



Solihull Retail, Leisure and Offices Study

Solihull Metropolitan Borough Council

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Birmingham
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Preface

This Retail, Offices and Leisure study was commissioned in April 2008. The principal data inputs that inform the conclusions of the study were provided during June 2008 and July 2008.

In the intervening period the UK economy has significantly weakened due to negative growth in the economy. As a consequence the expenditure growth assumptions used within the study modestly overestimate growth in the short term, although the study's medium to long term estimates remain consistent with expenditure growth assumptions. Additionally, evidence of demand for retail, office and commercial leisure floorspace contained within the study is potentially higher than demand at the time of the publication of this document (November 2009), which consequently affects the assumed date for completion of town centre schemes in Solihull and Shirley town centres. The planning policy context is set out as at October 2008.

These matters need to be taken into account when considering the study in detail. Notwithstanding, the conclusions of the study are not materially affected by the economic changes to date.





1. Introduction

- 1.1 DTZ was commissioned on 7th April 2008 by Solihull Metropolitan Borough Council to undertake a Retail, Leisure and Offices Study of the Borough. The purpose of the study is to guide decisions on the amount and location of future retail, office and leisure development to be identified in the Solihull Local Development Framework (LDF). The study examines retail growth until 2026 to cover the timescale of the LDF and the West Midlands Regional Spatial strategy (WMRSS).
- 1.2 The aim is to prepare a study that will ensure the Borough can fulfil its potential as a thriving area, as well as respond to increased competition from other centres such as Birmingham and Coventry. The retail, leisure and offices study focuses on the main towns in the Borough: Solihull, Shirley and Chelmsley Wood. It also considers other centres within the Borough, in particular, Castle Bromwich and Knowle.
- 1.3 In particular, the study seeks to:
 - Inform the LDF process.
 - Improve understanding of the patterns of retailing in the Borough and how the various retail sectors can be strengthened.
 - Forecast the quantitative need for new retail floorspace
 - Assess retailer demand.
 - Advise on qualitative needs for new retail development in, and improvement of the studied centres.
 - Identify current leisure provision and assess the need for additional provision
 - Assess the office market and the potential for development.
 - Assess potential development sites for their commercial suitability to be developed for retail, office or leisure uses.
- 1.4 Section 2 describes the recent national trends in retailing and retail development which puts this study in the national context. Section 3 describes our forecasting of retail capacity in the study area. It describes the technical basis of our RECAP forecasting Model; and sets out the retail capacity forecasts and our overall assessment of the quantitative need for new retail development in each centre.
- 1.5 Section 4 examines qualitative need for retail development within the studied centres, examining their strengths and weaknesses in terms of current mix of shops, services and other land uses, and the identification of gaps in provision. Section 4 also sets out our findings on retailer demand following our correspondence and discussions with the main food retailers, and analysis of retailers' requirements. This work was undertaken in order to provide a check on our retail capacity forecasts; because if operators are interested in locating in the area, this can be a further indication of need for new retail floorspace.



- 1.6 Section 5 comprises our analysis of the potential for additional commercial leisure development in the Borough. It includes assessment of the supply of, and demand for new facilities; as well as analysing people's responses to questions within the Household Interview Survey on their use of existing leisure facilities. Section 6 assesses the office market in Solihull in terms of current provision and demand for office space. Section 7 identifies potential retail, leisure and office sites in the area and analyses them with regard to their retail/leisure/office potential as future sites for development.
- 1.7 Our principle findings and conclusions on each topic are set out at the end of each section of the report, and are summarised in Section 9.

2. National Trends in Retailing and Retail Development

- 2.1 In this Section, we comment in broad terms on UK national trends in retailing and retail development, and the lessons for planning policy and development in Solihull Borough. They are described in no particular order of importance.

Continued Growth of Food Retailers – the Battle for Market Share

- 2.2 The principal food retailers increased their combined floor space by over 200,000 sq m in 2006, which was more than double the increase in 2005. A substantial part of this was due to the rush to install mezzanine floors before the new regulations of May 2006 preventing their installation without planning permission. Tesco in particular, followed by Asda has grown store floorspace aggressively as a means to increase sales and market share. Further substantial growth occurred in 2007, through store extensions, and replacement of older stores with larger, more modern versions (most of which are designed with the internal headroom to accommodate future mezzanine floors).
- 2.3 The most successful of the food retailers for some years has been Tesco, which has significantly increased its market share. Over the five years to 2005, Tesco captured just over half the increase in value of the entire UK grocery sector, and is now the largest food retailer by a substantial margin. According to Verdict Research Limited (Verdict), in 2006, *'Tesco's market share gains over the past five years have amounted to more than six times those of the rest of the Top Four put together'*. The widespread development of very large 'Tesco Extra' format stores, together with continuing rollout of small local 'Tesco Express' stores have resulted in substantial floor space growth.
- 2.4 More recently, Sainsburys, Asda and Morrisons are offering increased competition for Tesco. Sainsburys' recovery is said to be well on track; Morrisons has now digested Safeway and sold under-performing stores and is potentially looking for expansion opportunities; and Asda is actively seeking new stores, and looking to press on with rolling out its 'Asda Living' format. Regarding Tesco, in 2008 Verdict comments, *'While the retailer extended its lead over its rivals impressively in 2007 for the ninth successive year, the 0.8 percentage point rise was its smallest market share gain since 2002. It was the first time for five years that Tesco's share increase was less than the combined market share gain of its principal rivals.....the retailer added more space during 2007 than its three key competitors combined.'*
- 2.5 The growth of superstores (almost all of which are operated by the 'big four' – Tesco, Asda, Sainsburys and Morrisons) has been at the expense of smaller supermarkets, food specialists, and off-licences and tobacconists. Table 2.1 shows changes in the numbers of outlets and in grocery market sales and over the last 10 years for each of these types of outlet. It shows the rise of superstores from 1,084 to 1,480 stores since 1997, and increase in their proportion of grocery market sales. It also shows that this increase in the superstores have been at the expense of every other type of outlet. Thus superstore development nationally has been accompanied by impacts on smaller stores and a decline in their numbers and sales. Put simply, the superstores have taken all of the growth in expenditure and more. This has put small food stores and shops in the smaller centres under pressure, although some of these are operated by the principal food retailers as their local store formats.

Table 2.1: Grocery Market Outlets and Sales by Outlet Type 1997 and 2007

Outlet Type	1997		2007	
	No. of Outlets	Proportion of Total Sales	No. of Outlets	Proportion of Total Sales
Superstores (1)	1,084	46.2%	1,480	53.4%
Smaller stores (2)	34,438	39.0%	31,958	37.6%
Food specialists(3)	41,493	7.8%	27,123	5.5%
Off-licences & tobacconists	27,668	7.0%	11,760	3.5%

Source: 'UK Grocery Retailers 2008', Verdict Research Limited

Notes:

- (1) Grocery stores greater than 25,000 sq ft net
- (2) Supermarkets, Co-ops and convenience stores less than 25,000 sq ft net
- (3) Butchers, bakers, greengrocers fishmongers and other food specialists

- 2.6 The second tier of food retailers, Waitrose, Somerfield, Marks & Spencer and Co-op are all trading well. Both Waitrose and Marks & Spencer are aggressively seeking new space, and the latter is widely rolling out its 'Simply Food' format. Somerfield has very recently been bought by the Co-op, subject only to agreement with the Competition Commission on divestment of duplicative stores in local catchments. This deal will substantially increase the market share of the Co-op, and turn it into the national 'community' convenience stores retailer with the greatest portfolio of such stores.
- 2.7 In the last year or so, the deep discount food retailers, Aldi, Lidl and Netto appear to have been less active in developing new stores than for some years; and we are aware of some planning permissions which have not been implemented. However, very recently, these operators have enjoyed much greater growth in sales than the other main food retailers, as the economic slowdown coupled with increased food prices and fuel costs has put households' budgets under strain. It has been reported that many shoppers who in more affluent times would not have considered shopping in the discount supermarkets are now seeking out their relatively low prices. A resurgence of new store development by at least Aldi and Lidl is therefore quite likely.
- 2.8 The opportunities for development of new food superstores are diminishing, due to increasing market saturation, and tightened national planning policies restricting out-of-centre development (the 'sequential approach' of national 'Planning Policy Statement 6: Planning for Town Centres' in England, and similar provisions in Scotland and Wales). However at least until very recently, food sales have not suffered the recent downturn in the rate of growth suffered by comparison goods sales. To maintain their growth in food retailing market share therefore, the major food retailers have moved aggressively into local convenience goods stores. Both Tesco and Sainsburys have bought existing chains of such shops and converted them to their own branded formats. Marks & Spencer is rolling out its 'Simply Food' format of small shops and stores, and has bought and rebranded a number of stores from Iceland. The

major food retailers have also moved into petrol forecourt retailing on a substantial scale, with formats such as Tesco Express, and Marks & Spencer Simply Food. In addition, the major food retailers have developed compact store formats for smaller towns, such as market towns; which hitherto depended on small town centre supermarkets and specialist food shops and markets.

Comparison Goods Sales by Food Retailers

- 2.9 Whilst convenience goods sales have held up well over the last year or so, in which the rate of growth in comparison goods expenditure has dropped substantially, over a longer period convenience goods expenditure growth has come nowhere near the very high rates of growth in comparison goods expenditure achieved since the mid 1990s. The main food retailers are therefore increasingly moving into comparison goods sales to drive company growth. Existing food superstores are being extended wherever possible; with the great majority of the extension floor space used for the sale of comparison goods. This includes new categories of goods such as furniture and DIY goods. The size of new superstores is also increasing substantially. Thus for example, Tesco is promoting its Tesco Extra stores, which can be up to twice as large as the largest superstores of a few years ago. Based on ONS data, Mintel estimated that in 1999, the large grocers accounted for 35.1% of all retail sales in the UK, and that this had risen to 36.4% by 2004. Further rise has occurred subsequently. Tesco, for example, is now starting to promote its 'department store' concept, although no such stores have yet been developed. This strong growth by a small handful of retailers could in time threaten competition, by reducing the number of retailers in the market.
- 2.10 Asda is now developing non-food only stores to extend the range of its 'Asda Living' and 'George' branded homewares and clothing respectively. Some of these are in or on the edge of town centres. This demonstrates that it is not essential for food retailers to extend their existing superstores or develop ever larger superstores, in order to capture more of the non-food market. Under the sequential approach, such outlets should wherever possible be in or on the edge of town centres. Asda's proposals demonstrate that although less desirable for the superstore operators, such an approach can be made to work.

Pressures on Small Retailers and Secondary Shopping Areas

- 2.11 There is a widely held perception that the growth of superstores, and the move into local food retailing by the major operators has had a serious impact on small retailers, many of which are independent. This is confirmed by the data set out in Table 2.1 on the growth of sales in superstores at the expense of smaller supermarkets and specialist food retailers. The House of Commons All-Party Parliamentary Small Shops Group has recently enquired into this perceived phenomenon, and published its report, 'High Street Britain: 2016' in 2006. The report concluded, inter alia, *'Large retailers find it much easier to offer improved propositions to affluent customers, attracting enough spend away from small shops to stop them trading, resulting in all consumers, within a specific catchment to become reliant on the large retailers'*. The report also concluded, *'The biggest losers, however, will be the consumers. Restricted choice of store brands, restricted choice of available products restricted choice of shopping locations, higher prices and reduced customer service are all strong possibilities in 2016. Although some consumers today may be benefiting from a competitive market this is entirely unsustainable and cannot continue'*.

- 2.12 The report went on to observe that current trends threaten social inclusion, with potentially adverse effects for society. A number of recommendations were made to government, aimed at ameliorating the competitive environment for small retail businesses. Perhaps partly as a result of the Group's report, the OFT and the CC undertook the recently completed Inquiry into the supermarket 'industry'.
- 2.13 Research published in November 2004 by the National Retail Planning Forum in the report 'The Role and Vitality of Secondary Shopping – A New Direction' concluded that over the previous 10 years, there had been a significant change in secondary shopping. In such locations, the number of retailers had declined, but the number of service businesses had increased. The result was that in general, shop vacancy rates in secondary shopping areas had fallen – although there were specific pockets of decline and high vacancy, usually easily explicable by locational factors; such as being separated from the remainder of the town centre by a busy access road. The research also concluded that secondary shopping areas are much more diverse in their composition than prime retail areas, and are heavily dependent on independent businesses.
- 2.14 A number of recommendations were put forward for enhancing the prosperity of secondary shopping areas. In summary, these focused on:
- Creating a coherent pedestrian environment through breaching barriers to easy pedestrian movement, introducing new pedestrian flow generators, and improving linkages with the prime retail areas;
 - Managing change to non-retail uses where appropriate;
 - Creating financially viable developments, through introducing new value generators to form mixed use schemes;
 - Improving the public realm through new investment:
 - Supporting independent businesses by providing low cost business support services;
 - Applying asset management principles and niche marketing;
 - Using new methods of leasing, so as to improve landlord control of repairs and maintenance;
 - Obtaining specialist advice on the impact of proposed new retail developments;
 - Evolving more sophisticated planning policies for change of use;
 - Applying town centre management;
 - Ending differential pricing under which the major food retailers charge higher prices in their small local stores than in their car-accessed superstores;
 - Applying the sequential approach and controlling development;

- Undertaking further research on a number of related topics.

Growth in Retail Expenditure

- 2.15 Since the late 1990s, there has been very substantial growth in retail expenditure on comparison goods. Over the period 1998 to 2006, MapInfo Brief 07/02 indicates that per capita expenditure on comparison goods in the UK grew at an annual average of 7.2% in real terms. This is well above the historic long term trend (1978 to 2006) of 4.9% pa, and the ultra-long term trend (1964 to 2006) of 3.9% pa. For convenience goods, the growth has been much less, at 1.0% pa over the period 1998 to 2006. Even this is significantly above the long term trend of 0.4% pa and the ultra-long term trend of 0.1% pa. In addition, there has been some population growth. Over the period 1971 to 2004, for example, the UK population grew by almost 7%; and with the accession of countries in Eastern Europe to the EU, growth appears to have accelerated as a result of increased immigration. The combined effect of population growth and growth in per capita expenditure has been substantial increases in total retail expenditure, and hence sales, particularly for comparison goods.
- 2.16 In the last two years there has been a fall in the rate of growth, largely due to rising interest rates dampening down the debt fuelled 'boom' in consumer spending. After 2005, indications are that conditions for retailers have remained challenging, and in the last 6 months have become significantly worse still. As a result, several well known retailers have recently gone into administration. We expect that tightening access to credit as a result of the recent difficulties experienced by banks over sub-prime mortgages will continue to hold down growth of consumer spending for the next few years. Since 1998, there has been price deflation in comparison goods, largely owing to globalisation and outsourcing of manufacturing to China. The MapInfo/OEF price index for comparison goods in 2006 was 14.7% below its 1998 peak. This has helped to maintain consumer spending. However, competition for scarce resources as a result of the rapid growth of the Chinese economy, and those of some other nations, may well end this trend over the next few years.

Retail Sales Densities

- 2.17 Since the end of the economic recession in the early 1990s, a substantial amount of new retail floor space has been developed. Much of it has been in the form of food superstores and retail warehouses, located on out-of-centre sites. Town centre development has been mainly in large and medium sized towns – the top 100 or so retail centres by size in the country. However, provision of new floor space has not matched growth in expenditure, with the result that sales densities have been rising in town centres, and in retail warehouses. Sunday trading and extended weekday opening hours have enabled existing floor space to absorb substantial growth. Sales of higher value goods as incomes have risen, which do not necessarily need more space for storage, display and sale (and may need less owing to the trend for miniaturisation), has also resulted in higher sales densities. In practice, town centre sales densities have proved to be highly elastic, and the concept of 'overtrading' needs to be applied with some caution.
- 2.18 Convenience goods sales densities in food stores, however, have shown a mixed picture in recent years. Between the years 2000/01 and 2006/07, Asda has shown a rise in convenience goods sales density of 14.6%, and Morrisons' has risen by 7.0%. However Sainsbury's has

fallen by 14.7% and Tesco by 2.0%. Aldi, Co-ops, Lidl, Iceland, and Marks & Spencer have all shown falls in their convenience goods sales density, of between 5.0% (M&S) and 20.8% (Lidl). Somerfield has shown a small rise of 1.9%, and Waitrose has been virtually stable (with a fall of 0.6%). We consider that these changes are partly the outcome of the battle for market share in which there have been winners and losers. However, it is also partly a result of the rapid increase in floor space, over a period when growth in convenience goods expenditure has been low; and as a result the overall trend in convenience goods sales density has been slightly downwards.

Shopping Centre Development Pipeline

- 2.19 As at March 2007, the UK shopping centre development 'pipeline' comprising schemes of over 50,000 sq ft gross with planning permission or under construction totalled 3.62 million sq m. This is higher than has been seen since the early 1990s. The majority of this is expected to be delivered between 2008 and 2011; and will be in existing town and city centres. Most of this floor space is in large schemes in the larger centres. Thus in Bristol for example, the Cabot Circus development at Broadmead will open in Autumn 2008 with a scheme totalling 136,000 sq m gross, including reconfigured retail floor space and some leisure uses. In Leicester City Centre, the High Cross development has very recently opened, in the form of a very large retail scheme anchored by a new John Lewis department store. In Belfast, the Victoria Square centre has recently opened, anchored by a large House of Fraser store. There are few schemes committed or under construction in small town centres and district centres, and it is difficult to make development financially viable in small centres, owing to low rental values for retail floor space there. The apparent surge in short to medium term development is not a new phenomenon. Lengthy development cycles result in a time lag between favourable market conditions (the high growth of expenditure since the late 1990s referred to above) and delivery of new shopping centres.
- 2.20 Letting prospects for this space are now becoming more difficult. The most sought after 'anchor' stores, Debenhams, House of Fraser and John Lewis are facing actual or potential decline in sales and will only consider acquiring the right stores in the right locations. There are few other retailers, such as Next, Primark, Top Shop, River Island, H&M, New Look, which will currently consider acquiring major new 'secondary anchor' stores in new town centre developments. This is putting pressure on developers preparing town centre schemes in smaller town centres such as Swindon and Bedford, and resulting in downwards pressure on rents, letting prospects and financial viability. As a result, there are increasing signs of a slowdown in the town centre retail development market.
- 2.21 There has been a long term trend towards polarisation of comparison goods retailing into the largest town and city centres in the country at the relative expense of the smaller centres. Thus, whereas in 1971 the 200 largest centres in the country accounted for about 50% of all comparison goods sales, by 1996, this proportion has risen to about 75%¹. There is no evidence since that this trend has halted or been reversed. Indeed, much of the 'pipeline' or recently opened space for new shopping centres described above is in the larger centres, e.g. London suburbs, Wolverhampton, Leicester, Bristol, Bath, Belfast. However, anticipating the policy in PPS6 for growth to be distributed more evenly, the then President of the British Council of Shopping Centres (BCSC) called in 2003 for a renewed focus on development in

¹ Sources: Census of Distribution 1971, and 'National Survey of local Shopping Patterns 1996' Hillier Parker.

smaller centres. He was referring to centres with prime Zone A shop rental values at that time of around £1,076 per sq m (£100 per sq ft) – but these are centres between about 100th and 150th in the national total of around 1,200 significant town and district centres. In other words, still large town centres, rather than the centres of small market towns. Only with shop rental values at or approaching this level is substantial new town centre comparison goods shopping centre retail development likely to be financially viable. So the polarisation trend described above is unlikely to be reversed in the foreseeable future. However, mixed use development including new retail uses, and new food stores, may in principle be possible, in smaller centres, subject to need and the availability of suitable sites.

Retail Warehouses

- 2.22 There remains some demand nationally for new retail warehouses from retailers, and support for this format from developers and investors – where planning permission can be obtained. The range of retailers wishing to trade from retail parks continues to widen, well beyond the traditional ‘bulky goods’ furniture, floor coverings, electrical goods and DIY goods retailers. Retailers seeking retail park stores now include Next, Asda (with its Asda Living format), H&M Hennes, Blacks Leisure, Debenhams, Arcadia Group, Boots, Habitat, New Look, River Island, Argos. At the same time, the former PPG6 and now PPS6 have imposed the sequential approach, which theoretically makes it more difficult to expand the supply of retail park stores. As a result, there is pressure for relaxation of bulky goods conditions on existing retail warehouses (often incrementally on a unit by unit basis), extension of existing retail parks and subdivision of large stores.
- 2.23 Large numbers of mezzanine floors have also been installed, taking advantage of previously lax planning regulation of internal alterations, thus substantially expanding out-of-centre trading space. There has been a dash to complete the installation of mezzanine floors wherever possible, before the new regulations to prevent it were imposed in May 2006. Surely a classic case of ‘shutting the stable door...’!

Internet Shopping

- 2.24 Internet and other forms of online shopping are now becoming a major feature of the retail landscape. Verdict estimates that in 2007, online spending accounted for approximately 5.2% of all retail expenditure, having enjoyed its fastest rate of growth in six years in 2007². They forecast that this will rise to 13.8% by 2012. Based on their work, we calculate that in 2007, 3.3% of all food and grocery sales were via online shopping, and 6.5% of all comparison goods sales. Some of the recent growth has been at the expense of traditional non-store sales, in particular mail order shopping. However, Verdict estimates that *‘four out of five online purchases are made at the expense of another retailer.’* Some of the internet shopping is from retailers which also have traditional ‘bricks and mortar’ stores, leading to the phenomenon of ‘clicks and mortar’, i.e. increasing numbers of traditional retailers diversifying their channels of product distribution to embrace the internet, in parallel with continuing store sales. This is particularly the case with the food retailers, all of whom have internet shopping channels, in some cases sourced from local stores (e.g. Tesco). Thus Verdict concludes, *‘despite some degree of cannibalisation, physical shopping is not*

² ‘UK e-Retail 2008’, Verdict Research Limited, May 2008

done for; as internet retailing matures, in many cases online and in-store sales channels will simply blur into one, becoming fully integrated.'

