies dealing with primary and secondary frontage areas also be reviewed by the Council. Policies such as SH02 and SH03 of the Stafford Borough Local Plan should be reconsidered. These policies were developed at a time when prime retail units were being lost to service/financial facilities such as banks and building societies. As this specific issue is less relevant today, WYG believe that the inclusion of such strict management policies do not encourage a flexible approach to managing the future economic prosperity of the town centre. People visiting town centres now expect to find other facilities (such as cafes) within the primary shopping area. Therefore, further consideration should be given to the need for such policies in the future and whether or not it is better to allow maximum flexibility to ensure that certain units do not remain vacant because of restrictions placed on certain end users. Clearly, there will need to be some controls in place over uses such as hot food takeaways, pubs and amusement arcades.

8.18 WYG would also recommend that the spirit of Policy SH04 be included within any future development plan. Policy should seek to encourage uses in upper floors for both residential and commercial uses to enhance the liveliness and security of the town centre outside trading hours.



Thresholds Relating to Impact Assessments

- 8.19 In accordance with guidance in PPS4, it is appropriate to identify thresholds for the scale of edge-of-centre and out-of-centre development which should be subject to an impact assessment. WYG does not consider that a blanket threshold is suitable for all types of centre across an administrative area. For example, a 500 sq.m convenience store (which could be operated by Tesco Express or Sainsbury's Local) is likely to have a greater impact on a local centre than a similar facility would on Stafford and Stone Town Centre. Therefore, in developing the policy in the future, it may be more appropriate to have a range of thresholds, depending upon which centre the development applies to.
- 8.20 Accordingly, policy could advocate a tiered approach whereby the threshold applied to planning applications at edge-of-centre and out-of-centre locations varies in relation to the role and function of the particular centre.
- 8.21 For a centre of the size of Stafford, performing the role that it does, it is recommended that development proposals providing greater than 500 sq.m gross floorspace for town centre uses in an edge or out-of-centre location should be the subject of an impact assessment. For Stone, despite providing a more limited role we still believe that the 500 sq.m threshold should be appropriate. For local centres (to be defined) it is considered appropriate to reduce the threshold to 300 sq.m gross. In our experience, it will only generally be development of a scale greater than these thresholds which will lead to a 'significant adverse' impact, which could merit the refusal of an application for town centre uses in accordance with the provisions of Policy EC17.1 of PPS4.

The New Coalition Government and Potential Policy Changes

- 8.22 Since this study began, a new Coalition Government has been formed which is currently in the process of reforming the planning system. Whilst the outcome of this reform, in relation to retail and town centre policy, is still somewhat unknown it is evident that some of the advice set out above may have to be re-worked in the light of any changes made in the coming months and years.
- 8.23 However, the priority for any strategy developed to maintain and enhance the vitality and viability of Stafford and Stone must ensure that future development can be accommodated within and on the edge of the established centres and that any significant development out of centre is carefully controlled. Whilst planning policy may be revised in the future it is unlikely that the basic principle of promoting sustainable development will be altered. On this basis, the Council can have sufficient



confidence that any strategy developed now which responds to the issues raised within this report will still be relevant in the medium to long term.



9.0 SUMMARY & RECOMMENDATIONS

- 9.01 The detailed research set out in the previous sections of this report seeks to identify the future development needs for town centre uses for the centres of Stafford and Stone, whilst seeking to identify potential site based opportunities to accommodate the need identified (where necessary).
- 9.02 The research is underpinned by a survey of households throughout the Borough of Stafford and beyond to understand in detail where people currently go to use retail and leisure facilities. Using this information, not only is it possible to assess people's current choices and preferences, but it is also possible to establish market shares for existing facilities within the defined catchment. Using these market shares, this study examines the need for additional facilities based on forecast population change and forecast changes in retail expenditure and leisure participation. This is a standard approach recommended by PPS4 and arrives at a number of quantitative conclusions in terms of potential future development for main town centre uses. This step-by-step quantitative assessment is further supplemented by a qualitative assessment which reviews current provision within the catchment and existing market shares, and seeks to form a judgement about whether or not the range of facilities and the market share could be improved in the future. Furthermore, in seeking to make qualitative judgements, we have also relied upon the results of the previous study completed in 2000 to understand what has potentially changed within the past 10 years and whether or not any identified change requires further action on behalf of the Local Planning Authority, particularly in reviewing the overall planning strategy for the Borough.

