

Bolton Council

BOLTON RETAIL AND LEISURE STUDY Executive Summary



ROGER TYM & PARTNERS
Planners and Development Economists

September 2008

ROGER TYM & PARTNERS

17 St Ann's Square
Manchester
M2 7PW

t 0161 834 0833
f 0161 834 0818
e manchester@tymconsult.com
w www.tymconsult.com

INTRODUCTION

- 1 Bolton Council commissioned Roger Tym & Partners (RTP) to undertake this study in December 2007, with the intention that it should form part of the evidence base to underpin the retail and leisure policies in the emerging Local Development Framework. As a consequence, the study reflects the Government's policies, as set out in PPS6 and in the new PPS12, which require:
 - i) a proactive plan-led approach to planning for town centres through regional and local planning;
 - ii) much more emphasis on the need to develop a network and hierarchy of centres, at both the regional and local levels;
 - iii) a much greater involvement on the part of the public sector in the management and implementation of changes in town centres and in the monitoring of their vitality and viability;
 - iv) that Development Plan Documents '*...demonstrate that the plan is the most appropriate, when considered against reasonable alternatives*'. (Paragraph 4.38 of PPS12, our emphasis); and
 - v) that they '*...show how the vision, objectives and strategy for the area will be delivered and by whom, and when.*' (Paragraph 4.45 of PPS12, our emphasis).
- 2 It is unfortunate, however, that the emerging Regional Spatial Strategy does not meet fully the requirements of PPS6, in that it does not:
 - i) provide an adequate strategic framework for the development of a network and hierarchy of town centres, with all 26 centres in Policy W5 given equal status;
 - ii) give sufficient guidance about those town centres of sub-regional significance where growth is to be encouraged; or
 - iii) provide any guidance in relation to the overall quantum of new retail and leisure floorspace required across the region over the lifetime of the RSS, let alone for five-yearly periods within it.

PERFORMANCE ANALYSIS - THE PPS6 INDICATORS

Bolton Town Centre

- 3 Most of the PPS6 health check indicators suggest a decline in Bolton town centre's overall vitality and viability since the mid-1990s, as a reflection of the fierce competition from high quality developments in Manchester City Centre, the Trafford Centre, Middlebrook Retail Park and the high quality Grand Arcade development in Wigan town centre. Nevertheless, Bolton town centre has retained an attractive retail and civic core and has an impressive cultural offer. Of most fundamental significance, however, are the ongoing regeneration initiatives and opportunities for high quality development across a range of town centre uses, including key flagship projects, such as Central Street, the Bolton Innovation Zone, Church Wharf, the proposals for the Merchant's Quarter, the proposals for the Urban Village and the ongoing commitments in Little Bolton.

Farnworth Town Centre

- 4 Although Farnworth town centre's position in the national rankings has remained stable since the mid 1990s and although prime yields have improved, the weight of the evidence from the indicators suggests a decline in the town centre's overall vitality and viability. Vacancies have risen and occupier demand seems to be low. Moreover, although Farnworth benefits from a healthy convenience goods sector, the comparison goods sector is limited and very much focussed at the discount end of the market. Of most concern, however, is the relatively poor state of the environment of the centre and the need for substantial investment in refurbishing and modernising the precinct; hence, the importance of the extant planning consent for redevelopment and refurbishment of Farnworth market and part of the precinct.

Horwich Town Centre

- 5 Despite the recent improvement in Horwich's position in the national retail rankings, there are indications of a decline in the centre's overall vitality and viability. The convenience and service offer is good, but the comparison sector offer is very limited - even more so than in Farnworth - and it is focussed on the discount end of the market. Moreover, vacancies have risen since the most recent GOAD survey, with some of the vacant units in prominent locations; operator demand is very limited; and footfall has declined. Nevertheless, our survey of pedestrians shows that Horwich achieves quite a good customer satisfaction rating and we anticipate that the town centre will benefit as a result of the redevelopment of the Horwich Locomotive Works.