- 2.25 The impact of internet shopping varies between different retail sectors. Verdict estimates that in 2007, the lowest penetration was in health and beauty goods (2.2% of all retail spending), and the highest, music and video (30.3%) and electricals (15.1%). Food and grocery stood at 3.3% in 2007, forecast by Verdict to grow to 10.0% by 2012 (with much being sourced from superstores rather than central warehouses, so contributing to local store sales). In the medium term, the growth will also be uneven. For example, digital downloads are now transforming the music and video industries. The 'high street' retailers, HMV and Virgin Megastore (which was recently sold), are showing signs of suffering from this. Indeed, Verdict expects that internet sales of music and video will soar to 60.8% of all retail sales in this category of goods by 2011.
- 2.26 The above figures demonstrate that whilst the rate of growth in internet shopping has been spectacular (from zero in the mid 1990's), for most categories of goods the impact on traditional forms of retailing has so far been small; occurring as it has during a period of very high growth in retail spending overall. However, Verdict now expects continued strong growth, a substantial part of which will be at the expense of traditional retail shops and stores, despite traditional retailers embracing multi-channel selling.

The Implications for Solihull

- 2.27 There are a number of implications of the above trends for retailing and retail development in Solihull Borough, which may be summarised as indicated below.
- 2.28 There may well be increased pressure for new discount supermarkets in the Borough. Such stores, being much smaller are easier to accommodate than new full-range superstores. They should therefore be supported wherever possible; together with proposals for new foodstores for which a need is demonstrated (subject to the sequential approach, and to local land use and site planning considerations). The location of the committed new foodstore-anchored developments in Shirley and Chelmsley Wood town centres (rather than on out-of-centre sites) should give a boost to these centres, in accordance with national planning policies.
- 2.29 New retail development generally is likely to be depressed for at least the next year or two. However, it will be important to continue preparations for large development schemes, such as Mell Square, so that they can be brought to the market in time for the next upswing in the national economic cycle.
- 2.30 The committed new retail development in Shirley town centre is anchored by a large new foodstore, for which there is retailer demand and which will encourage the letting of the other retail stores within the scheme. The new Asda superstore in Chelmsley Wood town centre is already under construction, and will give a large boost to the attractiveness of this centre for shoppers. It is possible that other retail elements of the scheme could be delayed. However, the 'Asda effect' may well persuade other retailers to take space in the expectation of longer term growth as the town centre becomes more attractive.

- 2.31 It is unlikely that new retail development (apart from new foodstores) in the local centres in the Borough will be financially viable on its own. When the retail and residential development markets recover from the present economic downturn, to achieve new retail development in these local centres, it will be necessary to encourage non-traditional forms of development. These will either need to be mixed use schemes, probably including substantial residential elements so as to increase value and subsidise the ground floor retail accommodation, or be low cost developments such as free-standing discount supermarkets.
- 2.32 Secondary shopping in the Borough (i.e. the non-prime retail areas of town centres, and the small district and local centres) will need continuing support, if it is to survive and prosper. The recommendations set out in the NRPF report referred to above should be applied wherever possible; to improve the prosperity of secondary shopping, and help retain its important function of providing specialist goods and services and contributing to retail diversity in the town centres and throughout the Borough.
- 2.33 The rapid growth in online shopping means that existing retailers should be encouraged to establish their own transactional websites, linked together to form town centre webring accessed via a portal site for each centre. Diversification of their channels of distribution in this way will enable them to tap into a much larger potential market than their local geographical catchment area alone. Clearly, this will be more practicable for some retailers than for others, but some of the specialist retailers in the Borough should be well able to achieve increased sales by this method.

3. Contextual Planning Review

- 3.1 In this Section, we review national planning policies for new retail and other town centre development and identify the principal implications for the Borough of Solihull. We also consider the regional planning policy context in order that the findings of this report can be tested against emerging planning policy requirements.

National Planning Policies

Town Centres First

- 3.2 National Planning Policy for retail (and other forms of development) is set out in 'Planning Policy Statement 6: Planning for Town Centres', March 2005. The key principle of PPS6 is that new development (of retailing and the other defined uses) should be focused in existing centres. These are the locations most accessible by public transport and where one trip can serve several purposes; thus simultaneously facilitating switching from cars to public transport and reducing the overall need to travel (i.e. achieving sustainability), and improving facilities for people without cars (i.e. improving social inclusion). Growth *'should be accommodated by more efficient use of land and buildings within existing centres'*. Thus high density, multi-storey and mixed use development is advocated, to make the most of available sites.
- 3.3 However, it won't be enough just to develop a superstore and surface car park on the edge of a town centre, for example. In many town centres, it will be necessary to include more value generators in order to make development financially viable, so the emphasis on higher density and mixed uses fits well with the market realities described in Section two.

A Pro-active Plan-led System

- 3.4 The principal tool for achieving town centre development is to be the new plan-led system of Regional Spatial Strategies and Local Development Frameworks. These development plans are to identify hierarchies and networks of town, district and local centres; assess the role of and needs for new development in each; and then identify and allocate sites for such development. They should include sites capable of accommodating a range of *'business models'*; defined by reference to scale, format, car parking and the scope for accommodating parts of developers' proposals. Regional guidance does not expect there to be a need for any new out-of-centre regional or sub-regional centres, or extensions to such existing centres. Any changes to the hierarchical status of any existing centres should be dealt with in development plans rather than via planning applications.
- 3.5 PPS6 recognises that there are limits to capacity arising from the layout of some town centres, and responds by advocating extension of the town centre or the primary shopping area, and/or designation of edge-of-centre sites well connected to the town centre core. The accompanying document, 'Planning for Town Centres: Guidance on Design and Implementation Tools', sets out design principles for new development; and how Area Action Plans, masterplans and development briefs, and the new compulsory purchase powers should be used to make it happen. The emphasis throughout is for local authorities to be pro-active rather than merely permissive. But they are expected to be realistic about whether sites are

likely to be suitable, viable and available; and to identify sites sufficient to meet needs for at least 5 years from adoption of their development plan documents.

Spreading the Growth

- 3.6 Over the last 30 or more years, as described in Section 2 above, the greatest growth in retail floorspace has been in the largest centres, with the result that long distance travel for shopping, particularly by car, has increased. In the interests of sustainability and social inclusion, the government wants to see a more even distribution of town centre facilities, and better services in 'deprived areas'. PPS6 therefore expects local authorities to consider *'whether there is a need to rebalance the network of centres to ensure that it is not overly dominated by the largest centres'*. The emphasis of development and regeneration should therefore switch to medium sized and smaller centres, and it may become more difficult to support schemes in the largest centres.
- 3.7 Interestingly, there are few policies or principles for out-of-centre development – no doubt mainly because the other policies are intended to mean that there will not be much of it. In a strengthening of policy, PPS6 makes it clear that *'planning authorities should not regard existing out-of-centre development, comprising or mainly including main town centre uses, such as shops, shopping centres, leisure parks or retail warehouse parks, as centres'*. The approach of pressing for such schemes to be designated as 'centres' in plans or for the purposes of applying the sequential approach, is therefore now ruled out.

A Rigorous Sequential Approach

- 3.8 The sequential approach is fundamental to the whole of PPS6. Second priority edge-of-centre sites are defined as, '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'; with further guidance on other uses and the effects of barriers to movement. Thus Table 2 in Annexe A states *that '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.....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'* Only if there are no town centre or edge-of-centre sites can out-of-centre sites be considered, with preference given to those well served by a choice of means of transport and with the potential for links with the town centre. In view of the new emphasis on making it happen, it is likely that more town centre and edge-of-centre sites will be brought forward. So the opportunities for developers to argue for out-of-centre sites should recede under these policies.
- 3.9 Developers, retailers and other operators are expected to be flexible about the scale and format of their scheme, car parking provision, and the scope for component parts of it to be fitted onto town centre or edge-of-centre sites (disaggregation). PPS6 states that it is not the intention to seek arbitrary sub-division of proposals, thus leaving some scope for those pressing for large format developments. However, it will not be enough for retailers to argue that they sell goods which can't be sold from a town centre site; and their difficulties in operating from a town centre location will have to be genuine and substantial. Some regard

has to be paid to business models, but it is not paramount: what is more important is the principle of town centres first.

- 3.10 PPS6 confirms that extensions to out-of-centre stores (including internal alterations) are to be subject to the sequential approach – the only exception being extensions where the gross floorspace created does not exceed 200 sq m. Thus for example, food superstore operators wanting to extend their out-of-centre stores to sell more comparison goods, must consider whether they could instead open a comparison goods store in the town centre. Asda and Tesco are already testing such stores in a few locations, and other retailers will be likely to follow – which could generate new ‘anchors’ for town centre schemes.

The Outlook

- 3.11 PPS6 should now be resulting in more local authority-led opportunities appearing for town centre and edge-of-centre development, particularly in medium sized and smaller centres. However, some of these may be aspirational rather than realistic, because values in small centres are sometimes too low to make new development viable; and because of the current depressed short term economic outlook. A further obstacle could be the cost of creating good linkages or breaching barriers to pedestrian movement, to enable a site to function as edge-of-centre. The way forward will be higher density mixed uses – where design or heritage constraints permit. Meanwhile, the largest centres will continue organic growth and consolidation, even if some major schemes there are curtailed following plan-led reviews of the retail hierarchy.
- 3.12 Out-of-centre, once permitted developments have been implemented, there will be few more large scale developments, at least until town centre and edge-of-centre opportunities have been fully taken up. However, the exemption of small extensions from the sequential approach – which does not preclude a succession of such – will provide some opportunities for growth and consolidation of existing retail parks and superstores. Also the concession of taking account of genuine difficulties with operating the applicants’ business models from town centre and edge-of-centre sites will provide some opportunities for specialist retailers. DIY stores and deep discount retailers are obvious examples. Out-of-centre development is not over, but the balance has tipped in favour of town centres. So values of existing out-of-centre development should rise, as owners work at improving planning conditions to widen the range of goods permitted, and undertake successive small extensions.

The main points

- 3.13 The main points of PPS6 in relation to retail development may be summarised as follows:
- Development is to be focused in existing centres.
 - New development plans are to assess the need for development and allocate town centre and edge-of-centre sites.
 - Higher density, mixed-use schemes are advocated, and design principles indicated.

- Local authorities are to be pro-active in making it happen, both through planning policies, and by exercise of their improved site assembly powers.
- There is a stronger presumption against out-of-centre developments than under the previous guidance in PPG6.
- But small extensions to existing such schemes are conceded, and some account is to be taken of applicants' business models.
- Annual monitoring of implementation is to be undertaken and regular review of town centre vitality and viability.

Proposed Changes to PPS6

- 3.14 In July 2008, the government published Proposed Changes to Planning Policy Statement 6: Planning for Town Centres, in the form of a Consultation document. The objectives of the suggested changes are *'First, they must support current and prospective town centre investment, which contributes to economic prosperity, and to our social and environmental goals.....Second, that it is important to ensure that planning promotes competition and consumer choice and does not unduly or disproportionately constrain the market.'*
- 3.15 In pursuance of these objectives, the principal changes proposed are as follows:
- i) Part 2 of PPS6 dealing with positive planning for town centres and the plan-led approach would be revised to place a greater emphasis on competition and consumer choice. However, it retains the requirement for local planning authorities to assess the need for main town centre uses when preparing their development plans, and to identify in their plans ways of accommodating identified need in accordance with the sequential approach. *'There is no proposed change to the requirement for planning authorities to assess the need for new town centre development or to take account of scale, impact and accessibility considerations or the sequential approach in selecting sites for development in development plans.'* In identifying and allocating sites in their development plans, local authorities will be expected to apply the new 'impact test' described below.
 - ii) Part 3 of PPS6 dealing with development control is substantially revised. The main change would be replacement of the current requirement for applicants to demonstrate need for edge-of-centre and out-of-centre development which is not in accordance with an up-to-date development plan, with a new 'impact test'. This would need to be applied to edge-of-centre and out-of-centre development which is not in accordance with an up-to-date development plan; and to town centre developments which don't accord with the development plan and which would substantially increase the attraction of the town centre and could have an impact on other centres.
 - iii) The new impact test would replace the existing tests in paragraph 3.20. It sets out five 'key town centre impact considerations, both positive and negative', which may be summarised as:

- Compliance with the development plan;
 - Impact on committed and planned public and private investment;
 - Appropriateness of scale;
 - For retail and leisure proposals, the impact on town centre trade/turnover;
 - Promotion or undermining of town centre vitality and viability, including local consumer choice and retail diversity.
- iv) Where a proposed development would have a significant impact under these tests, planning permission should normally be refused. If there are some impacts, but the prospect of them being outweighed by wider economic, social and environmental benefits, these wider issues would need to be assessed. The tests for wider impacts or benefits (in summary) are:
- Impact on non-town centres being developed in accordance with the development plan;
 - Sustainability in terms of accessibility and travel;
 - Promotion of social inclusion;
 - Employment creation;
 - For retail developments, 'clawback' of trade leakage from the catchment area;
 - Promotion or undermining of economic and physical regeneration in the area within 5 years of completion of the proposed development;
 - Efficiency in the use of land, and re-use of 'brownfield' sites.
- v) The new impact test is therefore in essence a 'zero impact test'; in that the effect of the development should be that it would cause no overall impact or would bring some net benefits.
- vi) *'High quality and inclusive design...sustainable development'* and *'tackling climate change'* are presented as overriding considerations in determining the acceptability of proposed developments (paragraph 3.19f). It seems likely that these latter requirements, if adopted as government policy, would effectively kill proposals for large low density car dependent developments which are not located at public transport nodes – i.e. most out-of-centre superstores and retail warehouses..
- vii) The requirement for local authorities to produce annual monitoring reports on their town centres remains, but the indicators of town centre viability in Figure 1 of PPS6 are extended to include land values and the length of time key sites have remained undeveloped. The safety and crime indicator is extended to include the threat of terrorism, and the evening and night-time economy.
- 3.16 The consultation period on these proposed changes has recently ended, and the final version of the revised PPS6 (publication of which is expected in late spring or early summer 2009) may well differ. It is expected that Guidance on assessing need and preparing impact assessments will be published at the same time.

The implications for Solihull

- 3.17 The principal implication is that further major retail development in the Borough beyond current commitments will have to be fully justified in terms of need (unless within a defined town centre, where it will not be necessary to demonstrate need), impact and the sequential approach. It will be necessary to consider whether part or all of it could be developed in smaller centres, so as to spread the benefits of growth more evenly, and reduce the need to travel for shopping. This provides national policy support for potential new retail development in small centres such as Knowle and Dorridge, subject to local site planning and access considerations. In the smaller centres, any opportunities for new town centre development should be brought forward for new retail and other uses, as soon as a need is identified – subject of course to retailer demand and financial viability. Town centre development is slow, expensive and difficult, whereas out-of-centre development is relatively quick, cheap and easy. However, government policy now no longer supports the easy option, and the Council will be expected to be pro-active in identifying and assembling sites for development where this is financially viable. The application of the sequential approach will be a strong tool to do this.

Groceries Market Investigation by the Competition Commission

- 3.18 In its final report published on 30 April 2008, the Competition Commission (CC) concluded (inter alia) that:

‘The planning regime (in particular PPS6 in England, SPP8 in Scotland, PPS5 in Northern Ireland and MIPPS 02/2005 in Wales) and its application by Local Planning Authorities in accordance with the policy objectives of the planning regime necessarily act as a barrier to entry or expansion in a significant number of local markets:

- (i) by limiting construction of new larger grocery stores; and
 - (ii) by imposing costs and risks on smaller retailers and entrants without pre-existing grocery retail operations in the UK that are not borne to the same extent by existing large grocery retailers.’
- 3.19 The CC concluded that there should be a new competition test for proposed new grocery stores and store extensions, which it would prefer to see established within the planning system. It has recommended that the Department of Communities and Local Government (DCLG) and the devolved administrations take steps to make the Office of Fair Trading (OFT) a statutory consultee on all planning applications for new food stores and store extensions *‘where the developed store will be in excess of 1,000 sq metres net sales area’*. The OFT would be required to apply a ‘competition test’, as follows:
- (a) assess concentration across an area defined using a 10-minute isochrone (calculated using a standard, readily available package such as MapInfo/ Drivetime) around the store that is to be developed;
 - (b) count the number of fascias (including that of the retailer that might operate the developed store) operating large grocery retail stores within the isochrone, such fascias

to include all full-range national or regional grocery retailers and symbol groups and independently-owned full-range grocery store operators;

- (c) (where the number of such fascias is three or fewer) calculate the share of groceries floorspace within the isochrone that the grocery retailer operating the developed store would have after the development had been implemented, such calculation to include all full-range national or regional grocery retailers and symbol groups and independently-owned full-range grocery store operators;
- (d) where a planning application was submitted by a large grocery retailer, provide advice to the LPA on whether that grocery retailer had passed or failed the test;
- (e) where a planning application was submitted by a third party (including a grocery retailer that is not a large grocery retailer), provide advice to the LPA on which grocery retailers would fail the test;
- (f) a particular retailer will pass the test for a particular local area (ie within a 10-minute isochrone around the store to be developed) if:
 - (i) it would operate the developed store as a new entrant in the local area;
 - (ii) the total number of fascias in the local area were four or more; or
 - (iii) the total number of fascias were three or fewer and the grocery retailer operating the developed store would have less than 60 per cent of groceries sales area in the local area (this decision taken on the basis of a majority of four to two);
- (g) a particular retailer would fail the test if:
 - (i) the grocery retailer was not a new entrant in the local area; and
 - (ii) the total number of fascias in the local area were three or fewer; and
 - (iii) the retailer would have 60 per cent or more of groceries sales area (including the new store) in the local area (this decision taken on the basis of a majority of four to two).'

3.20 The CC recommends that a Local Planning Authority will only be able to disregard the OFT's advice in deciding a planning application in limited circumstances. These are where it is satisfied, based on sound evidence, that the proposed development would produce benefits for the local area which would clearly outweigh the '*detriment to local people from the area becoming or remaining highly concentrated in terms of grocery retailing*'; and where the development would not take place without the grocery retailer which had failed the competition test. This suggest that there may be rash of applications for new food superstores as 'enabling developments' for regeneration projects (which could potentially help such proposals demonstrate net benefit under the proposed new impact test of the consultation draft PPS6), and that the competition test will be fairly easy to circumvent by this means.

- 3.21 One of the apparent consequences of the proposed competition test would be that (apart from new entrants to the market) new stores will only be able to pass the test in circumstances where there is little or no need for them. This is because in many cases new stores would only be allowed in locations where there are already a number of existing operators. This may well open the door for large new superstores operated by the strongest retailers, which have the effect of closing the smaller existing stores, thus leading in time to a reduction in competition between stores in the area – particularly if the ‘needs’ test is abolished for development control purposes, as in the proposed changes to PPS6. In other words, the opposite effect which the CC intends. It appears that it may also make it harder for new stores to open in under-served markets, where existing access to food stores is poor. Thus the competition test appears to run counter to the objective of PPS6 that local planning authorities should seek to provide for the needs of deprived areas in the interests of social inclusion.
- 3.22 Recently, Tesco has appealed to the Competition Appeal Tribunal against the proposed competition test. Tesco is expected to argue that the competition test would not remedy the adverse effect on competition identified by the CC. The tribunal will have to decide if the CC ‘considered the case fully, followed its own procedures, observed the relevant law, acted fairly and proportionately and without bias, and came to a reasonable decision on the basis of the evidence’.
- 3.23 It is not expected that the government’s final response to the CC report will be published until after the result of the Tesco appeal. In the meantime, the proposed competition test is not yet government policy. The revised version of PPS6 may or may not take account of the government’s response. In the meantime it would not be surprising if there was a rush by food retailers to obtain and ‘bank’ permissions for new stores and store extensions, before the possible introduction of a competition test and the revised version of PPS6.

The Implications for Solihull

- 3.24 The Borough of Solihull already contains a substantial number of foodstore fascias in large and small stores. It is therefore somewhat unlikely that if introduced, the competition test would inhibit market entry by new operators. However, in the densely built-up areas of the Borough, there are few town centre and edge-of-centre sites potentially available to accommodate new foodstores; and the most important of these (in Shirley and Chelmsley Wood town centre already have new foodstores under construction or otherwise committed). Thus in the Borough, the lack of available sites may well prove a greater constraint on development of new foodstores than the proposed competition test or the promised new version of PPS6.

Regional Planning Policies

Regional Spatial Strategy (including Phase 1 Revision)

- 3.25 The Regional Spatial Strategy (RSS) Phase One Revision was adopted in January 2008. The ‘Prosperity for All’ chapter draws the link between economic prosperity and the achievement of spatial strategy policy and establishes policies objectives for the development of retail, offices and leisure. It recognises that town and city centres are the drivers of the Regional and sub-regional economies and are of crucial importance to the Region’s economic and social well-

being and to the achievement of a sustainable pattern of development. It states that centres should be a key focus for future regeneration activities.