Quantitative and Qualitative Assessment

- 9.03 The detailed assessment exploring future retail, leisure and office needs are set out in detail in Section 5 and Section 6 of this report. In summary, it is not surprising to discover that the principal centre within Stafford is clearly Stafford Town Centre which achieves the strongest market shares in relation to convenience and comparison goods shopping, leisure activities, and office development/demand. Whilst this study recognises the current downturn in relation to demand for office floorspace, it is not anticipated that the development of additional office floorspace over the next plan period (i.e. through to 2026) will actually occur within established centres, including Stafford. Whilst there is clearly evidence of office development within Stafford Town Centre (including the Tipping Street development), the majority of this is driven by the public sector and the fact that Stafford is the County Town. Beyond this, it is expected that the majority of the demand for private sector office



floorspace will occur outside of the established town centres of Stafford and Stone in more established employment locations which benefit from lower rents, increased accessibility by the private motor car, dedicated car parking, and future space for expansion.

- 9.04 In comparison, it is anticipated that the majority of retail and leisure development anticipated over the next plan period will take place within and on the edge of the established centres of Stafford and Stone. Whilst the current recessionary period is clearly having an impact on the comparison goods (non-food) retail sector, with little signs of recovery at present, the market for convenience goods (food grocery) has never been stronger. Having analysed the survey data and the current performance of existing convenience goods facilities within both Stafford and Stone, it is anticipated that there will be a demand for additional floorspace through to 2026. In the case of Stafford, since the previous study was undertaken in 2000, Tesco have relocated from their previous compromised store and have created a new modern format foodstore similar to the existing Asda and Sainsbury's stores. Therefore, given the strong choice of convenience goods destinations within Stafford, whilst there may be a quantitative capacity for additional floorspace in the future, it must be noted that anybody entering this market would be facing a highly competitive situation whereby the three stores of Sainsbury's, Asda and Tesco dominate food shopping patterns. However, this does not rule out the prospect of securing a more specialist food grocery operator that may focus on a particular sector which is currently not well represented. In relation to the future needs for Stafford, we have contacted both Morrison's and Waitrose who have confirmed that they would be interested in securing a new store within Stafford subject to the right opportunity becoming available.
- 9.05 The situation in Stone is significantly different whereby current food shopping patterns are dominated by the existing Morrison's store (formerly a Safeway in the previous 2000 study). Whilst this store has improved its market share significantly since it was rebranded and operated by Morrison's, it is evident that the store has little or no competition locally and as a result there is evidence of significant overtrading. As a result, there is a clear quantitative and qualitative need for an additional foodstore within Stone to provide for greater choice and competition. Therefore, it is anticipated that there will be significant retailer interest in new foodstore development within Stone in the short-term.
- 9.06 With regard to non-food retailing, the forecasting and modelling undertaken as part of the study demonstrates that over the medium to long-term it is anticipated that the economy will recover strongly and that there will be significant demand for comparison goods retail development beyond the initial five year period. Given the fact that Stafford is clearly the most popular destination for non-food retailing within the Borough, it is anticipated that the majority of this demand/need will be



focussed on Stafford. As a result, it is not anticipated that there will be any significant need for comparison goods retail development within Stone.

9.07 In terms of leisure development, it is evident that Stafford currently benefits from facilities such as the Apollo Cinema and the Ten Pin Bowling facility which draws from a significant area well beyond the Borough boundary. However, it is evident that the quality of the current cinema within Stafford is limited (in comparison to other modern facilities elsewhere) and therefore it is anticipated that there will be a need/demand for additional cinema development within Stafford in the medium to long-term. However, as with all leisure developments at the moment, the limited rental levels being secured, and hence the land values that can be achieved mean that many such developments are proving unviable. Therefore, it is anticipated that any significant leisure development within Stafford in the medium to long-term will occur as part of a mixed use development opportunity principally supported by significant retail development. This may also apply to other leisure developments such as hotels, although there may be small site-based opportunities for additional hotel developments which may prove economically viable in their own right.

Realising the Opportunity

9.08 The recommended strategy for Stone's town centre focuses primarily on securing increased competition and choice in the convenience goods retail sector whilst further developing Stone's evening economy and growing reputation as a leisure destination particularly for cafés and restaurants. The quality of the environment and overall built form is also important for Stone and therefore any future developments within or around the town centre must focus on quality rather than quantity and make best use of key assets such as the canal and the pleasant pedestrianised environment at the heart of the town centre.