Westhoughton Town Centre

- 6 Our study has found Westhoughton to be a pleasant, attractive, healthy town centre, serving, primarily, a localised role, in meeting the day-to-day retail and service needs of its residents. The centre contains a number of small restaurants and bars, including a JD Wetherspoon outlet. The environment of the centre is pleasant and generally well-maintained, and the centre offers a range of retail units, from small converted properties, to medium-sized purpose-built units. Although the convenience offer of Westhoughton is somewhat limited (with no major supermarket at present), this will be addressed following the approval of planning permission for a Sainsbury's supermarket on the edge of the centre.

Little Lever Town Centre

- 7 Little Lever is a small, linear centre, which performs an essentially localised role, catering primarily for service and top-up food shopping needs. However, our healthcheck has identified several indicators of decline in Little Lever, including a very high vacancy rate, low and static Zone A retail rents, limited operator demand for representation in the centre, and a relatively poor environment. Even the precinct, which could potentially form a focal point of the centre, lacks character and would benefit from comprehensive modernisation. Nevertheless, our survey of pedestrians found a high customer satisfaction rating with respect to the retail offer in Little Lever and in relation to the location of bus stops and the location and security of its car parks.

Middlebrook Retail Park

- 8 The out-of-centre Middlebrook Retail Park achieves the best customer satisfaction ratings in relation to cleanliness, personal safety issues and shelter from the weather. Middlebrook also scores well in relation to the security of its car parks and

absence of parking charges, and there is little vehicular/pedestrian conflict within the Park itself, other than on match days.

- 9 So far as the relationship between Bolton town centre and Middlebrook is concerned, the modal response from the survey of pedestrians is that Middlebrook is generally complementary to the town centre. Nevertheless a significant minority perceive that Middlebrook competes with the town centre and has had a harmful effect on it. Middlebrook's main advantages over the town centre relate to the availability of plentiful free car parking and Sunday openings, whereas its key disadvantage is its restricted choice of retail offer.

CURRENT PATTERNS OF RETAIL AND LEISURE SPENDING

Comparison Goods

- 10 Our survey of households has shown that 64 per cent of the comparison goods expenditure of the residents of the catchment area is retained by town centres, retail parks, and freestanding stores located within the catchment. The main destinations within the catchment area are: Bolton town centre, which secures £504m of the residents' comparison goods expenditure; Middlebrook Retail Park, which secures £139m of the residents' comparison goods expenditure; and Bolton Gate Retail Park, which secures £42m of the residents' comparison goods expenditure.
- 11 Short-distance leakage to places like Manchester City Centre, the Trafford Centre, Bury town centre and Wigan town centre account for 23 per cent of the residents' comparison goods expenditure; e-tailing/catalogue shopping accounts for 7 per cent; and the remaining 6 per cent of comparison goods expenditure is accounted for by longer distance leakage to places like Preston City Centre.
- 12 Bolton town centre secures a comparison goods market share in excess of 20 per cent in 11 of the 16 survey zones, whereas Middlebrook retail park has a market share of less than 10 per cent in 12 of the 16 survey zones.
- 13 Farnworth town centre achieves a maximum comparison goods market share of 12 per cent in Zone 8; Horwich town centre secures a maximum comparison goods market share of 20 per cent in Zone 14; Westhoughton town centre achieves a maximum market comparison goods market share of 6 per cent in Zone 11; and Little Lever town centre secures a maximum comparison goods market share of just 3 per cent in Zone 6.
- 14 For 7 of the survey zones, to the west and south of the catchment, there is no dominant comparison goods centre. This suggests that Bolton town centre's primary catchment area has shrunk since the time of CB Hillier Parker's Bolton Retail Study of November 2001, as a result of strong competition from Manchester City Centre, the Trafford Centre, Middlebrook Retail Park and Wigan town centre.

Convenience Goods

- 15 Our survey has shown that 92 per cent of the convenience goods expenditure of residents of the overall catchment area is retained by town, district and local centres and freestanding stores located within the catchment area. Thus, as might be expected in the convenience sector, there is a minimal level of strategic leakage.
- 16 The household survey suggests that there has been a continuing polarisation trend in the convenience goods sector, in that the 18 superstores located within the catchment area now account for 76 per cent of the aggregate convenience goods expenditure of the residents of the catchment area. Indeed, only 4 of the 16 zones

lack a 'dominant' superstore which is defined as having a convenience goods market share in excess of 30 per cent.