- 3.26 Policy PA11 establishes a network of 25 strategic town centres, which includes Solihull town centre. These strategic centres are to be the focus of major retail development, i.e. greater than 10,000 sq m, large scale office development, i.e. greater than 5,000 sq m and uses that attract large numbers of people, such as large scale leisure uses, stadia etc. Policy PA13 states that large scale out of centre developments are unlikely to be needed during the plan period and that smaller scale development proposals will need to be determined by individual planning authorities.
- 3.27 Policy PA10 - Tourism and Culture encourages development that will enhance key regional tourist destinations and cultural assets. In particular it draws attention to the National Exhibition Centre (NEC) as an asset and a location that should be supported and strengthened through new development. The policy also encourages large scale developments to be located in sustainable locations, such as town centres.
- 3.28 Policy PA7 relates to Regional Investment Sites (RIS), which form part of the Region's Regional Employment Sites. RIS are intended to support diversification and modernisation of the Region's economy. The RSS recognises Birmingham Business Park and Blythe Valley Business Park are established RIS within Solihull Borough and that the area is considered adequately served for the remainder of the plan period.

Regional Spatial Strategy – Phase 2 Revision Submission Draft

- 3.29 The review of the RSS maintains its objective of sustainable development and urban and rural renaissance. Paragraphs 3.30 to 3.33 describe the role Solihull will play in the spatial development of the region citing the need for a careful balance to be achieved between realising growth without harming urban renaissance or undermining the qualities of the area. The regeneration of north Solihull and enhancing Solihull town centre and other centres are seen as key to achieving local growth ambitions.
- 3.30 At the time of preparing this report the Nathaniel Lichfield Study on behalf of the Government Office for the West Midlands (GOWM) had recently been published. However, its implications for the region and in particular Solihull Borough had not been tested at public examination (scheduled for April 2009). Accordingly, this contextual review considers only the scenarios contained within the RSS document.
- 3.31 Policy PA7 requires provision for a series of Regional Investment Sites (RIS). These are to support the diversification and modernisation of the Region's economy and the development of the Region's cluster priorities identified in the Regional Economic Strategy. At least one RIS is to be made available to each Urban Regeneration Zone and each High Technology Corridor. Solihull has 2 RIS that serve the East Birmingham and North Solihull Regeneration Zone (RZ) and/or the Coventry, Solihull, Warwickshire High Technology Corridor (HTC). Any gaps in RIS provision in the Region are to be resolved by joint working between relevant local authorities and key partners, including AWM, the outcome of which should be taken forward in relevant Core Strategies. Development should be 'highest quality' B1 (or B2, where appropriate, in some parts of the Region).

- 3.32 Policy relating to Tourism and Culture remain unchanged from the adopted RSS.
- 3.33 Policy PA11 (Network of Town and City Centres) establishes an informal hierarchy of four tiers for the strategic centres. Solihull is recognised as a tier three centre and along with the other strategic centres will be the preferred location for major retail and office developments with the thresholds remaining the same as the adopted RSS.
- 3.34 Policy PA12A establishes the comparison retail floorspace requirements for each of the strategic centres up to 2026, which reflects the same time period as this study. Table 3.1 below compares the level of floorspace required in the emerging RSS against the findings of this study with the explanation of the latter set out in the next section.

Table 3.1 – Solihull Comparison Retail Floorspace Requirements 2006 - 2026		
	<i>Up to 2021</i>	<i>2021 – 2026</i>
RSS (2006 – 2026)	55,000 sq m (gross)	25,000 sq m (gross)
Solihull Retail Study (2008 – 2026) Scenario 3 forecast	29,300 sq m (net)	14,100 sq m (net)
	39,050 sq m (gross)*	18,800 sq m (gross)*

*Assumes gross / net ratio of 1:0.75

- 3.35 Our forecasts are more recent than those on which the RSS is based; and in particular take greater account of the current economic downturn and recent growth in on-line shopping. They are also based on more detailed local data on shopping patterns. They are therefore more reliable for Solihull town centre. They are lower than the RSS figures, thus enabling some of our floorspace capacity forecast as ‘Non-town centre’ in the Borough to be accommodated in Solihull Town Centre in addition, in accordance with the sequential approach, as discussed in Section 4 below. Our forecasts would not therefore result in any policy conflict between the LDF and the RSS.
- 3.36 Policy PA12B refers to non-strategic centres and requires local authorities to adopt policies to meet local needs through these centres. Where developments of greater than 10,000 sq m are proposed the policy requires applicants to consider issues of scale, impact and accessibility as set out in PPS6.
- 3.37 Policy PA13A establishes office development requirements for each of the strategic centres up to 2026 and allocates 50,000 sq metres (gross) of new office accommodation within or on the edge of Solihull town centre, i.e. 2,500 sq m (gross) per annum. This requirement is made on the basis that 65% of uncommitted office developments will be in-centre, which is significantly above the current level achieved in the region and particularly in Solihull Borough. Policy PA13B establishes that large scale office developments outside strategic centres will need to meet the tests set out in PPS6.

Solihull Unitary Development Plan (February 2006)

- 3.38 The aim of the UDP in respect of centres is to enhance the role of existing centres within the Borough as a focus for retail, leisure and where appropriate other trip generating activities, particularly the three principal centres of Solihull, Shirley and Chelmsley Wood (UDP page 8).

- 3.39 In terms of housing growth the UDP aims to deliver 4,000 homes between 2001 and 2021. Provision will include large sites at Dickens Heath, the former British Gas site (near Solihull town centre) and multiple sites in north Solihull (Chelmsley Wood). In terms of employment land growth the borough contains the established RIS sites at Birmingham Business Park and Blythe Valley Park.
- 3.40 Chapter eight of the UDP relates to retailing and centres and explains the roles of each of the three main centres and sets out policies to improve the centres. It notes that Solihull town centre has emerged as a major retail centre for the region and has strategic centre status. Additionally it notes that Shirley town centre remains vulnerable to out of centre retailing and threat from rising traffic levels and that Chelmsley Wood town centre is in need of modernisation.
- 3.41 Policy S1 (existing shopping centres) supports development that will maintain or enhance the vitality and viability of existing centres. The scale and type of development should be appropriate having regard to the size and function of the centre. Policy S2 defines primary frontages and states that an SPD will be produced providing further guidance on primary frontage protection.
- 3.42 Policy S3 (Solihull tow centre) supports proposals to maintain and strengthen function of the town centre including mixed-use developments. It notes that the development of the Touchwood centre has off-set the need for major retail development until recently. It recognises the need to improve the environment of Mell Square shopping centre and encourages the refurbishment of the centre (proposal S3/1).
- 3.43 Policy S4 (Shirley) supports proposals that will maintain and strengthen the function of the town centre including mixed use developments. In particular, proposal (S4/1) supports the development a new foodstore and proposal (S4/2) supports the development of new retail units within the centre both of which are delivered by the Parkgate scheme, which benefits from planning consent.
- 3.44 Policy S5 (Chelmsley Wood) supports proposals that will maintain and strengthen the role of the centre including mixed-use proposals, which is currently being developed. It notes that the centre is an important focus for the north of the borough and could have a major role in the regeneration of Chelmsley Wood. Proposal (S5/1) supports the refurbishment and improvement within or on the edge of the centre and proposal (S5/2) encourages proposals to improve access to the centre.
- 3.45 Policy S6 (Local centres) supports proposals that will maintain or enhance the role and function of local centres having regard to the size and function of the centre. It notes that smaller centres have generally maintained role in providing for daily needs of local populations but are under pressure from large out-of-centre stores. This has lead to a decline in convenience shops that have been replaced by more specialist shops, restaurants and professional services. Importantly, the UDP does not specifically identify other centres within the Borough and it is therefore assumed that for purposes of the UDP all other centres are local centres or parades, which are covered by policy S7 (Parades and freestanding shops). This policy supports proposals that will maintain or enhance the role and function of local centres having regard to the size and function of the centre. The UDP notes that some local centres, such as Knowle are an important focus for the communities they serve.

- 3.46 In relation to out of centre retail development the UDP is permissive where the PPS6 tests have been met, i.e. where need is demonstrated, disaggregation has been considered, no significant impact on the vitality and viability of the three town centres or the function of local centres, no available sites within or adjacent to existing town centres, easily accessible by a choice of means of transport.
- 3.47 Policy R8 (Leisure, Arts and Entertainment) supports the provision of such facilities in town centres or other appropriate locations across the Borough subject to highway, environmental and residential amenity considerations.
- 3.48 Policy E3 (General office development) encourages office development in three town centres. Other locations are considered acceptable subject to being easily accessible by public transport, acceptable impact on traffic and the environment, appropriate scale and design of development.
- 3.49 Policy E5 (NEC) is permissive of development within the NEC boundary where it relates to and improves the role of the NEC, which is recognised as a key regional tourist and cultural asset. Proposal (E5/1) designates future development land for the NEC and it is understood that a development strategy is currently being prepared by NEC's owners.
- 3.50 Policy E7 (Hotels) is permissive of development in appropriate locations where form, scale and design are appropriate, highway and environmental impacts are acceptable.

4. Quantitative Need for Retail Development

- 4.1 In this section, we examine the current retail performance of Solihull Town Centre, Shirley Town Centre, Chelmsley Wood Town Centre, Knowle Local Centre, and the principal out-of-centre main food stores and retail warehouses in the Borough. We have also assessed the quantitative expenditure capacity available to support further floorspace within the study area. This study therefore includes the preparation of up-to-date forecasts of the capacity for additional retail floorspace in Solihull Borough, which will be supportable by increases in the population and expenditure of the catchment area residents and visitors. In this section, we describe our RECAP Retail Capacity Forecasting Model, and set out our forecasts of the additional retail floorspace which will be supportable by growth in available expenditure in the period up to 2026.

The DTZ RECAP Model

- 4.2 There are a number of possible approaches to forecasting the amount of additional shop floorspace supportable in any town, and the retail impact of proposed retail development. Some use driving time isochrones to define catchment areas, whilst others use some form of gravity model of retail attraction; or a crude assessment of overall market share of available expenditure, which is considered appropriate for the proposed retail development. All need an assessment of existing shopping facilities in the area, and the amount of expenditure available in the catchment area.
- 4.3 The effectiveness of the various forecasting methods varies considerably. Conventional gravity models base the extent of the trade draw of different centres on their size, and on theoretical measures of attractiveness and accessibility. In reality, other important factors, including the type and quality of retailers, shoppers' perceptions, the level of parking provision, and the retail environment, can also influence the trading pattern. Forecasts based on driving time isochrones to determine catchment areas rely heavily on assumptions and judgement rather than measures of the actual pattern of shopping visits from residential areas to shopping centres, foodstores and retail warehouses. Overall market share based methods are inherently unreliable because they rely on estimates derived from one location being applied to another with different catchment area characteristics; and because the result depends substantially on the assumptions about the extent of the catchment area in each location.
- 4.4 To overcome these and other problems of such approaches, DTZ uses its RECAP retail capacity forecasting Model. The main difference between this approach and conventional gravity models is that the RECAP Model uses the results of a Household Interview Survey to identify the actual shopping patterns in the catchment area. By this means, it is possible to model realistically existing flows of catchment area expenditure to town centres, foodstores and retail warehouses; as the basis for predicting the existing and future capacity for further retail development.
- 4.5 In summary, the RECAP Model uses the results of a specially designed Household Interview Survey as its objectively measured 'baseline', using a conventional and widely accepted step by step approach, to complete the following tasks:

- Calculate the total amount of convenience and comparison goods expenditure which is available within the 11 zones comprising the catchment area, and forecast future growth in this expenditure;
 - Allocate the available expenditure to each town centre and non-town centre main food stores and retail warehouses, based on the results of the Household Interview Survey of shopping patterns (Appendix 2); so as to obtain estimates of current sales and forecast future sales in each;
 - Compare the estimated sales in the town centres and non- central main food stores and retail warehouses with existing floorspace (and in the case of main food stores and retail warehouses, with sales based on estimated company average performance); so as to assess the current trading performance of each shopping destination, and the capacity to support further growth in floorspace, allowing for already committed developments.
- 4.6 The RECAP Model is a very useful tool for retail planning, which avoiding the potential inaccuracies arising from assumptions about existing trade draw patterns and market shares, which are often inherent in other forecasting methods. It is based on forecasting methods that have been used and refined in a large number of retail studies on behalf of public sector clients. In particular, forecasts made using the method on which the RECAP Model is based have been accepted by Planning Inspectors and the Secretary of State at many Public Inquiries. The Model has been used to prepare the expenditure and retail capacity forecasts set out in this report.
- 4.7 When using the RECAP Model capacity forecasts as a guide to future planning policy, it is also important to remember that the further ahead the forecasting date, the less certain the forecast. Thus the forecasts for 2016 are more reliable than those for 2021 and 2026. In particular for these later dates, we suggest that forecasts such as these should be treated with some caution, since they only indicate the broad order of magnitude of retail capacity at those dates, if all of the forecast trends occur. For this reason we recommend that the forecasts should be reviewed and revised at regular intervals (of not more than about 5 years) in the light of events, based on a new Household Interview Survey of shopping patterns, to take account of the effects of any development that has occurred in the meantime. Furthermore, the long term growth in the use of internet shopping is as yet unknown (although it has, to a substantial degree, been taken into account in this report), and reinforces the need to revise the forecasts of retail floorspace capacity well in advance of 2016.
- 4.8 The detailed RECAP Model tables are set out in Appendix 3, and this section should be read in conjunction with that Appendix.

Principal Data Inputs

Catchment Area and Household Interview Survey

- 4.9 The catchment area for the purposes of the retail capacity forecasts was defined with reference to postcode districts and sectors, taking account of the location of residential areas in and around the study area, the location of the principal competing towns and cities, the principal road pattern, and significant topographical features. This catchment area was divided into 11 zones for the purposes of the Household Interview Survey and subsequent forecasting.

Within this area shown on the map in Appendix 1, we designed and commissioned a detailed Household Interview Survey of shopping patterns. The questionnaire and relevant results of this survey are included in Appendix 2. Interviewing and data processing was undertaken for us by *Research & Marketing Ltd*. Interviewing took place during June 2008. A random sample of 1,511 households was interviewed by telephone, with this sample being distributed between the zones approximately in proportion to the population of each zone, but with adjustments to ensure that no zone had a sample of less than 90 interviews.

- 4.10 The results of the survey provide a detailed picture of where the residents of the Solihull catchment area shop for main food and top up convenience goods shopping, and for eight different categories of comparison goods shopping. They also provide some information on linked trips shopping, where the primary trip generator is main food shopping; and on travel mode.

Catchment Population

- 4.11 Population forecasts for each zone were provided by a *Pitney Bowes Mapinfo* Report on the catchment area dated 6th August 2008. The resulting catchment area population forecasts by zone are set out in RECAP Model Table 1 in Appendix 3. They show the population of the catchment area as a whole increasing from 775,592 in 2008 to an estimated 794,980 by 2026. This is an increase of just 2.5% over the period 2008 to 2027, or about 0.13% per annum.

Forecasting Dates

- 4.12 We have prepared base year estimates of retail sales as at 2008, as this was the year in which the Household Interview Survey was undertaken. Our forecasts have been prepared for the years 2011, 2016, 2021 and 2026. As indicated above, the longer ahead of these forecasts should be treated as a broad guide only, and reviewed and updated well before that date.

Price Basis

- 4.13 All monetary values in this report are in 2005 prices, unless otherwise indicated. This is the most recent date for which MapInfo's retail expenditure data is available.

Per Capita Expenditure

- 4.14 We obtained from MapInfo average per capita expenditure on convenience and comparison goods in the catchment area in 2005 (the most up-to-date information available). The average per capita expenditure for the catchment area as a whole before deducting expenditure on special forms of trading amount to £1,490 for convenience goods and £2,691 for comparison goods. These base figures are set out in RECAP Model Table 2 in Appendix 3. Table 2 indicates the breakdown of the comparison goods figure into the eight different categories of comparison goods expenditure covered by questions in the Household Interview Survey 2008.
- 4.15 The base figures for the year 2005 in Table 2 have been increased to allow for actual and expected growth over the forecasting period to 2026. For convenience goods, we have applied the actual growth 2005 to 2006 indicated in MapInfo Brief 07/02 (1%), followed by the

MapInfo 'best fit' trend rate of 1.0% per annum³, for the period 2006 to 2026. For comparison goods, we have applied the actual growth 2005 to 2006 (5.48%), followed by the ultra long term trend rate of 3.9% per annum for the period 2006 to 2026. The ultra long term trend spans the period 1964 to 2006, thus covering several economic cycles. At least until the very recent international financial crisis, it has been somewhat conservative in view of the much higher growth over the last 8 years or so. However, it should be noted that we have applied the ultra-long term trend rate of growth (3.9% pa) to the estimated actual 2008 expenditure, which is well above the trend line. Thus we have implicitly allowed for long term average future growth significantly above the ultra-long term trend.

- 4.16 We consider that the ultra-long term trend based growth rate of 3.9% per annum is realistic for average growth in per capita expenditure over the whole period 2008 to 2026. In the short term (to about 2011) growth is likely to be less than this, as a result of current financial and economic conditions, but in the longer term it could well be higher as the economy recovers. This means that our short term forecasts of the capacity for additional shop floorspace are likely to be somewhat high, but our medium and longer term forecasts are likely to be more realistic as growth averages out. In any event, periodic review of the forecasts will enable the assumed growth rates to be adjusted as necessary in the light of actual growth in overall per capita expenditure, and the forecasts revised accordingly.
- 4.17 In addition we have made deductions from the per capita expenditure figures supplied by MapInfo to allow for expenditure via special forms of trading (SFT). This includes mail order, vending machines, party plan retailing, on-line shopping via the internet or interactive TV, and expenditure at temporary market stalls, and is therefore expenditure not made in retail shops. RECAP Model Table 2 shows the growing deductions which we have made, based on information for the UK published by Verdict on growth in internet shopping and forecast trends. Table 4.1 shows Verdict's estimates for the proportion of all retail sales in the UK in 2007 accounted for by internet shopping, and its trend-based forecasts for 2012. This shows the proportion of sales taking place via the internet more than doubling over the 5 years to 2012. For some categories of comparison goods, the internet proportion is already substantial and is expected to become much more so. Based on these, we have judged the deductions for SFT shown in RECAP Model Table 2. Our deductions:
- Assume a flattening of the growth trend after 2012;
 - Allow for the fact that some internet purchases of food are sourced and delivered from foodstores rather than separate warehouses (and should therefore be included in the Model);
 - Allow for the fact that internet shopping sales are included in the retail sales densities of many retailers which operate multi-channel retailing;
 - Allow for internet shopping to supplant mail order retailing to some degree, but include other SFT apart from the internet.

³ MapInfo Information Brief 07/02 indicates that 'The most statistically robust estimate of trend growth calculated is for the period 1998-2006 when the annual growth rate averaged 1%'.

Table 4.1: UK Internet Shopping Estimates and Forecasts

Goods Type	Online sales as proportion of all UK retail sales (%)	
	2007	2012
Food & grocery	3.3	10.0
Comparison goods:		
Music & video	30.3	60.8
Electrical goods	15.1	34.5
Books	14.3	21.7
Homewares	7.7	21.2
DIY & gardening goods	3.8	8.7
Clothing & footwear	4.2	12.7
Furniture & floor coverings	3.8	9.9
Health & beauty	2.2	4.8
Other comparison goods	3.7	11.3
All Comparison Goods	6.5	16.1

Source: 'UK e-Retail 2008', Verdict Research Limited, May 2008

- 4.18 The combined effect of the forecast growth in population and in per capita expenditure (minus SFT expenditure) is that we expect total catchment area expenditure on convenience goods (set out in Table 4 in Appendix 3) to increase by about £200m (28.5%) over the period 2007 to 2026; and total catchment area expenditure on comparison goods to increase by about £1,912m (87%) over the same period. This compares with growth in total catchment area population of 2.5% over the period. Thus, less than 10% of the growth in catchment area expenditure on convenience goods is due to expected growth in population; and a smaller proportion (approximately 3%) of the growth in catchment area expenditure on comparison goods is accounted for by forecast growth in population. This means that the retail capacity forecasts are very insensitive to the population growth assumptions, and more sensitive to the assumptions about growth in per capita expenditure, particularly in the later part of the forecasting period.

Shopping Patterns in the Catchment Area

- 4.19 As indicated above, in July 2008 we designed and commissioned a new Household Interview Survey of shopping patterns in Solihull and its wider catchment area. We have included the un-weighted tables of results in Appendix 2⁴. We have used the results as a key input to our RECAP Forecasting Model in Appendix 3. Using Solihull Town Centre as the example, in Table 5 we have combined the results of the question about main food shopping with those of the question about top up food and convenience goods shopping, to provide a weighted average market share of total convenience goods expenditure in each zone which is attracted to main foodstores and other convenience goods shops in the town centre. These weighted averages are then rounded to the nearest integer and used (with the correction described below) in Table 7 to indicate the pattern of attraction of convenience goods expenditure to shops and stores in Solihull Town Centre. A similar approach has been used for food stores

⁴ The totals columns in these un-weighted tables of survey results are not statistically representative of the survey area as a whole. However, they have not been used in the RECAP Model; but only the results for individual zones, which would not be affected by weighting to account for differences in the sample proportions between zones.

in Shirley Town Centre (Tables 13 and 15), Chelmsley Wood Town Centre (Tables 21 and 23), Knowle Local Centre (Tables 29 and 31), and the non-town centre main food stores in Solihull (Tables 37 and 39), as set out in Appendix 3.