9.09 In seeking to identify potential opportunities for securing additional foodstore developments within Stone, this study has identified and examined a number of opportunities. In highlighting the preferred option for future retail development, it is important to reflect upon the fact that the existing Morrison's store clearly attracts a significant number of people from the immediate catchment who then, due to the stores location, have the opportunity to carry out a linked trip with existing facilities in Stone Town Centre. Whilst the additional retail facilities within Stone Town Centre are clearly limited, there are also important services within the town centre that benefit from the attraction of Morrison's as a whole. Therefore, recognising that any new supermarket development will draw trade away from the existing Morrison's store, it is imperative that any new development can offer the same opportunities for linked



trips in the future. To divert trade away from the Morrison's store to an out-of-centre location would, in WYG's view, be a missed opportunity and could prove damaging to the future vitality and viability of Stone Town Centre.

- 9.10 The future strategy for Stafford Town Centre is more complex given that sites will need to be identified and promoted to secure the anticipated medium to long-term need for additional comparison goods within Stafford. Whilst there are a number of sites discussed in detail within the report, it is evident that all of these opportunities are complex and will require a proactive approach to be taken by the Local Planning Authority if development is to be secured in the right location that will maximise the benefits for the future health of the town centre.
- 9.11 The evidence gathered as part of this study demonstrates that whilst Stafford maintains a strong market share for non-food goods, the overall dynamic has changed somewhat since the production of the previous study in 2000. For example, whilst the overall market share for all facilities within Stafford has remained fairly static over the past 10 years, there is clear evidence of a shift away from the town centre to the rejuvenated retail parks (particularly Queens) which now offer a strong range of clothing and footwear stores in comparison to their traditional bulky goods role. Whilst the retail parks play an important role in the overall offer of facilities within the wider Stafford area, it is imperative that any significant redevelopment within the comparison goods sector must now be refocused back on the town centre to ensure that its long-term vitality and viability can be secured.
- 9.12 Whilst there are signs that Stafford Town Centre is a vital and viable town centre, there is evidence that the centre could be much stronger and could benefit significantly from additional retail development in the right location. Our discussions with key retailers currently not present within Stafford Town Centre underlines the fact that there are a significant number of key operators seeking a presence within Stafford, but who are currently unable to achieve this due to a lack of quality modern accommodation which meets their requirements. Such retailers include Debenhams, Primark, H&M, etc. who would all add to and significantly enhance the vitality and viability of the primary shopping core. As a result, it is imperative that the Local Planning Authority take a proactive approach and seek to take forward potential opportunities within and on the edge of Stafford Town Centre to meet this anticipated future need over the next plan period. Clearly, given the current downturn in the comparison goods sector, there would appear to be a period of time within which opportunities in Stafford could be pursued with a view to delivering such opportunities to the market once the economy recovers.



- 9.13 Whilst the most obvious opportunity is the Riverside site (which has previously been considered for comparison goods retail development), WYG believe that there are potentially other better opportunities (albeit somewhat more complex) to accommodate the future comparison goods need within Stafford that would bring greater benefits to the overall vitality and viability of the established retail core. However, WYG recognise that bringing such opportunities forward to the market will not be straightforward and will require significant commitment and input from the Local Planning Authority in the short to medium-term.
- 9.14 In summary, Stafford is a strong sub-regional centre which clearly shows signs of vitality and viability. However, if the town is to enhance its retail and leisure role in the future, it is evident that there is a clear need for development/redevelopment to take place in close proximity to the established retail core to enable key retail and leisure operators to enter the local market and to ensure that such attractions will be closely linked to the established retail core, thereby maximising the benefits of such investment. Without this development, there is a danger that further investment will occur outside Stafford Town Centre, thereby further exacerbating the reduction in market share identified between 2000 and 2010. Furthermore, planned developments in competing centres such as Hanley and Wolverhampton will further erode the market share of Stafford which, where possible, must be countered through securing investment and development at the heart of the County Town.



GLOSSARY OF TERMS

- Capacity -** Retail capacity in terms of this report refers to surplus/deficit of expenditure (£m) which represents the difference between the expenditure and turnover of the identified facilities.
- Study Area -** This represents the household survey area, which is based on postal sectors.
- MapInfo (AnySite) -** The database used to identify population, expenditure and socio-economic breakdown of the study area population.
- Comparison Goods -** Comparison goods relate to items not obtained on a frequent basis, these include clothing, footwear, household and recreational goods (Annex B, PPS4).
- Furniture Goods -** Includes all consumer expenditure on furniture, floor coverings and household textiles such as beds, sofas, tables, cupboards, bed linen, curtains, towels, lamps, mirrors, etc. – as defined by MapInfo – Explanatory Volume 2005 Expenditure.
- DIY Goods -** Includes all consumer expenditure on hardware, DIY, decorators’ supplies and garden centre type goods. This category includes products such as hammers, saw, screwdrivers, wallpaper, plumbing items, floorboards, ceramic tiles, plants, pots, turf for lawns, etc.
- Electrical Goods -** All consumer retail expenditure on domestic electrical and gas appliances, such as washing machines, dryers, dishwashers, ironing and press machines, cookers, freezers and fridge-freezers, coffee makers, radios, televisions, DVD players, etc.
- Clothing & Footwear -** All consumer retail expenditure on shoes and other footwear, garments for men, women, children and infants either ready-to-wear or made-to-measure, underwear, ties, handkerchiefs, scarves, etc.