- 17 The highest individual market shares are achieved by Asda in Farnworth, Asda in Radcliffe, Tesco in Walkden, Wm Morrison at Harwood and Tesco at Mansell Way Horwich. Nevertheless, there is no part of the overall catchment area for which there is a 10 minute isochrone with an individual operator having a convenience goods market share in excess of 60 per cent. It is unlikely, therefore, that there will be any failure of the competition test in the near future.
- 18 However, there are three parts of the catchment area where there is a localised deficiency in convenience goods provision; these are the Egerton/Edgworth zone, where the localised convenience goods retention rate is only 10 per cent; the Westhoughton zone, where the localised retention rate is only 14 per cent (but which is being addressed by the J Sainsbury commitment at Cricketers Way); and the Little Lever zone, where the localised retention is only 38 per cent (but two-thirds of which is accounted for by the Asda at Burnden Park).

Leisure Services

- 19 Bolton town centre and Manchester City Centre are by far the most important locations for spending at restaurants and cafés, but this type of spending tends to be quite localised and Westhoughton, Farnworth and Horwich town centres are all popular in their local zones; the same cannot be said for Little Lever.
- 20 Likewise, Bolton and Manchester are the top locations for spending in pubs and bars, but again, the pattern of spending is localised and Westhoughton and Horwich town centres perform well in their local zones.
- 21 So far as cinemas are concerned, there is a divide between the Valley Leisure Park which serves residents in the more densely developed core of the urban area and Middlebrook Retail Park which serves the western part of the catchment.
- 22 Manchester City Centre is the most important location for visits to museums and art galleries, but Bolton town centre performs quite well for residents in the core of the catchment.
- 23 The Middlebrook Retail Park seems to reign supreme when it comes to expenditure in family entertainment centres, being dominant in 12 of the 16 survey zones.
- 24 Manchester City Centre is by far the most important location for visits to theatres and concert halls for residents of all 16 zones.

QUANTITATIVE AND QUALITATIVE NEED

Comparison Goods

- 25 The existing comparison goods retail commitments will meet most of the quantitative need likely to arise in the period up to 2016. Indeed, unless projects like the Market Hall redevelopment and Central Street succeed in raising the overall retention of comparison goods expenditure, the projected growth in expenditure up to 2016 will not be sufficient to meet the turnover requirements of all of the existing commitments.
- 26 Nevertheless, our analysis suggests that a considerable quantum of comparison goods need - over and above existing commitments - is likely to arise in the period 2016 to 2021 and again in the period 2021 to 2026. Thus, the cumulative growth from 2008 to 2021 is sufficient to support new floorspace in the range 22,500 sq.m gross (under the declining retention scenario) to 68,900 sq.m gross (under the

increasing retention scenario); and from 2008 to 2026 the cumulative range increases from between 74,300 sq.m gross (under a declining retention scenario) to 134,600 sq.m gross (under the increasing retention scenario). These quanta of cumulative needs in the comparison goods sector are over and above the existing commitments, so that a further major site is likely to be required to be developed in the period 2016 to 2026, but only after Central Street has been developed and established itself as a successful trading location.

- 27 So far as qualitative need is concerned, the overarching requirement is to improve the quality of Bolton town centre's comparison offer, not only in relation to Manchester City Centre and the Trafford Centre, but also in relation to Middlebrook, Wigan town centre and Bury town centre.

Convenience Goods

- 28 The quantum of convenience goods need arising across the whole of the catchment area in the period up to 2016 is not quite sufficient to meet the turnover requirements of the commitments at Westhoughton and at Central Street. Nevertheless, further need in the convenience goods sector arises in the period from 2016 to 2021, and between 2021 and 2026. Indeed, the cumulative need in the convenience sector, from 2008 up to 2021, ranges from 3,400 sq.m gross to 5,300 sq.m gross; and in the period from 2008 to 2026 the need increases to a range from 9,200 sq.m gross to 11,000 sq.m gross. These quanta of cumulative needs in the convenience goods sector are over and above existing commitments.
- 29 Moreover, there is a short term, urgent requirement to meet localised deficiencies which exist in Westhoughton, Little Lever, and Egerton-Edgworth. The J Sainsbury commitment will meet the immediate needs of Westhoughton and Aldi is currently expressing interest in Little Lever.