- 4.20 In the case of comparison goods, for example in Solihull Town Centre, we have applied the results of the Household Interview Survey for each of the eight categories of comparison goods, weighting the market shares for each according to per capita expenditure on each category (as indicated by MapInfo). This provides a weighted average market share of all comparison goods expenditure which is attracted from each zone by shops and stores in each shopping destination. For Solihull Town Centre, the market shares for each individual goods category and the weighted averages are set out in Table 6. The final column of this (weighted average) is rounded to the nearest integer, and applied (with the correction described below) in Table 7 to indicate the market shares of all comparison goods expenditure attracted from each zone by shops in Solihull Town Centre. Similar tables (as set out in Appendix 3) apply to the other comparison goods shopping destinations; Shirley Town Centre (Tables 14 and 15); Chelmsley Wood Town Centre (Tables 22 and 23); Knowle Local Centre (Tables 30 and 31); and the non-town centre retail warehouses and main food stores in Solihull (Tables 38 and 39).

Market Share Corrections

- 4.21 The Household Interview Survey provides a detailed picture of where the residents of each of the 11 catchment zones shop for 10 different categories of retail goods. It is therefore the best available data for modelling retail expenditure flows from residential areas to shopping destinations. However, like all such surveys, it is not without its limitations, and its results cannot be applied uncritically in the RECAP Model. Thus for example, in our extensive experience, such surveys (undertaken by ourselves and by other consultants) tend to over-emphasise shopping in large centres, and under-represent it in small centres. It is therefore sometimes necessary to introduce market share correction factors into the Model, so as to transfer expenditure from one or more locations to others, to rebalance the Model and make it represent reality more realistically. This is not uncommon, and has been necessary in this case for Knowle Local Centre.
- 4.22 Knowle is a very small centre, thus the use of the comparison goods market shares from the Household Interview Survey without correction would result in an unrealistically low average sales density for the centre. We have therefore increased the survey-indicated market shares across the board by the market share correction factor of 150% indicated in the header to RECAP Model Table 31 (i.e. we have increased them by half from the no-increase default factor of 100%). This correction to the survey-indicated market shares was our professional judgement, in the light of experience with undertaking a large number of such studies over many years. No corrections were needed for the other destinations modelled.

Visitor Expenditure

- 4.23 We have allowed for expenditure on comparison goods in Solihull Town Centre, by visitors who live outside the catchment area covered by the Household Interview Survey. This is because of the John Lewis department store in Touchwood Court shopping centre, which is currently the only John Lewis store in the West Midlands. We therefore expect this store to attract some trade from outside the catchment area covered by our Household Interview

Survey, and to generate some linked trips trade in other parts of Solihull Town Centre. There is very little evidence of the magnitude of such visitor expenditure (since John Lewis' customer data is not publicly available). However, from the results of the Household Interview Survey in the peripheral catchment zones, we consider that uplift in the comparison goods expenditure by catchment area residents of 2.5%, to allow for inflow of visitor expenditure from outside the survey area, would be realistic. This uplift is shown in RECAP Model Table 13. We have made no such allowances for visitor expenditure on convenience goods in Solihull Town Centre; and no allowance for convenience or comparison goods expenditure by visitors in any of the other centres or non-town centre shopping destinations modelled, as we would not expect any significant such visitor expenditure in these locations.

Existing Shop Floorspace

- 4.24 For main food stores within the study area, we have used floorspace data published by the Institute of Grocery Distribution (IGD), supplemented where necessary with information provided by Solihull MBC. Details of these shops and stores are set out in Table 10 for Solihull Town Centre, and similar tables for the other centres and out-of-centre locations modelled. For comparison goods floorspace in each centre, we have used Experian Goad town centre floorspace data, to which we have applied net to gross to net ratios between 75% and 85%, as appropriate to the nature of the shop floorspace in each location. To this we have added the net comparison good sales area in the main food stores and other convenience goods shops in each centre.
- 4.25 In the case of the retail warehouses in Solihull, we have cross referenced floorspace data provided by the Council with net sales area data from the Valuation Office Agency (VOA) Rating List valuations. As appropriate, we have excluded retail warehouse floorspace used for trade and other non-retail sales.

Sales Densities for Main Food Shops and Retail Warehouses

- 4.26 For the existing main food stores in each town centre, and the non-town centre stores⁵, we have applied estimated company average space allocations and convenience goods sales densities based on information published by Verdict Research Limited. In the case of retail warehouses, we have used estimated company average sales densities obtained from The UK Retail Rankings 2006, published by Mintel. Where these are not available for individual operators, we have made our own estimates, based on the figures for similar companies and retail sectors in Retail Rankings. These are set out in Table 43 for the retail warehouses in the Borough.

⁵ We have used the term 'non-town centre' rather than 'out-of-centre' in connection with our retail capacity forecasting, in order to distinguish the locations chosen for forecasting convenience from the definitions used in applying the sequential approach. Some of the non-town centre stores may be in locations which would be judged to be 'edge-of-centre' under the sequential approach, or in local centres as defined in the Solihull UDP. The important point for forecasting purposes is that they are not in the town centres. However, when considering how forecast needs for new development (town centre and non-town centre) should be accommodated, the sequential approach should be applied, as indicated later in this report.

Development Scenarios Assessed

- 4.27 We have assessed three scenarios for development. All assume that the committed new retail developments in Shirley and Chelmsley Wood Town Centres will be open by 2011 at the earliest. The three scenarios are as follows:
- Scenario 1 – The ‘baseline’ scenario, which assumes that there will be no change in the market shares of available expenditure attracted from the catchment area throughout the period to 2026. This assumes that the above new developments will not change the market shares of expenditure attracted from the catchment area.
 - Scenario 2 – In this scenario, we adjust from 2011 onwards the future patterns of market shares of convenience and comparison goods expenditure attracted to each destination (apart from Knowle Local Centre, which is likely to be unaffected), to test the implications of these new retail developments.
 - Scenario 3 – This scenario applies only to Solihull Town Centre, and increases the Scenario 2 market shares for comparison goods attracted by the town centre from 2016 onwards, to explore the potential effects of the proposed Mell Square redevelopment in the town centre.
- 4.28 Scenario 1 is somewhat artificial, in that it makes no explicit allowances for the attractiveness of the new retail developments in Shirley and Chelmsley Wood Town Centres. It is therefore a worst case scenario, which assumes that the new developments are unable to achieve increased market shares in the face of competition from other locations inside and outside the study area. However, it sets a useful baseline, with which Scenarios 2 and 3, and any future retail development scenarios, can be compared. Scenario 2 is much more realistic in that it explores the implications for shopping patterns of these committed major new retail developments; and represents our current best estimate of the likely future retail performance of each centre in the study area. Although redevelopment of Mell Square in Solihull Town Centre is not yet committed, the UDP acknowledges the need to improve and refurbish Mell Square. Scenario 3 for Solihull Town Centre is therefore aimed at exploring the effects of proposed substantial retail development from 2016 onwards.

Format of the RECAP Model Tables

- 4.29 The detailed RECAP Model Tables for both scenarios are set out in Appendix 3. Table 1 sets out the population forecast for each of the 11 catchment zones. Table 2 indicates per capita expenditure, and growth in that expenditure. Table 3 shows total catchment area expenditure by zone for convenience and comparison goods over the period 2008 to 2026. Table 4 indicates total catchment area expenditure by zone in 2008 on each of the 8 categories of comparison goods, based on the average per capita expenditure for each category for the catchment area as a whole.
- 4.30 In Scenario 1, for Solihull Town Centre, Tables 5 and 6 set out the pattern of weighted average market shares of catchment area convenience and comparison goods expenditure respectively, which is attracted from the catchment area to that destination. The market shares in Table 7 are based on the detailed results by goods category obtained from the Household Interview Survey, and set out in Tables 5 for convenience goods and 6 for

comparison goods – after application of the market share correction factors described above. Table 8 is the product of Tables 6 and 7. It shows the attraction of expenditure on each of the 8 comparison goods categories by the town centre (taking account of the survey correction factors); together with the resulting overall market shares of such expenditure currently attracted by the city centre. Table 9 is the product of Table 3 (catchment area expenditure) and Table 7 (corrected market shares). It indicates the convenience and comparison goods expenditure attracted from each catchment zone by Solihull Town Centre at each date. Table 10 sets out the sales potential of the existing main food stores at estimated company average levels. Table 11 indicates the sales potential of any committed developments in the town centre.

- 4.31 Table 12 compares the expenditure attracted by Solihull Town Centre and hence sales, with existing shop floorspace and the sales potential of any committed development, indicating the resulting capacity for additional shop floorspace. The top line of Table 12 (spending by catchment area residents) is taken from the bottom line of Table 9. As appropriate, an allowance is made for the average comparison goods sales density of the existing shops to increase in real terms, following the long term trend towards higher comparison goods sales densities in town centres. In Table 12, the retail capacity forecast for comparison goods is for further floorspace additional to the committed developments included in Table 11.
- 4.32 A similar arrangement of tables for Scenario 1 applies to Shirley Town Centre, Chelmsley Wood Town Centre, Knowle Local Centre, and non-town centre main foodstores and retail warehouses in the Borough (Tables 13 to 45 in Appendix 3).
- 4.33 The Tables for Scenario 2 are simpler. Thus for Solihull Town Centre, Table 46 indicates the revised pattern of market shares of convenience and comparison goods expenditure attracted, taking account of the committed developments outlined above (and indicated in the table heading). Table 47 is the product of Table 3 and Table 46, and indicates the revised amounts of expenditure attracted to Solihull Town Centre at each date. Table 48 compares this with existing and committed shop floorspace (in a similar way to Table 13 in Scenario 1) to indicate the revised capacity for additional shop floorspace in the town centre. Similar arrangements of tables apply to the Scenario 2 forecasts for each of the other shopping destinations; and to Scenario 3 for Solihull Town Centre.
- 4.34 In Scenario 2, the adjustments in market shares which we have made for 2011 and later dates are our professional judgements, based on the results of the Household Interview Survey, the local retailing geography and our experience elsewhere. However, when the committed new developments in Shirley and Chelmsley Wood have been fully open for at least one year, it would be desirable to undertake a new Household Interview Survey to measure their actual effects; and then to update the RECAP Model forecasts based on the results. This would enable future retail planning to take account of the actual effects of these substantial developments, rather than just the predicted effects, as in this report.

The RECAP Model Retail Capacity Forecasts

- 4.35 In the remainder of this section, we set out our retail capacity forecasts for each shopping destination. The forecasts are summarised in Table 4.2. We also comment on the implications for future development strategy. In setting out our forecasts, we distinguish between convenience goods and comparison goods, defined as follows:

- Convenience goods: Food, alcoholic drink, tobacco products, newspapers and periodicals, non-durable household goods.
- Comparison goods: Clothing and footwear; household textiles and soft furnishings; Furniture and floor coverings; household appliances; audio visual equipment; hardware, DIY goods, decorating supplies; chemist and medical goods, cosmetics and beauty products; books, jewellery, watches, china, glassware and kitchen utensils, recreational, personal and luxury goods.

Table 4.2 Summary of Retail Capacity Forecasts

Scenario/Goods/Location	2011 (sq m net)	2016 (sq m net)	2021 (sq m net)	2026 (sq m net)	RECAP Model Table (Appendix 3)
Scenario 1					
<i>Convenience Goods:</i>					
Solihull Town Centre	3,750	4,100	4,450	4,850	12
Shirley Town Centre	-2,400	-2,300	-2,100	-1,950	20
Chelmsley Wood Town Centre	-3,100	-3,050	-3,000	-2,950	28
Knowle Local Centre	550	600	700	800	36
Non-town centre Shopping	4,550	5,150	5,850	6,600	45
<i>Comparison Goods:</i>					
Solihull Town Centre	2,200	12,650	25,000	38,600	12
Shirley Town Centre	-7,100	-5,850	-4,400	-2,750	20
Chelmsley Wood Town Centre	-5,400	-4,700	-3,850	-2,900	28
Knowle Local Centre	50	350	700	1,050	36
Non-town centre Shopping	-3,450	2,750	10,050	18,150	45
Scenario 2					
<i>Convenience Goods:</i>					
Solihull Town Centre	3,100	3,350	3,700	4,050	48
Shirley Town Centre	50	300	600	900	51
Chelmsley Wood Town Centre	-50	100	250	450	54
Non-town centre Shopping	900	1,400	1,950	2,550	57
<i>Comparison Goods:</i>					
Solihull Town Centre	1,850	12,250	24,550	38,100	48
Shirley Town Centre	-1,650	250	2,450	4,900	51
Chelmsley Wood Town Centre	-350	900	2,350	4,000	54
Non-town centre Shopping	-7,050	-1,250	5,600	13,100	57
Scenario 3					
<i>Comparison Goods:</i>					
Solihull Town Centre	1,850	16,500	29,300	43,400	60

Source:

RECAP Model Tables in Appendix 3 as indicated, rounded to the nearest 50 sq m net.

Notes:

Negative numbers indicate theoretical oversupply of floorspace. The forecasts in Table 4.2 are cumulative, i.e. the forecasts for each date include the forecasts for the previous dates and are not additional to those earlier forecasts. The forecasts are for further floorspace in addition to the committed town centre developments in Shirley and Chelmsley Wood Town Centres. For convenience goods in Solihull Town Centre, the Scenario 3 forecasts are the same as for Scenario 2.

Convenience Goods Forecasts

- 4.36 Before we comment on the convenience goods retail capacity forecasts in Table 4.2, some general points should be noted. First, the forecasts are all based on the assumption that where retailers are shown by the RECAP Model to be trading at above or below the level based on estimated company average levels, their sales densities will fall or rise to that company average based level. This is a conventional assumption in retail studies of this type. However, some stores may well continue to trade successfully at above or below their company average sales density. The retail capacity forecasts should therefore be seen as realistic maxima, rather than targets which must be achieved through new development.
- 4.37 Second, the convenience goods forecasts are all on the assumption that potential new floorspace will be provided in the form of new food superstores, trading at a 'generic' average sales density for such stores of £12,000 per sq m net. Some food superstore operators trade above this level (Asda and Tesco) and some below (Morrisons and Sainsburys). Further, other types of supermarket, in particular discount supermarkets, trade at far below £12,000 per sq m net. Thus the format in which new floorspace is provided will affect the amount of such floorspace which can be supported in terms of retail capacity. If it is provided only in the form of discount supermarkets, for example, the forecast growth in expenditure would be sufficient to support substantially more floorspace than indicated in Table 4.2. At this time, it is of course not possible to predict over an 18 year period the format in which potential food store developments might come forward. It will therefore be necessary to review the implications for retail capacity in each location when specific proposals for new stores come forward, taking account of the format of the proposed stores and their likely occupiers and sales densities.
- 4.38 Third, we have made no allowance for increases in sales densities of convenience goods floorspace over the forecasting period. This is because convenience goods sales densities have not been rising across the board over the last few years. For some retailers they have risen but for others they have fallen. However, at the next review of the forecasts, the most up-to-date sales densities should be used, so as to take account of any changes in real terms.
- 4.39 Fourth, although we have forecast capacity for additional out-of-centre convenience goods floorspace in some cases, this has been calculated separately from that in the centres merely for forecasting reliability and convenience. It does not mean that any such capacity should be accommodated in the form of out-of-centre development. Rather, the sequential approach should be applied, and new developments to accommodate any of the forecast need should be located in or on the edge of the centres, in preference to out-of-centre locations, if at all possible.

Solihull Town Centre

- 4.40 Scenario 1, Recap Model Table 12 shows that in 2008, we estimate that the main foodstores and other conveniences goods shops in Solihull Town Centre were achieving combined sales of £93.1m; at a combined average sales density of £17,914 per sq m net. Table 10 shows that based on estimated 2006 company average sales densities, the combined sales density of these stores in 2008 was £9,756 per sq m net. Thus, these stores as a group are estimated to be trading at well above the level based on published company averages.

- 4.41 In Table 12, we have allowed for sales in the existing convenience goods shops as a group, to fall to the level based on estimated 2006 company averages. This is a conventional approach in retail studies of this type. On this basis, summary Table 4.2 above shows that with no changes in market shares (Scenario 1) there will be capacity for about 3,750 sq m net of additional convenience goods floorspace in 2011 in Solihull Town Centre. This should rise to about 4,850 sq m in 2026, if forecast trends occur.
- 4.42 In Scenario 2, we have allowed for some impact on Solihull Town Centre's convenience goods trade, as a result of the committed new foodstores in Shirley and Chelmsley Wood Town Centres. Table 4.2 shows that on this basis, there will be reduced capacity in Solihull Town Centre, of about 3,100 sq m net in 2011, rising to about 4,050 sq m net in 2026, if forecast trends occur. This would be a small reduction, which would still leave sufficient expenditure to support up to one additional food superstore, or substantial extensions to the existing main food stores in the town centre.

Shirley Town Centre

- 4.43 We estimate that the main foodstores and other convenience goods shops in Shirley Town Centre are currently achieving convenience goods sales of £40.3m at an average sales density of £8,550 per sq m net (Table 20). This compares with their combined sales density based on company averages of £7,822 per sq m net. They are therefore currently trading at a little above the level based on 'benchmark' company averages. After allowing their sales to fall to the level based on company averages, and taking account of the committed new convenience goods floorspace of 2,341 sq m net (in the new Asda store), Table 4.2 shows that there will not be sufficient expenditure to support this new floorspace under Scenario 1, i.e. with no increase in market shares of catchment area expenditure attracted.
- 4.44 In the more realistic Scenario 2, we allow for Shirley Town Centre to attract significantly increased market shares of convenience goods expenditure from the catchment area as a result of the new Asda store. On this basis, Table 4.2 shows that there will be sufficient capacity for this new store by 2011 (the capacity forecasts is for nominal capacity for floorspace additional to this committed new store of 50 sq m net at that date). Thereafter, capacity will rise to about 900 sq m net in addition by 2026, if forecast trends occur. The Scenario 2 forecasts therefore indicate that there should be sufficient expenditure to support the committed new Asda store by about the time it will be likely to open, as a result of its expected ability to clawback expenditure from other locations, in particular out-of-centre main food stores in the Borough.

Chelmsley Wood Town Centre

- 4.45 Scenario 1, Table 28 shows that in 2008, the main convenience foodstores (principally Somerfield and Iceland) in Chelmsley Wood were estimated to be achieving combined sales of £15.2m; at a combined average sales density of £8,570 per sq m net. This is fairly substantially above the level based on 2006 company average sales densities of £5,893 per sq m net, indicated in Table 26. Thus, these stores as a group are estimated to be trading at above the level based on estimated company averages.

- 4.46 In Table 28, we have allowed for sales in the existing convenience goods shops as a group, to fall to the level based on estimated 2006 company averages. We have also taken account of the new Asda superstore which is currently under construction in the town centre. On this basis, summary Table 4.2 above shows that there will be a substantial theoretical over-supply of convenience goods floorspace in Chelmsley Wood, if the new Asda superstore is unable to attract increased market shares of catchment area expenditure.
- 4.47 Such a scenario is of course very unlikely. In Scenario 2 therefore, we allowed for the Asda superstore to attract significant increases in market shares of catchment area expenditure (at the expense of market shares attracted by out-of-centre main foodstores in the Borough, and foodstores elsewhere). On this basis, Scenario 2 shows that there will be capacity to accommodate the development by 2011; and that thereafter, capacity will grow to about 450 sq m net by 2026, if forecast trends occur. The changes in market shares would mean that Chelmsley Wood's overall market share of catchment area convenience goods expenditure would rise from 1.3% in 2008 to 4.4% from 2011 onwards, as a result of the new Asda superstore. We consider that this is realistic and achievable; and that there will be sufficient convenience goods expenditure to support the new Asda superstore in full at the time of its opening.

Knowle Local Centre

- 4.48 Scenario 1, Table 36 shows that in 2008, the main foodstore in Knowle (Tesco) and other convenience goods shops were estimated to be achieving combined sales of £19.2m; at a combined average sales density of £11,959 per sq m net. This is well above the level based on 2006 company average sales densities of £8,201 per sq m net, indicated in Table 34. Thus, these stores as a group are estimated to be trading at well above estimated company averages.
- 4.49 In Table 36, we have allowed for sales in the existing convenience goods shops as a group, to fall to the level based on estimated 2006 company averages. On this basis, summary Table 4.2 above shows that there will be capacity for about 550 sq m net additional convenience goods floorspace in 2011, rising to about 800 sq m net by 2026, if forecast trend occur. This would be sufficient to support a second small/medium sized supermarket in Knowle.

Non-town centre Foodstores in the Borough

- 4.50 The RECAP Model shows that the existing non-central main foodstores in the Borough are substantially over-trading. Thus Table 45 shows that they are currently achieving combined sales of £180.9m at an average sales density of £14,355 per sq m net. This compares with the 'benchmark' level of £10,446 per sq m net in Table 42, based on 2006 company averages. Table 2.2 shows that with no changes in market shares (Scenario 1), there will be capacity of about 4,550 sq m net additional convenience goods floorspace in 2011, rising to about 6,600 sq m net in 2026.
- 4.51 Scenario 1 makes no allowance for some of this overtrading expenditure to be clawed back to the committed new Asda stores in Shirley and Chelmsley Wood town centres. In the more realistic Scenario 2 therefore, we have allowed for the transfer of market shares from the out-of-centre stores to these two town centres, as a result of the new Asda stores there. On this basis, Table 4.2 shows that there will be sufficient expenditure available to support a much

reduced level of additional floorspace forecast as non-town centre, of only about 900 sq m net in 2011, rising to about 2,500 sq m net by 2026, if forecast trend occur. This would only be sufficient to support one new town/district centre format supermarket or up to about three discount supermarkets in the Borough (in addition to the capacity forecast in each town centre and Knowle Local Centre) in the next few years. As indicated above, any such new floorspace should be located in accordance with the sequential approach (despite having been forecast as non-town centre).

