



Stafford & Stone Town Centre Capacity Assessment

Final Report

Date: January 2011





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.



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.



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