Commercial Leisure Facilities

- 30 Expenditure on leisure services in the Bolton catchment area is projected to grow by £199m in the period up to 2021 and by £283m by 2026. On the basis of current spending levels on leisure services by residents of the catchment area, just under 60 per cent of this spending growth will go to eating and drinking establishments (ie £119m by 2021, rising to £169m by 2026). Thus, capturing a sizeable proportion of this growth in expenditure through the provision of a better and more appealing choice of restaurants, cafés and pubs/bars will be vital to the future health of all of the town centres within the catchment area. Whilst Bolton town centre already has a reasonable food & drink offer, further appropriate facilities, including better quality establishments, should be welcomed.
- 31 The remainder of the growth in expenditure on leisure services will go to a wide range of activities, with no single activity capturing any significant market share. In our assessment, Bolton town centre may be viewed favourably by multiplex operators - or independent cinema operators - as a potential location for additional cinema provision and Church Wharf would seem to provide an ideal opportunity.

STRATEGY FOR MEETING RETAIL AND LEISURE NEEDS

- 32 Our retail study has to be seen in the context of the twin aims of the Council's Community Strategy, which are to narrow the gap between the most and least well of sectors of society, and ensure economic prosperity. Furthermore, many of the Council's policy documents refer to the role of Bolton town centre in driving forward the economic prosperity of the Borough and in the promotion of social inclusion.

- 33 Our study has also identified many opportunities within and on the edge of Bolton town centre which can provide for significant amounts of development for various town centre uses. Indeed, it is clear that existing opportunities and commitments will be able to meet much of the need for comparison retail and commercial leisure development that arises in the period up to 2016. Thus, we have a background where there is concerted development and regeneration strategy which recognises that:
- i) there is a plethora of development opportunities within and adjacent to Bolton town centre which can provide for a range of town centre uses;
 - ii) there is a need to halt and reverse the decline of Bolton town centre in the regional and national retail hierarchy; which, in turn, leads to;
 - iii) a requirement to secure a number of key anchor projects, such as Central Street and Church Wharf, which are of sufficient critical mass and design quality so as to be able to attract a better profile of comparison retail and leisure operators in the middle and upper market sectors.
- 34 These circumstances would seem to offer significant support for the first of the three strategies that we have examined - which seeks to meet most of the comparison retail and commercial leisure needs in Bolton town centre. Such a strategy would clearly fit well into the national and emerging regional policy framework. Thus, our study suggests that the retail and commercial leisure needs we have identified will be best satisfied by a strategy that would involve:
- i) meeting most of the comparison retail and commercial leisure needs, including food and drink, in Bolton town centre;
 - ii) channelling needs in the convenience, services and food and drink sectors to the local town centres of Farnworth, Horwich and Westhoughton, whilst rectifying localised deficiencies in Little Lever and Egerton/Edgworth and providing for small top-up stores in areas of deprivation;
 - iii) strictly limiting the amount of any further retail and commercial leisure development at Middlebrook, whilst recognising the popularity of this out-of-centre facility through encouragement of further improvements to public transport and by encouraging residential and employment uses on any land with development potential.
- 35 The physical opportunities exist in Bolton town centre for high quality development; there is a need to halt and reverse the decline of Bolton town centre in the regional hierarchy; and there is a need to boost investor confidence in the town centre by channelling occupier demand to flagship opportunities that are critical to the enhancement of the town centre's future vitality and viability.

RECOMMENDATION

- 36 We recommend that the Council considers a range of reasonable alternative strategies for meeting the retail and leisure needs that we have identified in its consultation on the emerging LDF. Our study suggests that Strategy 1 will score best in relation to the national, regional and local policy evaluation matrices, but the Council has to test reasonable alternatives and demonstrate - within the terms of PPS12 - that the favoured strategy is '*justified*' and '*effective*'.