- 4.52 In summary, in the Borough as a whole, we conclude that over the period to 2016 there will be capacity for up to one additional food superstore or substantial extensions to existing foodstores in Solihull Town Centre. In Knowle Local Centre, there will be capacity for an additional small/medium sized town centre format supermarket. Elsewhere in the Borough as a whole, there will be capacity for one additional town centre format supermarket, or up to about three additional medium sized discount supermarkets or equivalent stores, to be located in accordance with the sequential approach.

Comparison Goods Forecasts

Solihull Town Centre

- 4.53 The RECAP Model indicates that Solihull Town Centre is currently achieving an estimated average comparison goods sales density of £6,053 per sq m net. Based on our studies of many other town centres we consider that this is realistic, and indicates that the town centre is trading well. In Scenario 1, Table 4.2 shows that there will capacity for an additional 2,200 sq m net comparison goods floorspace by 2011, rising to about 38,600 sq m net by 2026 if forecast trends occur. In Scenario 2, the forecast capacity is slightly reduced, as a result of transfer of a small amount of market share to Shirley Town Centre from 2011, following completion of the committed new town centre development there. Thus in Scenario 2, there would be capacity for an additional 1,850 sq m net comparison goods floorspace in 2011, rising to about 38,100 sq m net by 2026.
- 4.54 The precise scale and retail content for changes to Mell Square are not yet known. However, it is anticipated that it would be likely to result in a net addition of around 18,580 sq m gross retail floorspace. This would be about 14,000 sq m net sales area, some of which may be occupied by Class A3 cafe and restaurant uses. Whilst the likely opening date is also not yet known, it is assumed that the scheme will open by 2013. Such a new retail development would be likely to attract increased market share, and therefore to become partially self-supporting in terms of attraction of expenditure. Scenario 2 shows that this amount of additional comparison goods floorspace would be supportable by soon after 2016. In the more realistic scenario 3, we have allowed for modest and achievable increases in market share from that date of opening to be attracted by Solihull Town Centre. This is shown on the model as 2016 as it measures capacity in five year time periods. Table 4.2 shows that on this basis, there would be capacity for about 16,500 sq m net additional comparison goods expenditure by 2016, rising to about 43,400 sq m net by 2026, if forecast trends occur. This would certainly be sufficient to support the scale of additional floorspace currently envisaged for Mell Square by the time it would be likely to open. The market share changes assumed would increase the town centre's overall market share of catchment area comparison goods expenditure from 22.3% in 2008 to 23.0% in 2016. We consider that this is realistic and would be achievable with a well designed redevelopment of Mell Square.

Shirley Town Centre

- 4.55 Table 4.2 shows that under Scenario 1, i.e. no increases in the market shares of catchment area expenditure attracted to Shirley Town Centre, and allowing for the committed new developments there, there would be a theoretical over-supply of about 7,100 sq m net comparison goods floorspace in 2011, falling to an over-supply of about 2,750 sq m net by 2026, if forecast trends occur. This assumes that the new town centre development is unable to increase the market shares of catchment area expenditure attracted, which is clearly unrealistic.
- 4.56 In the more realistic Scenario 2, in which market shares are increased, there would be broad capacity for the proposed development at the time of opening expected post 2011. This would rapidly be made good by increases in population and expenditure. By 2016, capacity for additional floorspace of about 250 sq m net will arise, rising to about 4,900 sq m net by 2026, if forecast trends occur. The assumed market share increases would increase the town centre's overall market shares of catchment area comparison goods expenditure from 2.4% in 2008 to 3.6% from 2011 onwards. Since the new developments will increase town centre comparison good floorspace by just over 50%, we consider that this increase in market share is realistic and would be likely to occur in practice. There should therefore be sufficient expenditure to support the new town centre development in full at its opening.

Chelmsley Wood Town Centre

- 4.57 As in Shirley, Table 4.2 shows that in Scenario 1 (no increases in market shares), the committed new town centre developments in Chelmsley Wood would result in a theoretical over-supply of new comparison goods floorspace (of about 5,400 sq m net in 2011, falling to about 2,900 sq m net by 2026). However, the more realistic Scenario 2, in which market shares are assumed to increase as a result of the new retail attractions in the town centre, shows that there would broadly be capacity for the proposed development at the time of opening and capacity for further growth of floorspace (up to about 4,000 sq m net by 2026) if forecast trends occur. The market share changes assumed would result in the town centre's overall market share rising from 1.5% in 2008 to 2.6% from 2011. We consider that this is realistic, since the Asda superstore (in particular) will introduce a major new attraction to the town centre.

Knowle Local Centre

- 4.58 Knowle is only a very small centre in terms of comparison goods shopping. Table 4.2 shows that its growth potential is equally limited. The RECAP Model forecasts show that it will be likely to have capacity for about 50 sq m net additional comparison goods floorspace in 2011, rising to about 1,050 sq m net by 2026, if forecast trends occur. This is really only nominal, but would be sufficient to support the comparison goods floorspace in a new town centre format supermarket, if one was to be developed.

Non-town centre retail warehouses and superstores

- 4.59 Table 4.2 shows that under Scenario 1, i.e. no changes in the market shares of catchment area comparison goods expenditure attracted to non-town centre food stores and retail warehouses, after taking account of the permitted new B&Q warehouse and re-use of the existing B&Q store for bulky goods retailing, there would be an oversupply in 2011 of about 3,450 sq m net. By 2016, this would have been eliminated, and capacity for about 2,750 sq m net will arise, rising to about 18,150 sq m net by 2026, if forecast trends occur.
- 4.60 Under Scenario 2, we make the more realistic assumption that there will be a decrease in market shares attracted by such non-town centre shopping in the Borough as a result of the new town centre developments in Shirley and Chelmsley Wood attracting expenditure back from non-town centre locations. This is because some of the expected new stores in the town centre developments (particularly the two new Asda stores) will be likely to sell the same categories of goods as are currently sold by the non-town centre superstores and retail warehouses in the Borough. In Scenario 2, we forecast oversupply of non-town centre floorspace of about 7,050 sq m net in 2011; becoming capacity of about 5,600 sq m net by 2021, rising to about 13,100 sq m net by 2026 (Table 4.2 and RECAP Table 57), if forecast trends occur.
- 4.61 This does not mean that this additional floorspace should be located out-of-centre, or provided in the format of low sales density retail warehouses, or in new food/non-food superstores. In accordance with PPS6, the sequential approach should be applied to site selection, with preference for town centre and edge-of-centre sites over out-of-centre sites. If developed in or on the edge of the town centres, the format may well be of higher density buildings without immediately adjacent surface car parking. In such a development the sales densities would be likely to be somewhat greater than we have assumed for new floorspace forecast as non-town centre, resulting in a somewhat reduced capacity for new floorspace from that indicated in Table 4.2. As with all retail development, the supportable capacity will depend upon the format in which the new floorspace is provided, and the identities of the likely retailers which occupy it.

Comparison Goods Retail Sector Analysis

- 4.62 To assist with assessing the need for additional retail floorspace in the Borough, we have undertaken an analysis of the market shares of catchment area expenditure on each of the eight sub-categories of comparison goods that each shopping destination was attracting from the catchment area in 2008. RECAP Model Table 61 in Appendix 3 sets out the market shares of catchment area expenditure on such goods which the Household Interview Survey indicates as being attracted from the catchment area by the three town centres, Knowle Local Centre, and by retail warehouses and non-town centre food stores. In terms of scale, Solihull Town Centre and the non-town centre shopping are substantially the most important.
- 4.63 Table 61 shows that there is substantial variation between the market shares attracted by Solihull Town Centre for each of the eight comparison goods categories. The highest is clothing and footwear, for which the town centre attracts 31% of catchment area expenditure; followed by 'Other Comparison Goods' with 29% of expenditure attracted. 21% of household textiles expenditure is attracted; and 16% of expenditure on chemists, medical and beauty goods. The town centre accounts for 14% of catchment area expenditure on audio visual

equipment, 13% on hardware/DIY goods/garden products, and 11% on household appliances and on furniture and floor coverings. Table 61 therefore shows the strength of Solihull Town Centre for non-bulky comparison goods; and its more limited role (in common with most town centres of this size and type) as a location for 'bulky goods' shopping.

- 4.64 The pattern of attraction of expenditure by non-town centre stores is approximately a 'mirror image' of that for Solihull Town Centre, with negligible market shares for the non-bulky goods categories of clothing and footwear, and 'other comparison goods' respectively; and much higher market shares for the 'bulky goods' categories. Thus Table 16 shows that non-town centre stores in the Borough attract 28% of expenditure on household appliances, 27% of catchment area expenditure on audio visual goods, and 20% on hardware, DIY and garden products. For chemists, medical and beauty goods, non-town centre stores (which include main foodstores) attract a market share of only 5%; whilst for furniture and floor coverings their market share is 20%, and for household textiles 10%.
- 4.65 When the market shares attracted by the three town centres and Knowle Local Centre are combined with those attracted by retail warehouses and non-town centre superstores, the overall market shares attracted by the Borough as a whole vary from 31% (chemists' medical and beauty products) to 44% (audio-visual equipment). The retail sector analysis shows that there is not a conspicuous need for more 'bulky goods' stores such as retail warehouses in the Borough, as this category of shopping is the best served. Conversely, it indicates a need for more of the non-bulky comparison goods shops and stores in the Borough, (which are most likely to be located in town centres) to reduce the need for Borough residents to travel to more distant such facilities elsewhere. We would expect this need to be met by development in Solihull Town Centre in due course.

Use and Review of the Forecasts

- 4.66 Finally and in accordance with our usual practice, we must emphasise that all expenditure based forecasts of future shop floorspace capacity are based on imperfect data and contain a number of assumptions. Our forecasts set out in this report are based on the most up-to-date and reliable information currently available to us. However, they are intended as an indication of the likely order of magnitude of future shop floorspace capacity (if forecast trends are realised) rather than as growth targets or rigid limits to future growth. The forecasts should be periodically revised as necessary in the light of actual population and expenditure growth, and as development proceeds and its effects become measurable.

5. Qualitative Need for Retail Development

On-street Interview Surveys

- 5.1 In accordance with the project brief, we designed and commissioned an On-street Interview Survey of shoppers and other town centre users within Solihull Town Centre, Shirley Town Centre, and Chelmsley Wood town centre. The purpose of the surveys was to collect detailed information on customer views and behaviour, which is one of the indicators of town centre vitality and viability in PPS6. The surveys were based on a random sample of interviews. The questionnaire was designed by DTZ following consultation with SMBC.
- 5.2 Analysis of the survey undertaken in each centre is described within the following section. Each centre is described separately; the first part describing the findings of the survey and the second part setting out the conclusions. A copy of the questionnaire and the detailed results for each centre are included in Appendix 4 of this report.

Solihull

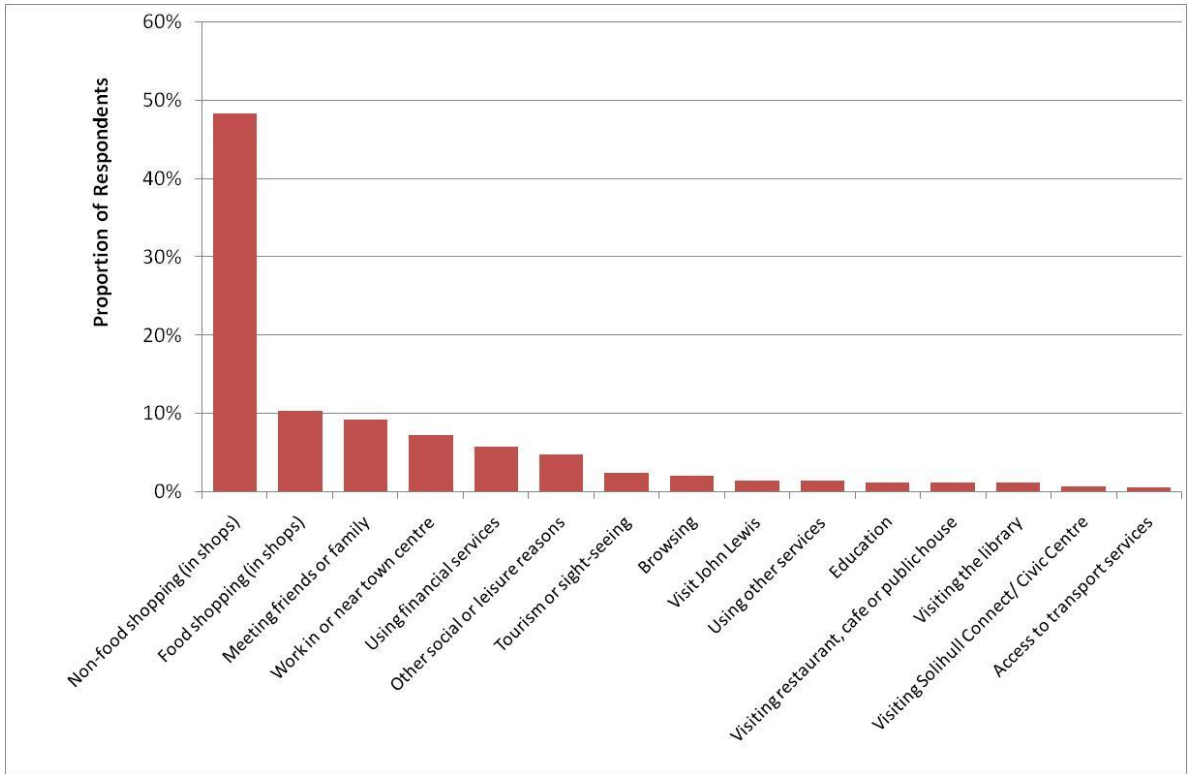
Mode of Travel

- 5.3 Respondents were asked how they travelled to Solihull Town Centre. 41% came to the centre by car (as the driver), 29% travelled by bus, 16% of respondents travelled in as car passengers, whilst 10% walked into the town centre. The remaining respondents came by taxi (1%), bicycle (1%), and moped/motorcycle (1%). The high proportion of car and bus shoppers is perhaps a reflection of the wide catchment of Solihull Town Centre.

Purpose of Visit to Solihull Town Centre

- 5.4 Question 3 asked respondents what was the main purpose of their visit to Solihull Town Centre on the day of the interview. As illustrated in figure 5.1, 48% of respondents stated that they were doing non-food shopping, whilst 10% stated that they were doing food shopping. 10% were meeting friends or family and 9% of respondents stated that they worked in or near the town centre; 5% were there for leisure and other social reasons. 6% were using financial services and 2% were in the town centre to specifically visit John Lewis.
- 5.5 In terms of secondary purposes for visiting the town centre, 33% of respondents were doing non-food shopping and 15% of respondents were doing food shopping. 15% of respondents were also visiting a restaurant, cafe or public house, 8% were using the financial services and 6% were visiting friends and family. 5% of respondents said that they would also be shopping in John Lewis on the day of interview. Not surprisingly (because people were interviewed in the principal shopping streets), shopping for food and non-food goods was the dominant reason for visiting the town centre, but using services was also important.

Figure 5.1: Respondents' Main Purpose of Visit to Solihull Town Centre

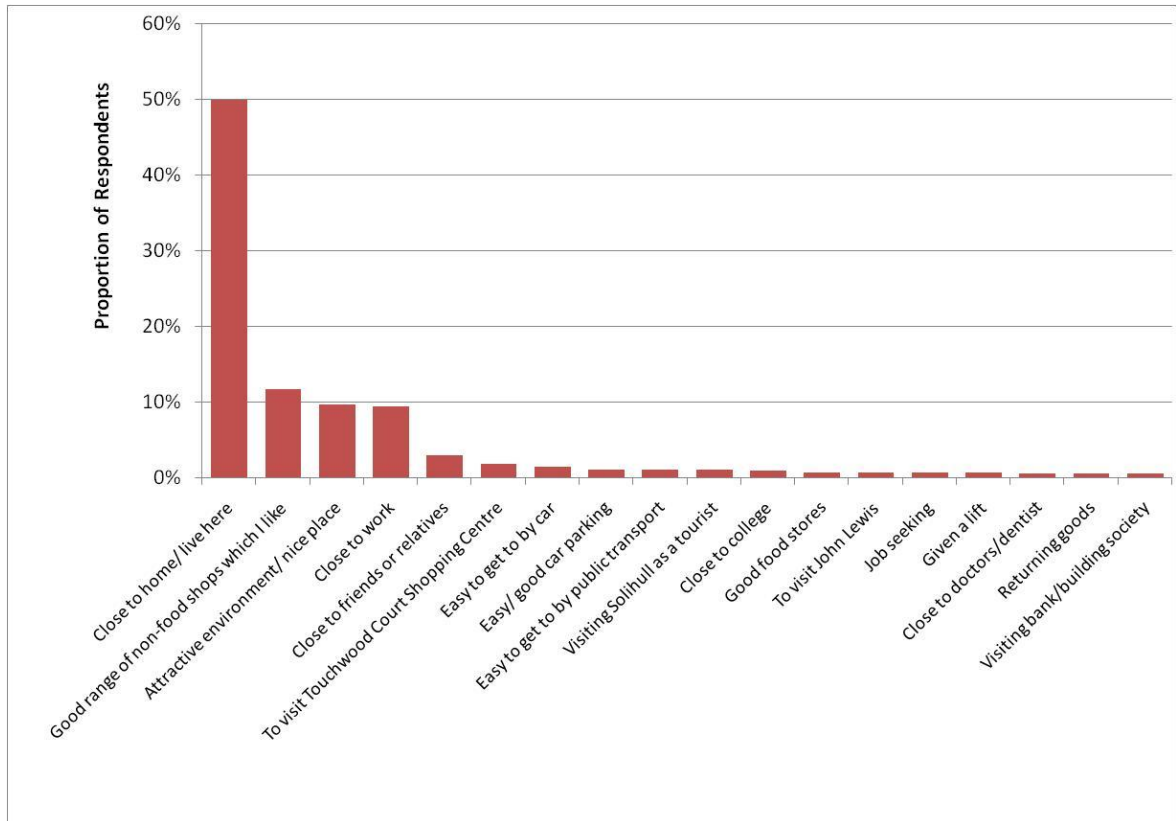


Source: DTZ Survey 2008

Reasons for Choice of Solihull Town Centre for Shopping or Services

5.6 Question 5 asked respondents why they had chosen to come to Solihull Town Centre on that day for shopping and services. As illustrated in Figure 5.2, 50% of respondents had come to the town centre because it was close to where they live. 12% of respondents stated that the main reason was because of the good range of shops in Solihull Town Centre (2% answered 'to visit Touchwood Centre', whilst 1% said John Lewis). 10% of respondents said that the town centre was close to their place of work, whilst 10% said that the centre was close to friends or relatives. 2% of respondents said that Solihull Town Centre was easy to get to by car and 1% were visiting as tourists. Despite the attractions of the town centre, proximity was by far the dominant reason for people choosing to visit Solihull Town Centre.

Figure 5.2: Respondents' Reason for Visit to Solihull Town Centre

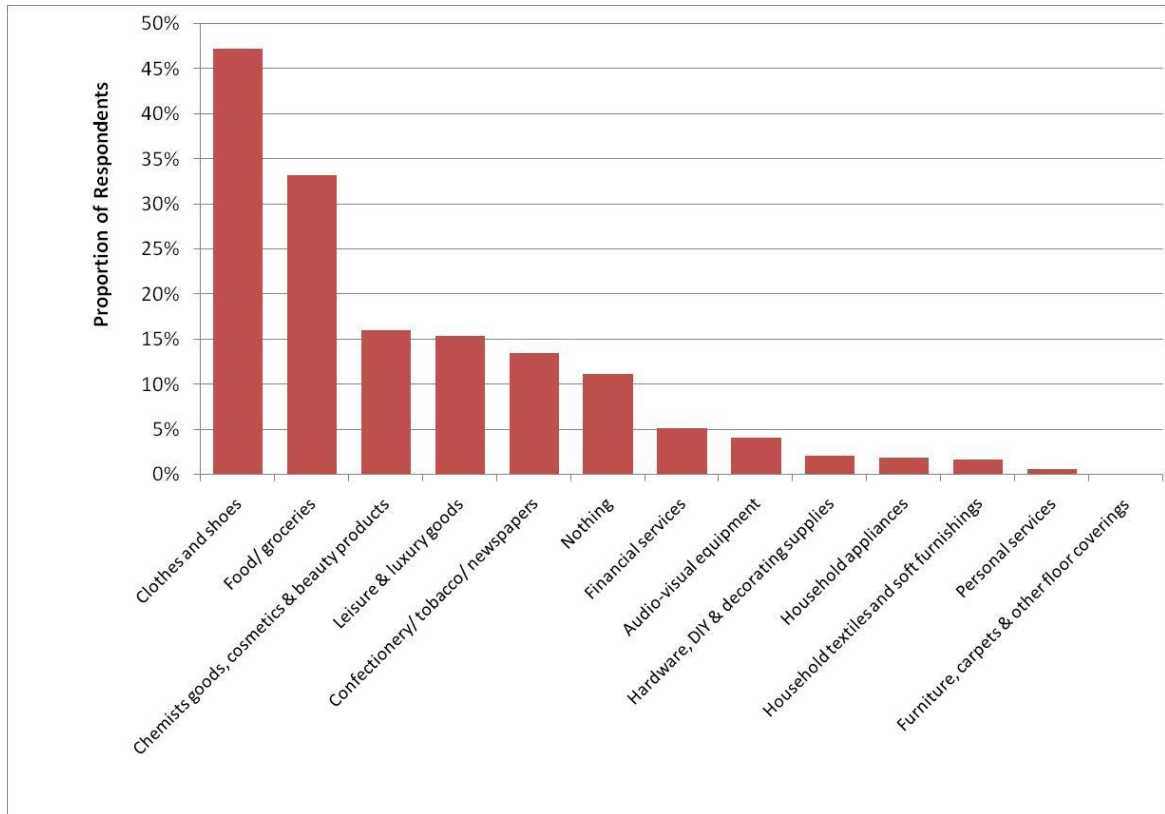


Source: DTZ Survey 2008

Goods Purchased

5.7 Question 6 asked what respondents had bought or expected to buy in Solihull Town Centre on that day (respondents could give more than one answer). The results are depicted in Figure 5.3. From the responses given it can be seen that clothes and shoes accounted for 47%; food and groceries accounted for 33%; chemists' and medical goods 16%; confectionery, tobacco, newspapers and magazines 15%; leisure or luxury goods 15%; and, audio visual equipment 4%. 11% were not purchasing any goods. This highlights the importance of fashion goods retailing in the town centre.