- CDs, DVDs, Books, etc. -** Includes pre-recorded and blank media such as records and compact discs; pre-recorded and unrecorded tapes, cassettes, video cassettes, diskettes and CD-ROMs, books, scrapbooks, dictionaries, etc.

- Household Goods -** Includes household textiles and soft furnishings, china, glassware, jewellery and other miscellaneous goods such as greeting cards, notebooks, pens, pencils, etc.

- Recreational Goods -** All consumer retail expenditure on bicycles and tricycles (excluding toy bicycles), musical instruments, sports equipment, camping equipment, toys of all kinds including dolls, soft toys, etc.

- Chemist Goods -** All consumer retail expenditure on prescription and non-prescription drugs, adhesive and non-adhesive bandages, first-aid kits, hot-water bottles, toilet shops, sponges, etc.

- Convenience Goods -** Convenience goods relate to everyday essential items including confectionary, food, drinks, newspapers and magazines (Annex B, PPS4).

- Expenditure per Capita -** This is the average spend of each person within the defined study area on a variety of retail goods.

- Expenditure -** Expenditure is calculated by taking the population within a defined area and then multiplying this figure by average annual expenditure levels for various forms of goods.

- Expenditure Forecasts -** This assessment has been undertaken using the 'goods based' approach as prescribed in PPS4, the information on consumer retail expenditure forecasts have been derived from MapInfo (2008).

Forecasts based on the anticipated increase in expenditure per annum for a both convenience and comparison goods as identified by MapInfo (+1.5% per annum (2007 to 2018) for convenience goods, +4.0% per annum (2007 to 2018) for comparison goods.





Gross Floorspace -	This represents the level of total floorspace or footprint of a specific development (i.e. sales area, storage, checkouts, café, display, etc).
Net Floorspace -	This entails the level of internal area devoted to the sale of goods.
Market Share -	Market shares derived from the household survey results, which are based on either the proportion of shopping trips or the proportion of expenditure attracted to a particular centre/facility.
National Multiple -	This is a retail or service operator which is part of a network of nine or more outlets.
Price Base -	The price base for the study is 2005; all prices are or have been adjusted to 2005 in order to be consistent.
Rates of Productivity -	This takes into account the potential for existing retail floorspace to improve their turnover productivity (e.g. smaller goods could be sold from a smaller area for more money, increased opening hours, etc.).
Sales Density -	Retail capacity figures are expressed in term of floorspace, relying on the application of assumed sales density figures to the surplus expenditure identified. This is based on the typical turnover of a store by square metre/foot.
Special Forms of Trading -	Defined by MapInfo as expenditure not directed to traditional floorspace such as the internet, mail order, party plan and vending machines and other non-store activity such as market and road-side stalls.
Trade Draw -	This refers to the level of trade attracted to a particular facility/centre.
Turnover -	The turnover figure relates to the annual turnover generated by existing facilities.



Prime A Rents -

Zone A rents (the rental value of the first six metres depth of floorspace in retail outlets from the shop window). It provides a comparable indicator of the strength of individual outlets. As retailers consider rent to reflect the margin between turnover and operational costs (plus profit), the better the trading prospects the higher the rent that the operator will be willing to pay.

Yield -

A 'yield' represents the relationship between the rental income that a property is likely to command and its capital value, expressed as a percentage.

GOAD Plans -

Provide accurate retail information on town centres, shopping areas, out-of-town retail parks and outlet villages in the UK. Provides information on fascia name, retail category, floorspace, and exact location of all retail outlets and vacant premises.

GOAD Reports -

Provide a snap-shot of the retail status or demographic make-up of Goad surveyed town centres. Provides a comprehensive breakdown of floor space and outlet count for all individual trade types in the Convenience, Comparison, Retail Service, Leisure, Financial/Business Services and Vacancy sectors.