Figure 5.3: Goods and Services Respondents had Bought or Expected to Buy in Solihull Town Centre.



Source: DTZ Survey 2008

Spending Levels

- 5.8 Questions 7 and 8 ask approximately how much the respondents spent, or expected to spend in Solihull Town Centre on the day of interview on food and non-food items respectively. The results are shown in Figure 5.4. It can be seen that 59% of people were not intending to spend any money on Food & Drink. 10% had spent, or were expecting to spend between £1 and £5, whilst 14% answered between £6 and £30.
- 5.9 In terms of non-food expenditure, 20% had not spent and/or were not intending to spend any money. 30% of respondents were intending to spend between £21 and £50, with 22% stating amounts between £6 and £10. 15% were spending between £11 and £20, and the same proportion was spending between £51 and £100. Just 3% were spending £201 or more.

Figure 5.4: Proportion of Respondents Spend (and Expected Spend) on Food & Drink and Non-Food Goods

Level of Spend	Food & Drink	Non-Food
Nothing	59%	20%
£1 to £5	10%	9%
£6 to £10	14%	22%
£11 to £20	8%	15%
£21 to £50	6%	30%
£51 to £100	3%	15%
£101 to £200	0%	3%
£201 +	0%	0%

Source: DTZ Survey 2008

Frequency of Visit to Solihull Town Centre

- 5.10 Question 9 asked how often respondents visit Solihull Town Centre for food shopping, non-food shopping, financial or personal services, leisure facilities and visiting pubs, cafés and restaurants. For food shopping, 3% came into the town centre everyday, 12% came in 2-3 times a week, and 15% once a week. 12% of respondents visited the town centre every 2-4 weeks, whilst 10% visited less often. 46% said that they never usually visit Solihull for food shopping.
- 5.11 In terms of other attractions (using once a week or more often as the cut off) 47% of all respondents visited the town centre at least once a week for non-food shopping, whilst 26% visited at least once a week for financial or personal services. Significantly less people visited regularly for leisure facilities; with only 7% of respondents indicating they visited Solihull Town Centre at least once a week. However, 21% of respondents visited pubs, cafés, nightclubs and restaurants in the centre at least once a week.

Likes About Solihull Town Centre for Shopping or Services

- 5.12 In question 10, respondents were asked without prompting what they liked about Solihull Town Centre for shopping or services (respondents could give more than one answer). 45% of all respondents said they liked the non-food shops, whilst 46% found the centre to be an attractive environment. 26% liked the traffic free pedestrian areas; 22% thought the streets were clean; 18% liked the Touchwood Centre shopping centre, and the same number found the centre easy to get to from home.
- 5.13 15% of respondents said that they liked the food shops in the town, 13% liked the well maintained streets, and 10% liked how compact the compact layout of the town centre. In addition, 10% of respondents specifically liked having the John Lewis store in the town centre, 9% found it easy to park the car and the same proportion said that there were good cafés, restaurants or public houses, 8% find the town centre very safe and secure. Just 2% liked noting or very little about the town centre. Such a low proportion liking nothing or very little is very unusual in such surveys, and indicates very wide satisfaction with the town centre.

Dislikes About Solihull Town Centre for Shopping or Services

- 5.14 Question 11 asked respondents what they disliked about Solihull Town Centre. Almost three quarters (74%) of respondents said that they disliked nothing or very little about Solihull Town Centre.
- 5.15 The main unprompted dislikes (respondents could give more than one answer) were that 8% found car parking too expensive, 3% think there are a poor range of shops and a further 3% said that there are not enough seats, litter bins, public phones or toilets. 2% thought the shops were too expensive and another 2% disliked the busyness of the town centre, or crowds of youths hanging around. Again, such a low proportion of people disliking nothing or very little is very unusual, and confirms the wide satisfaction with the town centre amongst users.

Suggested Improvements to the Town Centre

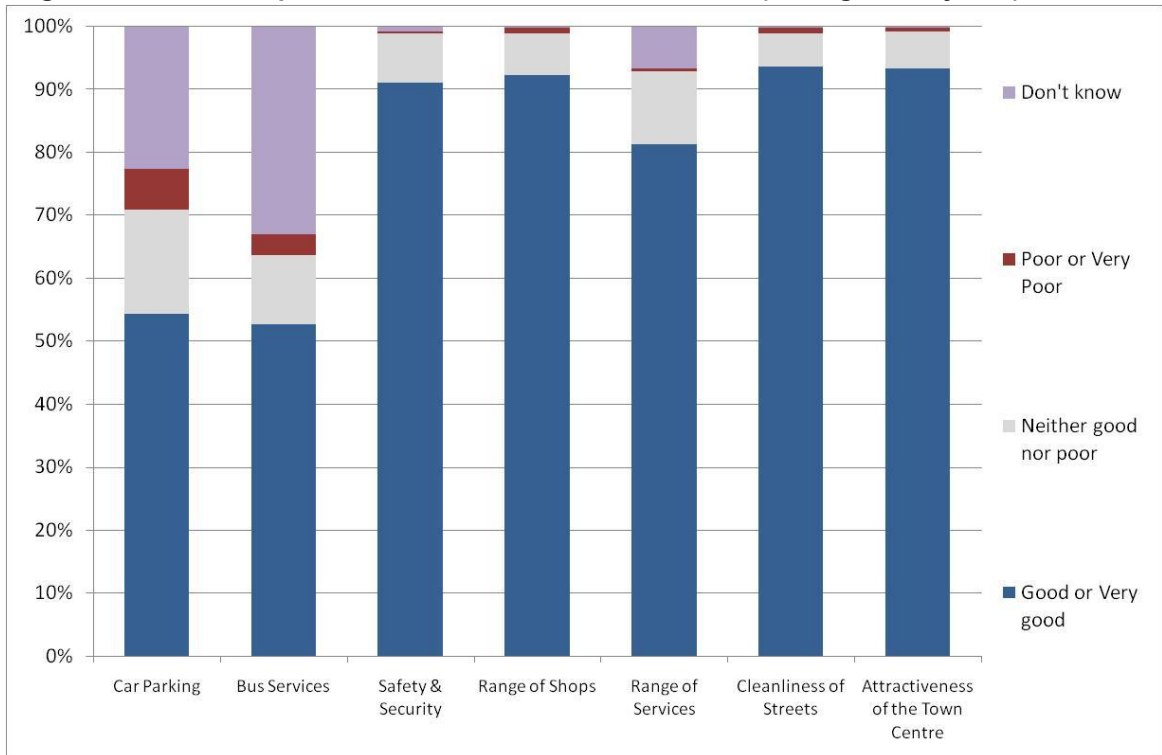
- 5.16 In Question 12, respondents were asked what improvements would make them shop or use the services in the town centre more often. 64% of respondents said that no improvements were needed. 18% of respondents wanted particular shops added to the town centre and 8% would like to see more or better shops. 10% of respondents stated that they would like to see lower parking charges, 3% said more or better seats and floral displays, and 2% said more public toilets.
- 5.17 The 38 respondents who said that more or better shops would make them use the town centre more often were asked which types of shop would encourage them to do so. 16% of these respondents said cheap shops, 13% said clothes stores, 11% specified young women's clothes, and 11% wanted to see more independent shops. In addition, 8% wanted more department stores, a further 8% wanted an improved diversity of stores, and 8% wanted a children's' clothes store.
- 5.18 The 85 respondents who said that a particular shop would make them use the town centre more often were asked which shop would encourage them to do so. 35% specifically mentioned New Look, whilst 33% said Primark. Debenhams was also mentioned (13%), as was Evans (5%), Wilkinsons (5%), Mothercare (4%), Selfridges (4%), Matalan (4%), and Beatties (4%).

Daytime Town Centre Ratings

- 5.19 In Question 15, all respondents were asked to rate certain aspects of the town centre in the daytime. Figure 5.5 illustrates how the respondents rated car parking, bus services, safety & security, range of shops, range of services, cleanliness of streets, and attractiveness of the town centre. The respondents were asked to rate the categories as either very good, good, neither good nor poor, poor, or very poor. These results correlate with those for likes and dislikes, and indicate that most respondents rate the town centre highly.
- 5.20 It can be seen that for the majority of these categories, respondents rated Solihull Town Centre highly. Over 80% of respondents rated safety & security, range of shops, range of services, cleanliness of streets, and attractiveness of the town centre as good or very good. Over 90% rated those categories as good, very good, or neither good nor poor.

5.21 Car parking and bus services also received a low proportion of poor or very poor ratings and a high proportion of good or very good ratings. However, more respondents answered 'don't know' for these categories.

Figure 5.5: How Respondents Rated Solihull Town Centre (During the Daytime)



Source: DTZ Survey 2008

Evening Use of Solihull Town Centre

5.22 The survey was undertaken by interviewing town centre users during the day. As such, it was a survey with a strong daytime bias. It did not interview people who only go to the town centre in the evening, so does not provide the complete picture of the evening economy. However, daytime users of the centre were asked about their use of the town centre in the evening.

Frequency of Evening Visits

5.23 Question 16 asked respondents how often they visit Solihull Town Centre in the evening. 7% of respondents visited at least once a week and 5% visited once a fortnight. 26% visited the town centre once a month or less, whilst 62% of respondents stated that they never visit in the evening.

5.24 Of those 183 respondents who visited the town centre in the evening, 57% of respondents visit pubs and bars, 54% visit restaurants and cafes, and 27% stated that they visit the cinema. 7% also visit nightclubs, whilst 3% go to the theatre, 2% go to the library, and 2% go to the town centre in the evening to work.

Likes about Solihull Town Centre in the Evening

- 5.25 Question 18 asked what people liked about Solihull Town Centre in the evening. 57% liked the good cafes, bars and restaurants, 36% liked the good leisure, entertainment and cultural facilities, 22% thought that Solihull Town Centre is an attractive environment/nice place, and 18% said that they liked how easy to get to by car it is.
- 5.26 Other likes included; the good safety/security within the town centre (14%), clean streets (7%), ease of access via public transport (7%), and good car parking (5%). 9% liked nothing or very little about the town centre in the evening.

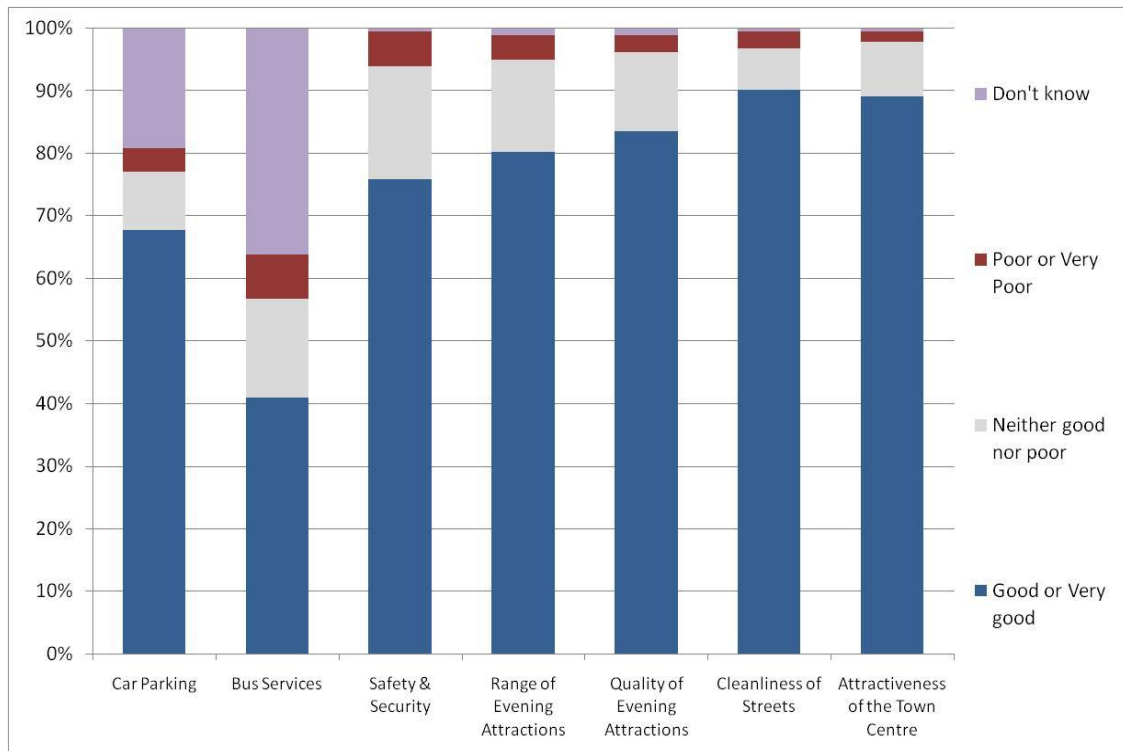
Dislikes about Solihull Town Centre in the Evening

- 5.27 Question 19 asked respondents what they disliked about the town centre in the evening. Encouragingly, 71% of respondents stated that they disliked nothing or very little about the town centre. As with daytime use, there is an exceptionally strong positive balance of likes over dislikes about the town centre in the evening.
- 5.28 The main dislikes were 'feeling unsafe' in the town centre (9%) and the number of youths hanging around (9%). 4% also said there were poor leisure, entertainment and cultural facilities, whilst 2% said the same about cafés, restaurants or bars, the poor public transport, and dirty streets.

Evening Town Centre Ratings

- 5.29 In Question 20, all respondents were asked to rate certain aspects of the town centre in the evening. Figure 5.6 illustrates how the respondents rated car parking, bus services, safety & security, range of evening attractions, quality of evening attractions, cleanliness of streets, and attractiveness of the town centre. The respondents were asked to rate the categories either very good, good, neither good nor poor, poor, or very poor.
- 5.30 Respondents predominantly rated the following as either good, or very good: car parking (68%), safety & security (76%), range of evening attractions (80%), quality of evening attractions (84%), cleanliness of streets (90%), and attractiveness of the town centre (89%). The only category that didn't show a significantly positive skew was the bus service (as illustrated in Figure 5.6), where 41% of people rated it as good or very good. However, 36% answered 'don't know', perhaps representing the proportion of people who don't use the service.

Figure 5.6: How Respondents Rated the Town Centre During the Evening



Source: DTZ Survey 2008

Profile of Respondents

- 5.31 The age profile of respondents was fairly evenly split between the age groups, with the lowest representation in the 45 – 54 age band. 19% of respondents were 18 – 24 years, 18% were aged 25 – 34 years, 17% were aged 35- 44 years, 13% were aged 45 – 54 years, 16% were aged 55 – 64 years, and 16% were aged 65 years or above. A majority (69%) of households had one or more people in full time employment and 27% had one or more people in part time employment. 17% of households had one or more unemployed people. 16% of respondents stated that their household did not own a vehicle. 76% of the respondents were female, 24% were male.

Conclusions from the Solihull Town Centre On-street Interview Survey

- 5.32 It is evident from the survey that a large proportion of the people interviewed in Solihull Town Centre (70%) chose to come to the town centre because of proximity factors (it is close to home, work, family, etc), rather than specific attraction factors such as the shops and services which it provides. This is not uncommon, since (*ceteris paribus*) most people prefer nearby centres over more distant centres.
- 5.33 The town centre is predominantly used for non-food shopping, particularly clothes and shoes, with a significant proportion also undertaking food shopping - especially as a secondary activity. For non-food shopping, almost half of those interviewed visit more than once a week, whilst 30% visited for food shopping at least once a week. Over half (57%) of users reach the

town centre by car (not including the 1% who arrived by taxi), whilst 29% travelled in by bus. Just 11% walked or cycled into the town centre.

- 5.34 In terms of attitudes to Solihull, it is clear that general attitudes are very positive; with 74% of respondents stating that for shopping or services they disliked nothing or very little about the town centre compared with just 2% who liked nothing or very little. Many of the shoppers liked the town centre's good non-food shops, its attractive environment, clean streets, and pedestrian/traffic free areas.
- 5.35 In terms of dislikes, congestion (both people & traffic) and parking are the biggest issues amongst shoppers. Shoppers particularly disliked the difficulty and cost of parking, general traffic congestion, and busy, crowded streets. Perceived poor value for money and expensive food shops were also common dislikes (24% of respondents).
- 5.36 In terms of dislikes the largest grievance was car parking charges (8%). A small minority (3%) said that there is a poor range of shops and a poor provision of seats/litter bins/public phones/toilets. The main shops that people said would make them use the town centre more often were discount high-street fashion outlets such as New Look (35%) and Primark (33%).
- 5.37 Attitudes to specific aspects of the town centre (such as parking, bus services, safety, attractiveness, and range of shops, services and attractions) were also predominantly positive in both the daytime and the evening.
- 5.38 Overall, the results of this survey show that Solihull Town Centre is rated very positively by its users as an attractive place offering a good range of shops and services. There don't appear to be any frequently arising common concerns other than the cost of parking and safety/groups of youths during the evening. However, there does appear to be demand for discount high-street fashion retailers.

Shirley Town Centre On-street Interview Survey Analysis

- 5.39 The survey was conducted on both sides of Stratford Road (between the junction with Haslucks Green and Solihull Road). Interviewing was conducted for the period of one week (every day from Monday to Saturday) during the three periods; morning-midday, midday-afternoon, and afternoon-evening. A total of 200 interviews was completed (25 interviews were conducted on Monday, 33 on Tuesday, 53 on Wednesday, 28 on Thursday, 16 on Friday, and 45 on Saturday). In total, 92 interviews were carried out in the morning-midday periods, 103 in the midday-afternoon period, and 5 in the afternoon-evening period. A copy of the questionnaire and the detailed results are included in Appendix 4 of this report.

Mode of Travel

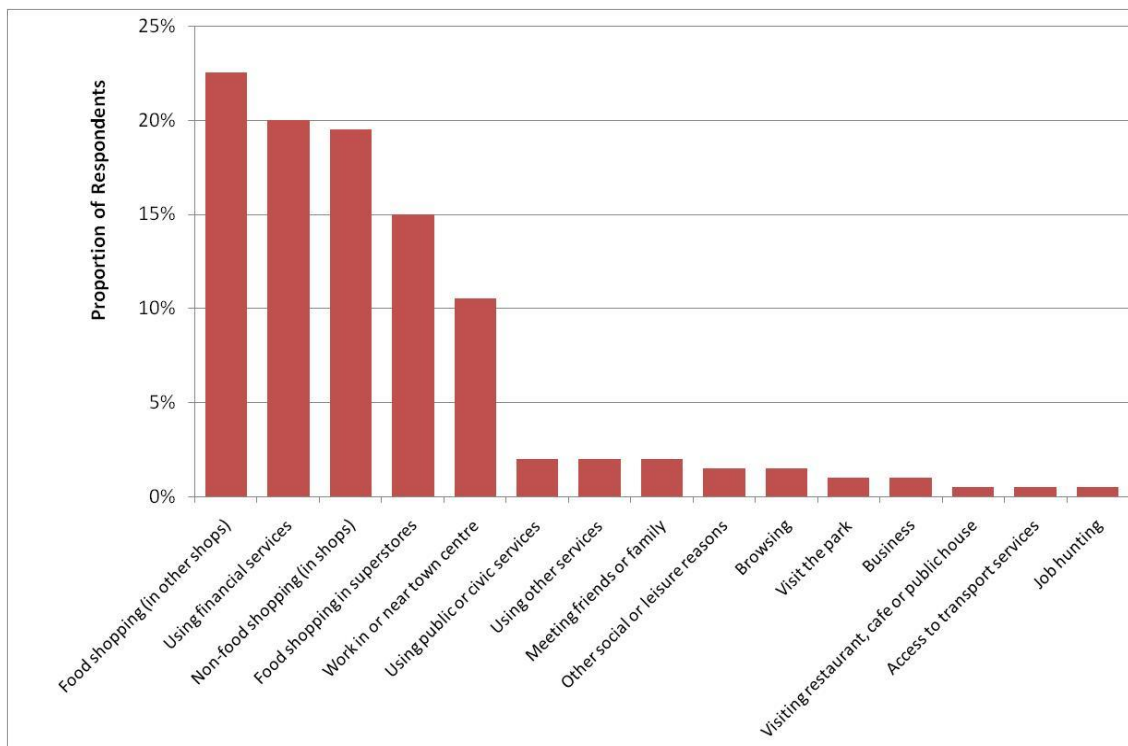
- 5.40 Respondents were asked how they travelled to Shirley Town Centre. 51% came to the centre by car (as the driver), 25% walked into the town centre, 14% travelled by bus, whilst 9% of respondents travelled in as car passengers. The remaining respondents came by taxi (1%), and bicycle (1%).

Purpose of Visit to Shirley Town Centre

5.41 Question 3 asked respondents what was the main purpose of their visit to Shirley Town Centre on the day of the interview and drew a distinction between shopping in superstores and in other shops. As illustrated in figure 5.7, 23% of respondents stated that they were doing food shopping (in other shops rather than superstores) and 15% were food shopping in superstores. 20% of respondent's primary purpose for visiting the town centre was to use financial services and a further 20% stated that they were doing non-food shopping. 11% of respondents stated that they worked in or near the town centre.

5.42 In terms of secondary purposes for visiting the town centre, 28% of respondents were doing non-food shopping and 20% of respondents were doing food shopping (in other shops rather than superstores). 15% of respondents were using the financial services and 8% were food shopping in superstores, whilst 5% were using other services and a further 5% were visiting cafés, restaurants, or public houses. 39% were doing nothing else in the town centre.

Figure 5.7: Respondents' Purpose of Visit to Shirley Town Centre

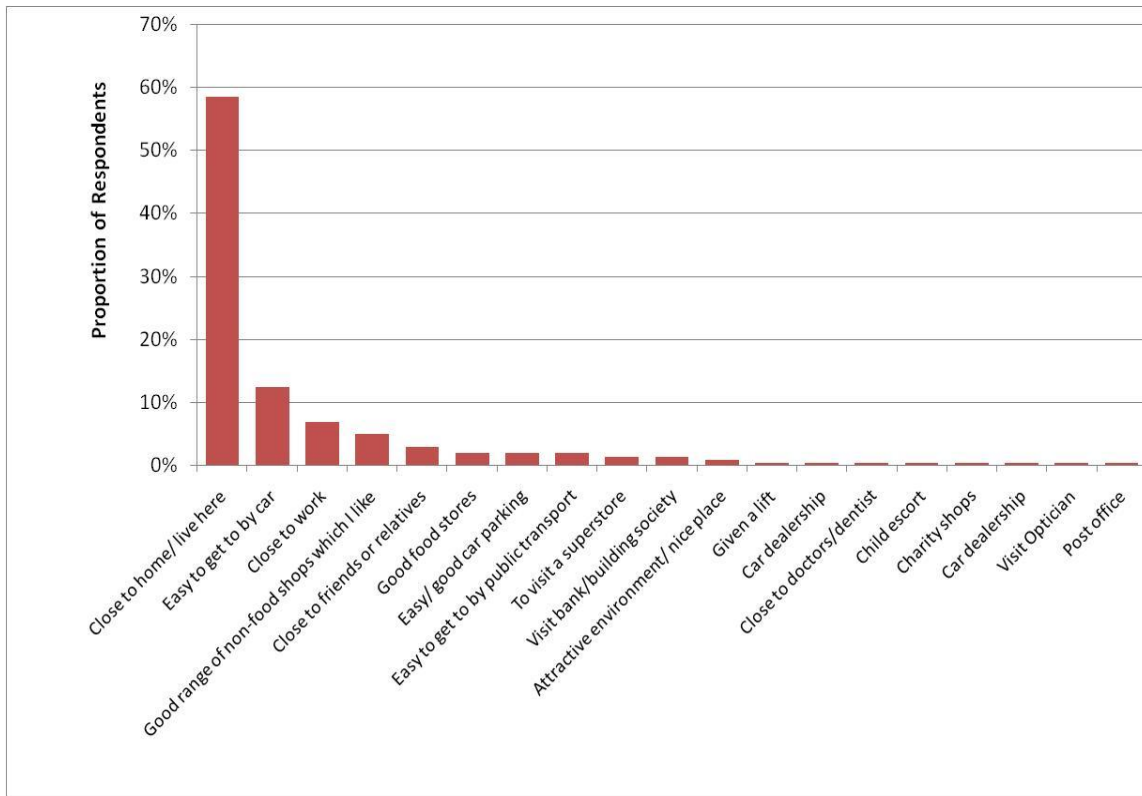


Source: DTZ Survey 2008

Reasons for Choice of Shirley Town Centre for Shopping or Services

5.43 Question 5 asked respondents why they had chosen to come to Shirley Town Centre on that day for shopping and services. As illustrated in Figure 5.8, 59% of respondents had come to the town centre because it was close to where they live, 13% said that it was easy to get to by car, 7% said that it was close to work, and 3% said that it was close to friends and family. Proximity and accessibility rather than the inherent attractions of the town centre is the main reason why shoppers choose to visit Shirley Town Centre.

Figure 5.8: Respondents' Reason for Visit to Shirley Town Centre

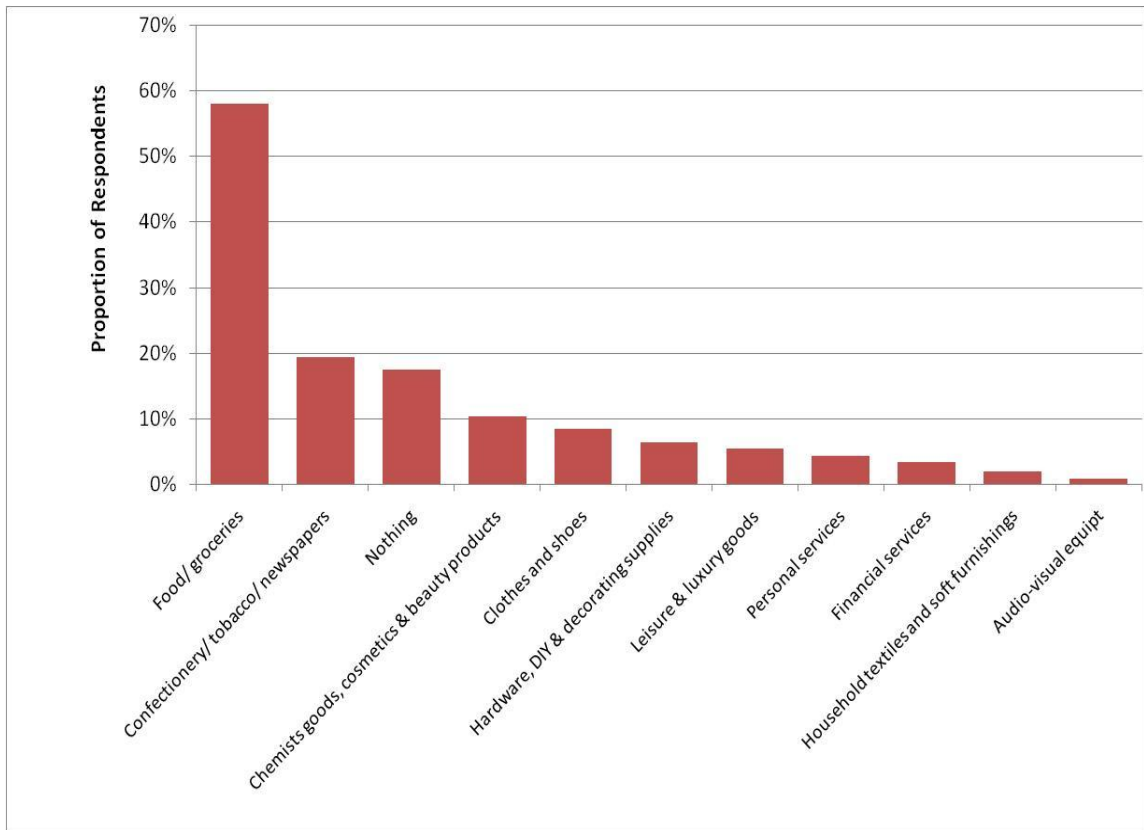


Source: DTZ Survey 2008

Goods Purchased

5.44 Question 6 asked what respondents had bought or expected to buy in Shirley Town Centre on that day (respondents could give more than one answer). The results are depicted in Figure 4.9 below. From the responses given it can be seen that food and groceries accounted for 58%; confectionery, tobacco, newspapers and magazines 19%, and; chemists' and medical goods accounted for 11%. Clothes and shoes accounted for 9%; whilst 7% were purchasing DIY & decorating supplies, and 6% were purchasing leisure or luxury goods. 18% were not purchasing any goods. This underlines the importance of good foodstores to the continued vitality centres such as Shirley.

Figure 5.9: Goods and Services Respondents had Bought or Expected to Buy in Shirley Town Centre



Source: DTZ Survey 2008

Spending Levels

- 5.45 Questions 7 and 8 ask approximately how much the respondents spent, or expect to spend in Shirley Town Centre on the day of interview on food and non-food items respectively. The results are shown in Figure 5.10. It can be seen that 42% of respondents were not intending to spend any money on Food & Drink. 14% had spent, or were expecting to spend between £1 and £5, whilst 32% answered between £6 and £50.
- 5.46 In terms of non-food expenditure, 47% had not spent and/or were not intending to spend any money. 10% of respondents were spending £1 to £5, whilst 25% were spending between £11 and £50. 2% said that they had spent, or were expecting to, spend over £50 on non-food items.

Figure 5.10: Proportion of Respondents Spend (and Expected Spend) on Food & Drink and Non-Food Goods

Level of Spend	Food & Drink	Non-Food
Nothing	42%	47%
£1 to £5	14%	10%
£6 to £10	5%	11%
£11 to £20	14%	14%
£21 to £50	13%	9%
£51 to £100	4%	1%
£101 to £200	0%	0%
£201 +	0%	1%

Source: DTZ Survey 2008

Frequency of Visit to Shirley Town Centre

- 5.47 Question 9 asked how often respondents visit Shirley Town Centre for food shopping, non-food shopping, financial or personal services, leisure facilities and visiting pubs, cafés and restaurants. For food shopping, 8% came into the town centre everyday, 33% came in 2-3 times a week, and 31% visited once a week; meaning that 72% of respondents visited Shirley at least once a week. 11% of respondents visited the town centre every 2-4 weeks, whilst 5% visited less often. 13% said that they never usually visit Shirley for food shopping.
- 5.48 In terms of other attractions (using once a week or more often as the cut off) 61% of all respondents visited the town centre at least once a week for non-food shopping, whilst 53% visited at least once a week for financial or personal services. A significantly lower proportion of respondents visited regularly for leisure facilities; with only 5% indicating they visited Shirley Town Centre at least once a week. However, 15% of respondents visited pubs, cafés, nightclubs and restaurants in the centre at least once a week.

Likes About Shirley Town Centre for Shopping or Services

- 5.49 In question 10, respondents were asked without prompting what they liked about Shirley Town Centre for shopping or services (respondents could give more than one answer). 45% of all respondents said they liked the food shops, 37% said that there are good superstores, and 33% said that there are good non-food shops. Additionally, 33% liked the good retail parks in Shirley, and 27% said that there is a good range of financial or personal services in the town centre.
- 5.50 Accessibility and proximity also featured, with 31% saying that they liked the fact that Shirley was easy to get to from home and 17% saying that it was easy to park the car there. 6% liked nothing or very little about the town centre. As with Solihull, the latter is a very low proportion.

Dislikes About Shirley Town Centre for Shopping or Services

- 5.51 Question 11 asked respondents what they disliked about Shirley Town Centre. The main unprompted dislike (respondents could give more than one answer) was congestion / difficult to get to by car, at 40%. 11% said that there is a poor range of shops, 4% found it difficult to park near shops, and 3% disliked the danger from vehicles / un-pedestrianised areas. 3% also

said that there are too many charity shops in the town centre. A third (33%) of respondents said that they disliked nothing or very little about Shirley Town Centre. When compared with the 6% liking nothing or very little, this indicates a good positive balance of satisfaction with Shirley Town Centre, although not as great as in Solihull.

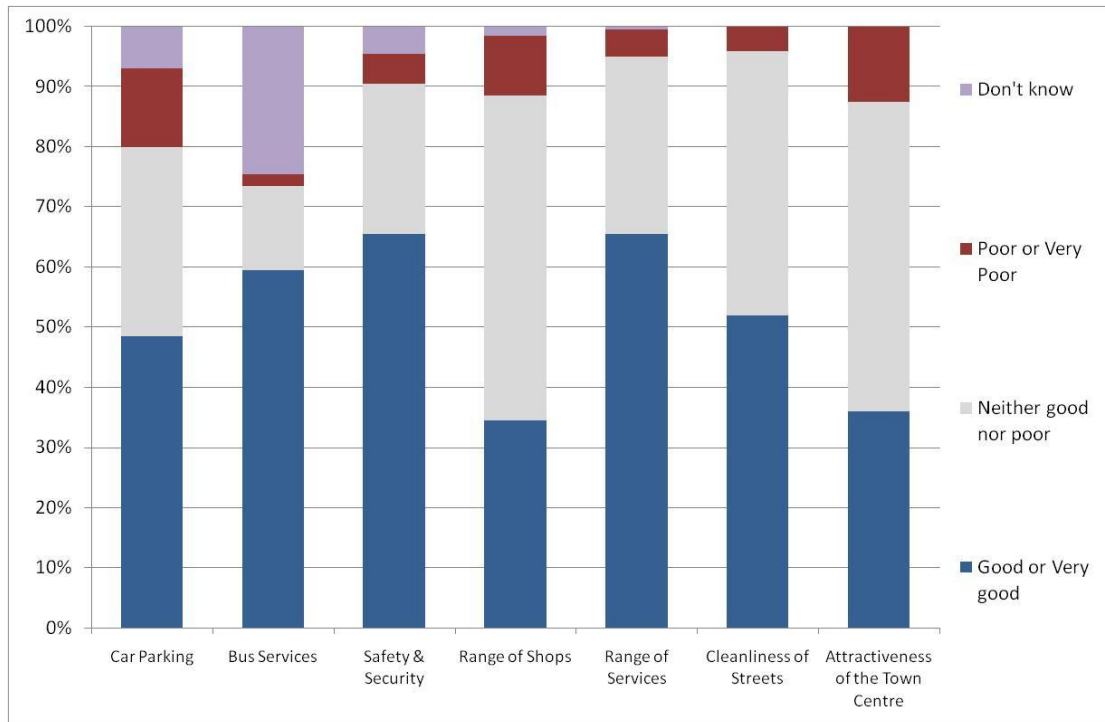
Suggested Improvements to the Town Centre

- 5.52 In Question 12, respondents were asked what improvements would make them shop or use the services in the town centre more often. Although 30% of respondents said could think of no improvements, 26% wanted more or better car parking and 16% wanted more or better leisure, entertainment or cultural facilities. 13% of respondents wanted more or better shops added to the town centre, and 7% mentioned particular shops (or types of shop) that they would like to see in the centre. A further 7% wanted better cafés, restaurants or public houses.
- 5.53 The 26 respondents who said that more or better shops would make them use the town centre more often were asked which types of shop would encourage them to do so. 69% of these respondents said clothes stores and 8% said mature women's clothes stores. 12% wanted an improved diversity of stores and a further 12% wanted DVD/CD stores.
- 5.54 The 13 respondents who said that a particular shop would make them use the town centre more often were asked which shop would encourage them to do so. 46% simply answered 'clothes stores' whilst 15% said Marks & Spencer and 15% said Next. Other specific stores that were mentioned included Top Shop, Asda, River Island, Waterstones, and Lidl.

Daytime Town Centre Ratings

- 5.55 In Question 15, all respondents were asked to rate certain aspects of the town centre in the daytime. Figure 5.11 illustrates how the respondents rated car parking, bus services, safety & security, range of shops, range of services, cleanliness of streets, and attractiveness of the town centre. The respondents were asked to rate the categories as either very good, good, neither good nor poor, poor, or very poor.
- 5.56 It can be seen that all categories were rated more positively than negatively by the survey respondents. The lowest positive responses are seen in the 'range of shops' (35% rated this as good or very good) and the 'attractiveness of the town centre' (36% rated this as good or very good). However, 54% and 52% respectively said that the range of shops and the attractiveness of the town centre were neither good nor poor.
- 5.57 The categories that were rated most highly include Bus Services (60% rated this as good or very good), Safety & Security (66% rated this as good or very good), and Range of Services (66% also rated this as good or very good).

Figure 5.11: How Respondents Rated Shirley Town Centre (During the Daytime)



Source: DTZ Survey 2008

Evening Use of Shirley Town Centre

5.58 The survey was undertaken by interviewing town centre users during the day. As such, it was a survey with a strong daytime bias. It did not interview people who only go to the town centre in the evening, so does not provide the complete picture of the evening economy. However, daytime users of the centre were asked about their use of the town centre in the evening.

Frequency of Evening Visits

5.59 Question 16 asked respondents how often they visit Shirley Town Centre in the evening. 8% of respondents visited at least once a week and 3% visited once a fortnight. 10% visited the town centre once a month or less, whilst 80% of respondents stated that they never visit in the evening. The latter result reflects the limited range of evening attractions in the town centre.

5.60 Of those 40 respondents who visit the town centre in the evening, 55% of respondents visit restaurants and cafes and 53% visit pubs and bars. 5% go to a place of worship, and a further 5% visit the town centre in the evening to visit a health & fitness centre.

Likes about Shirley Town Centre in the Evening

- 5.61 Question 18 asked what people liked about Shirley Town Centre in the evening. Of the 40 respondents, 73% liked the good cafes, bars and restaurants and 10% thought that Shirley Town Centre is an attractive environment/nice place. 10% collectively said that they liked the ease of access by car and public transport. 13% liked nothing or very little about the town centre in the evening.

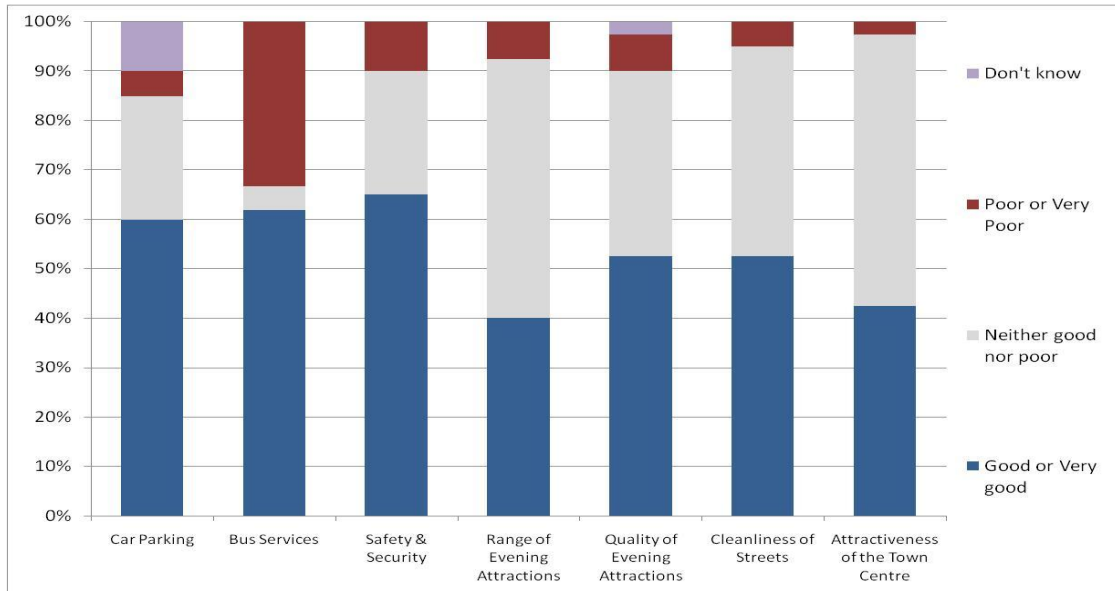
Dislikes about Shirley Town Centre in the Evening

- 5.62 Question 19 asked respondents what they disliked about the town centre in the evening. Almost three quarters (73%) of the 40 respondents stated that they disliked nothing or very little about the town centre. Although the sample for evening use of the town centre is small, there is a strong positive balance of likes over dislikes amongst those who do use the town centre in the evening. The main dislike was the number of youths hanging around (15%). 3% also mentioned 'feeling unsafe', 'vandalism', and poor leisure, entertainment, or cultural facilities.

Evening Town Centre Ratings

- 5.63 In Question 20, all respondents were asked to rate certain aspects of the town centre in the evening. Figure 5.12 illustrates how the respondents rated car parking, bus services, safety & security, range of evening attractions, quality of evening attractions, cleanliness of streets, and attractiveness of the town centre. The respondents were asked to rate the categories either very good, good, neither good nor poor, poor, or very poor.
- 5.64 Despite a large proportion of the sample answering 'neither good nor poor', again, all of the categories were rated more positively than negatively by the survey sample. The lowest positive responses are seen in the 'range of evening attractions' (40% rated this as good or very good) and the 'attractiveness of the town centre' (43% rated this as good or very good). However, 53% and 55% respectively said that the range of attractions and the attractiveness of the town centre were neither good nor poor.
- 5.65 The categories that were rated most highly included car parking (60% rated this as good or very good), Bus Services (58% rated this as good or very good), and safety & security (65% rated this as good or very good).