Convenience (GOAD) -

GOAD defines this category as land uses including bakers, butchers, CTN, fishmongers, convenience store, frozen foods, greengrocers, grocers and delicatessens, health foods, markets, off licences, shoe repairs, supermarkets,

Comparison (GOAD) -

GOAD defines this category as antique shops, art and art dealers, booksellers, carpets and flooring, catalogue showrooms, charity shops, chemist and drugstores, children's and infants wear, clothing general, crafts, gifts, china and glass, cycles and accessories, department and variety stores, DIY and home improvement, electrical and other durable goods, florists, footwear, furniture fitted, furniture general, gardens and equipment, greeting cards, hardware and household goods, jewellery, watches and silver, ladies and menswear





and acc., ladies wear and accessories, leather and travel goods, menswear and accessories, music and musical instruments, music and video recordings, newsagents and stationers, office supplies, other comparison goods, photographic and optical, second-hand goods, books, etc., sports, camping and leisure goods, telephones and accessories, textiles and soft furnishings, toiletries, cosmetics and beauty products, toys, games and hobbies, vehicle and motorcycle sales and vehicle accessories

Retail Service -

GOAD defines this clothing and fancy dress hire , dry cleaners and launderettes, filling stations, health and beauty, opticians, photo processing, photo studio, post offices, repairs, alterations and restoration, travel agents, TV, cable and video rental, vehicle rental, vehicle Repairs and Services and video tape rental

Leisure Service -

GOAD defines this category as bars and wine bars, bingo and amusements, cafes, casinos and betting offices, cinemas, theatres and concert halls, clubs, disco, dance and nightclubs, fast food and take away, hotels and guest houses, public houses, restaurants, and sports and leisure facilities

Financial Service -

GOAD defines this category as building societies, building supplies and services, business goods and services, employment and careers, financial services, legal services, other business services, printing & copying, property services and retail banks.

FOCUS Report-

Is a database which is used by the commercial development industry. It provides market information on retail availability within specific town centres and retail parks. Up to date retailer requirements and deals is available.

Management Horizons -

Management Horizons Europe: UK Shopping Index (2008) considers approximately 7,000 retail venues in the UK, including town centres, stand alone malls, retail warehouse parks and factory outlet centres,





based on a scoring system that considers the strength of multiples and anchor stores located within each venue.

City - City centres are the highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large embracing a wide range of activities and may be distinguished by areas which may perform different functions. (Annex B, PPS4).

Town - Town centre will usually be the second level of centres after city centres and, in many cases, they will be the principal centre of centres in a local authority's area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability. (Annex B, PPS4).

District - District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library. (Annex B, PPS4).

Local - Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre. (Annex B, PPS4).

Town Centre - Defined area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area. The extent of the





town centre should be defined on the proposals map. (Annex B, PPS4).

Primary Shopping Area - Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage). The extent of the primary shopping area should be defined on the proposals map. Smaller centres may not have areas of predominantly leisure, business and other main town centre uses adjacent to the primary shopping area, therefore the town centre may not extend beyond the primary shopping area. (Annex B, PPS4).

Primary Frontage - Primary frontages are likely to include a high proportion of retail uses. (Annex B, PPS4).

Secondary Frontage - Secondary frontages provide greater opportunities for a diversity of uses. (Annex B, PPS4).

Edge-of-Centre - For retail purposes, a location that is well connected to and within easy walking distance (i.e. up to 300 metres) of the primary shopping area.

For all other main town centre uses, this is likely to be within 300 metres of a town centre boundary.

In determining whether a site falls within the definition of edge-of-centre, account should be taken of local circumstances. For example, local topography will affect pedestrians' perceptions of easy walking distance from the centre. Other considerations include barriers, such as crossing major roads and car parks, the attractiveness and perceived safety of the route and the strength of attraction and size of the town centre. A site will not be well connected to a centre where it is physically separated from it by a barrier such as a major road, railway line or river and there is no existing or proposed pedestrian route which provides safe and convenient access to the centre. (Annex B, PPS4).





Out-of-Centre -

A location which is not in or on the edge of a centre but not necessarily outside the urban area. (Annex B, PPS4).

Out-of-Town -

An out-of-centre development outside the existing urban area. (Annex B, PPS4).



Appendices





Appendix 1 – Planning Policy Context





Appendix 2 – Current and Emerging Retail Trends





Appendix 3 – Study Area Plan





Appendix 4 – NEMS Household Survey - Stafford





Appendix 5 – Shopping Patterns in Stafford Borough





Appendix 6 – Statistical Tables (Retail Capacity)





Appendix 7 – Statistical Tables (Leisure Capacity)





Appendix 8 – Stafford Town Centre Health Check





Appendix 9 – Stone Town Centre Health Check





Appendix 10 – Proposed Boundaries – Stafford Town Centre





Appendix 11 – Proposed Boundaries – Stone Town Centre





Appendix 12 – Retailer Gap Analysis by Cheetham & Mortimer





Appendix 13 – Site Proformas





Appendix 14 – Vacant Office Accommodation (2010)