Figure 5.12: How Respondents Rated Shirley Town Centre (During the Evening)



DTZ Source Survey 2008

Profile of Respondents

5.66 The age profile of respondents was split fairly evenly between the age groups, although slightly skewed towards those aged over 35. 11% of respondents were 18 – 24 years, 13% were aged 25 – 34 years, 21% were aged 35- 44 years, 20% were aged 45 – 54 years, 18% were aged 55 – 64 years, and 19% were aged 65 years or above. A majority (69%) of households had one or more people in full time employment and 33% had one or more people in part time employment. 10% of households had one or more unemployed people. 17% of respondents stated that their household did not own a vehicle. 73% of the respondents were female, 27% were male.

Conclusions from the Shirley Town Centre On-Street Interview Survey

5.67 It is evident from the survey that Shirley is predominantly used for food shopping, ether in the supermarkets or other food shops. 77% of people had bought, or expected to buy, food, groceries, confectionery, tobacco, newspapers or magazines. When asked, respondents also liked the food offer in Shirley; with 45% of all respondents saying that they liked the food shops and 37% saying that they liked the good superstores.

5.68 There are a significant proportion of people who use Shirley Town Centre for access to services and non-food shopping. However, many respondents thought that there was a poor range of non-food stores. Some respondents wanted to see more clothes stores (especially for older women), mentioning Marks & Spencer and Next in particular.

5.69 Accessibility and proximity play key roles in attracting people to the town centre. 82% of people gave proximity or accessibility as the main reason for choosing to shop in the centre; and many of those people use the centre on a regular basis (72% of respondents visit Shirley at least once a week). Shoppers liked the fact that the town centre was accessible to them, but some complained of congestion.

- 5.70 On balance, users of Shirley Town Centre rated it positively, especially in terms of car parking, bus services, and the range of shops, services and evening attractions. However, most users did not specify attractiveness of the town centre as their reason for using it; and many thought that there is a lack of cultural, leisure, or entertainment facilities.
- 5.71 In our opinion, the survey results indicate the importance of food shopping to the vitality and viability of the centre. They also indicate that it functions mainly as a centre for local people, and does not have sufficient attractions to draw shoppers from far afield. Its role is therefore more akin to that of a district centre than a town centre, offering a broad spread of retailing, services and evening attractions. However, it is generally rated positively by its users, both during the day and in the evening.

Chelmsley Wood District Centre On-street Interview Survey Analysis

- 5.72 The survey was conducted within the pedestrianised shopping area inside Chelmsley Circle. Interviewing was conducted for the period of one week (every day from Monday to Sunday) during the periods; morning-midday, midday-afternoon. A total of 202 interviews were completed (30 interviews were conducted on Monday, 25 on Tuesday, 50 on Wednesday, 25 on Thursday, 25 on Friday, 43 on Saturday, and 4 on Sunday). In total, 97 interviews were carried out in the morning-midday periods and 105 in the midday-afternoon period. A copy of the questionnaire and the detailed results are included in Appendix 4 of this report.

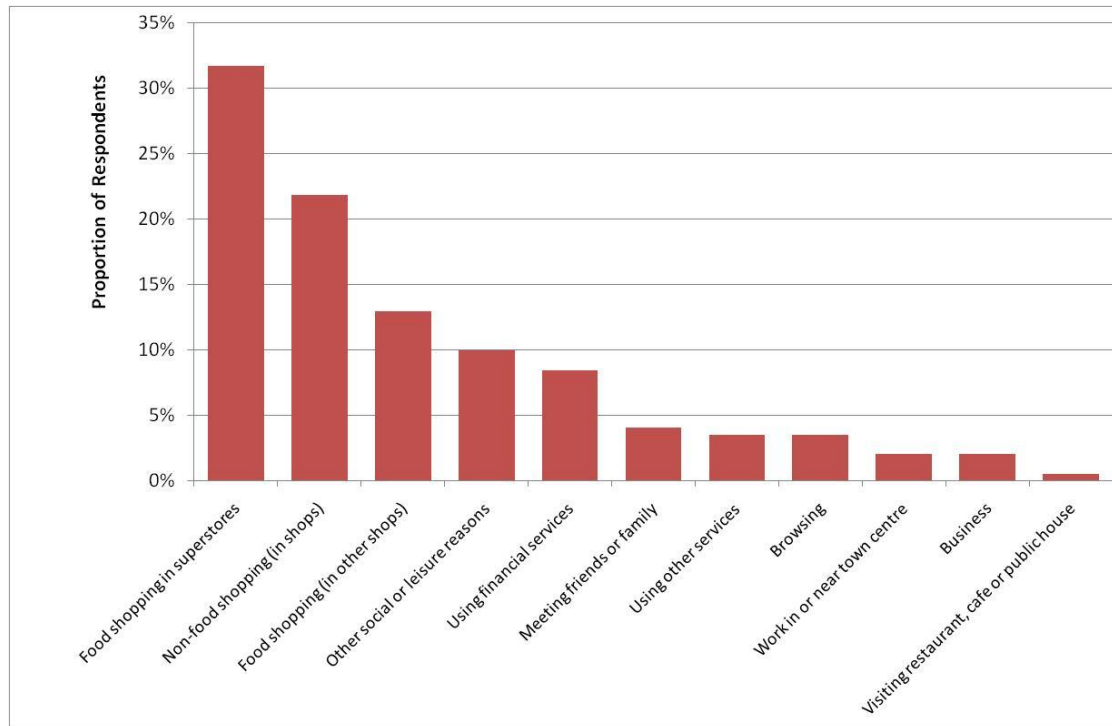
Mode of Travel

- 5.73 Respondents were asked how they travelled to Chelmsley Wood centre. 34% travelled by bus, 33% walked, 26% came to the centre by car (as the driver), and 5% of respondents travelled in as car passengers. The remaining respondents came by taxi (2%), and disability scooter (0.5%).

Purpose of Visit to Chelmsley Wood District Centre

- 5.74 Question 3 asked respondents what was the main purpose of their visit to Chelmsley Wood District Centre on the day of the interview. As illustrated in figure 5.13, 32% of respondents stated that they were food shopping in superstores and 13% were food shopping in other shops. 22% of respondent's primary purpose for visiting the town centre was to do non-food shopping, 10% for other social or leisure reasons, and 8% to use financial services.
- 5.75 In terms of secondary purposes for visiting the centre, 27% of respondents were doing non-food shopping (in shops), 11% were food shopping in superstores, 10% were using the financial services, and 9% of respondents were doing food shopping (in shops other than supermarkets). 45% stated that they were doing nothing else in the centre.

Figure 5.13: Respondents' Purpose of Visit to Chelmsley Wood District Centre

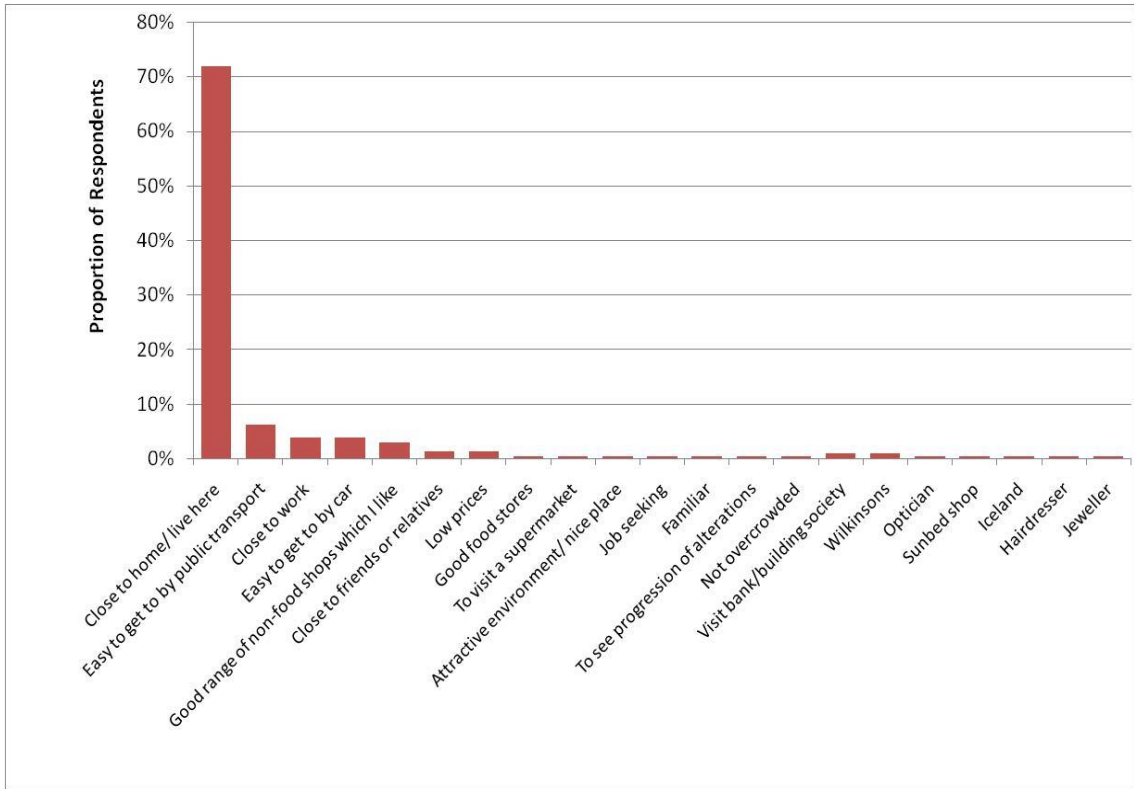


Source: DTZ Survey 2008

Reasons for Choice of Chelmsley Wood District Centre for Shopping or Services

5.76 Question 5 asked respondents why they had chosen to come to Chelmsley Wood centre on that day for shopping and services. As illustrated in Figure 5.14, almost three quarters (72%) of respondents had come to the centre because it was close to where they live. 6% also said that the reason for choosing Chelmsley Wood was that it is easy to get to by public transport, 4% said that it was easy to get to by car, and 4% said that it was close to work. Thus, 86% of respondents gave proximity and accessibility factors as their main reasons for choosing to shop in Chelmsley Wood District Centre. This confirms its district centre function serving a localised catchment area.

Figure 5.14: Respondents' Reason for Visit to Chelmsley Wood District Centre

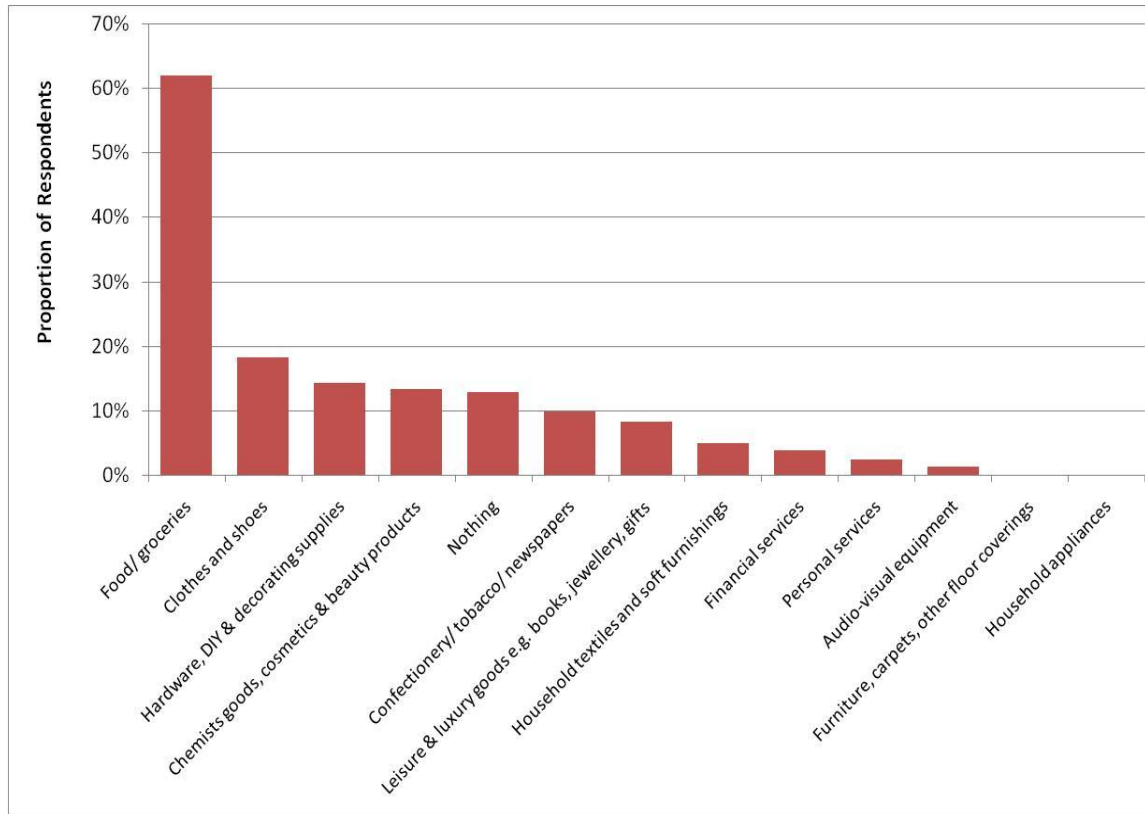


Source: DTZ Survey 2008

Goods Purchased

5.77 Question 6 asked what respondents had bought or expected to buy in Chelmsley Wood centre on that day (respondents could give more than one answer). The results are depicted in Figure 5.15 below. From the responses given it can be seen that food and groceries accounted for the majority at 62%. 18% were also shopping for clothes and shoes; whilst 14% were purchasing DIY & decorating supplies, 13% were purchasing chemists' and medical goods, and 10% were purchasing confectionery, tobacco, newspapers & magazines. 13% were not purchasing any goods. This indicates the importance of food shopping in the town centre, which will soon be augmented by the new Asda superstore currently under construction.

Figure 5.15: Goods and Services Respondents had Bought or Expected to Buy in Chelmsley Wood Centre



Source: DTZ Survey 2008

Spending Levels

- 5.78 Questions 7 and 8 asked approximately how much the respondents spent, or expected to spend in Chelmsley Wood District Centre on the day of interview on food and non-food items respectively. The results are shown in Figure 5.16. It can be seen that 38% of respondents were not intending to spend any money on food & drink (or answered 'don't know'). 10% had spent, or were expecting to spend between £1 and £5 – typically a level of spend attributed to lunch/snacks, whilst 48% answered between £6 and £50.
- 5.79 For non-food expenditure, 39% had not spent and/or were not intending to spend any money (or answered 'don't know'). 16% of respondents were spending £1 to £5, whilst 37% were spending between £11 and £50. 2% said that they had spent, or were expecting to spend over £100 on non-food items.

Figure 5.16: Proportion of Respondents Spend (and Expected Spend) on Food & Drink and Non-Food Goods

Level of Spend	Food & Drink	Non-Food
Nothing	38%	39%
£1 to £5	10%	16%
£6 to £10	12%	9%
£11 to £20	17%	10%
£21 to £50	19%	18%
£51 to £100	3%	8%
£101 to £200	2%	2%
£201 +	0%	0%

Source: DTZ Survey 2008

Frequency of Visit to Chelmsley Wood District Centre

- 5.80 Question 9 asked how often respondents visit Chelmsley Wood District Centre for food shopping, non-food shopping, financial or personal services, leisure facilities and visiting pubs, cafés and restaurants. For food shopping, 8% came into the centre everyday, 35% came in 2-3 times a week, and 24% once a week; indicating that 67% of respondents visit Chelmsley Wood centre at least once a week. 10% of respondents visited the town centre every 2-4 weeks, whilst 9% visited less often. 13% said that they never usually visit Chelmsley Wood centre for food shopping.
- 5.81 In terms of other attractions (using once a week or more often as the cut off) 73% of all respondents visited the centre at least once a week for non-food shopping, whilst 53% visited at least once a week for financial or personal services. A much lower proportion of respondents visited regularly for leisure facilities; with only 4% indicating they visited Chelmsley Wood centre at least once a week. 12% of respondents visited pubs, cafés, nightclubs and restaurants in the centre at least once a week. These results reflect the very limited range of evening attractions in the district centre.

Likes About Chelmsley Wood District Centre for Shopping or Services

- 5.82 In question 10, respondents were asked without prompting what they liked about Chelmsley Wood District Centre for shopping or services (respondents could give more than one answer). Once again, accessibility and proximity featured strongly in the responses, with 39% saying that they liked the fact that Chelmsley Wood was easy to get to from home and 5% saying that it was easy to park the car there.
- 5.83 21% of all respondents said they liked the non-food shops and 14% said that there are good food shops. A further 5% said that there is a good range of financial or personal services in the centre, that the centre is an attractive environment/nice place, and that there are friendly people and staff in the centre. 32% liked nothing or very little about the Chelmsley Wood centre.

Dislikes About Chelmsley Wood District Centre for Shopping or Services

- 5.84 Question 11 asked respondents what they disliked about Chelmsley Wood District Centre. The main unprompted dislike (respondents could give more than one answer) was that there is a poor range of shops (21%). 8% also said that the environment was unattractive or that the centre was not a very nice place. Other common dislikes included the difficulty of parking near shops (6%), access problems/mess due to building works (5%), and crowds of youths hanging around (4%). However, 43% said that they disliked nothing or very little about the town centre. When compared with the 32% liking nothing or very little, this indicates a marginal positive balance of satisfaction with the centre. However, this may be skewed adversely by the current redevelopment work, and can be expected to improve as this is completed.

Suggested Improvements to Chelmsley Wood District Centre

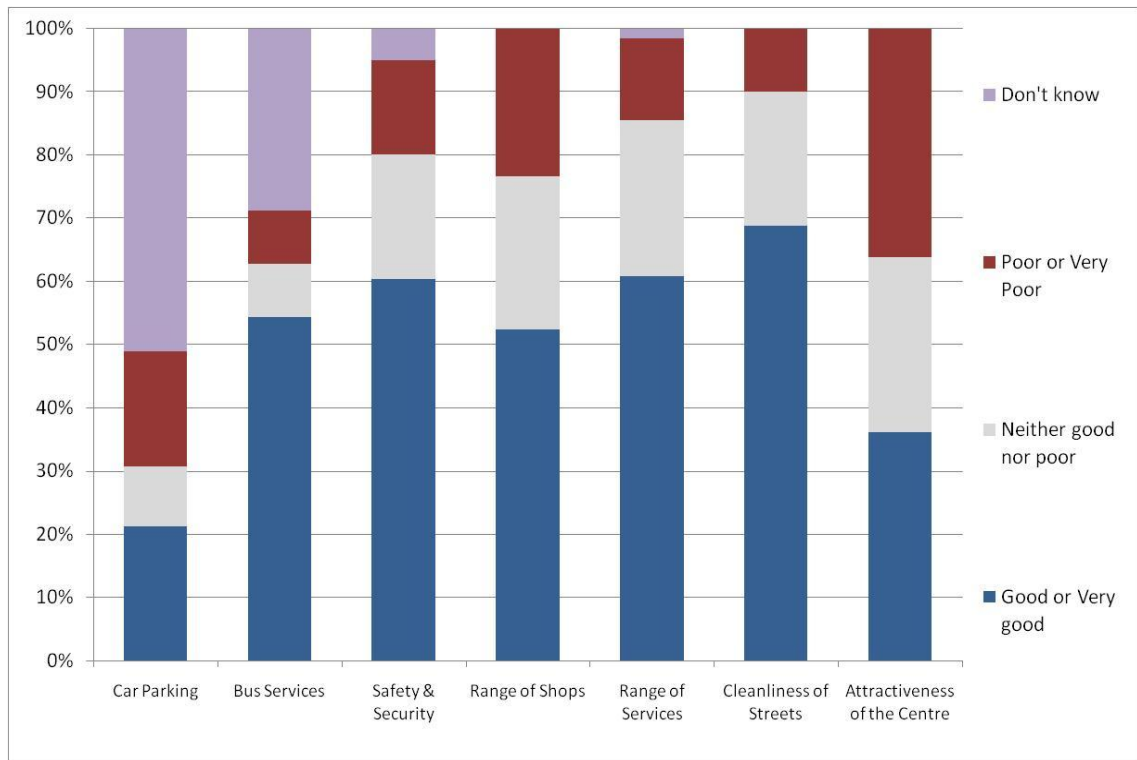
- 5.85 In Question 12, respondents were asked what improvements would make them shop or use the services in the centre more often. 39% of respondents said that no improvements would have this effect. However, 30% of respondents wanted more or better shops added to the centre, and 19% mentioned particular shops (or types of shop) that they would like to see in the centre. 8% wanted better cafés, restaurants or public houses, 6% wanted more or better car parking, and 5% wanted a bigger police presence.
- 5.86 The 56 respondents who said that more or better shops would make them use the town centre more often were asked which types of shop would encourage them to do so. 29% said a supermarket would make them use the town centre more often, 25% said clothes stores and 21% said men's clothes stores in particular. 12% wanted more food stores generally, and 9% wanted to see department stores in the centre. The new Asda superstore, when completed, should go a long way towards meeting these expressed needs.
- 5.87 The 39 respondents who said that a particular shop would make them use the town centre more often were asked which shop would encourage them to do so. 36% said Asda, whilst 28% said Marks & Spencer and 10% said Next. Other specific stores that were mentioned more than once included; BHS (8%); Charity Shops (5%), and Tesco (5%).

Daytime Town Centre Ratings

- 5.88 In Question 15, all respondents were asked to rate certain aspects of the district centre in the daytime. Figure 5.17 illustrates how the respondents rated car parking, bus services, safety & security, range of shops, range of services, cleanliness of streets, and attractiveness of the centre. The respondents were asked to rate the categories as either very good, good, neither good nor poor, poor, or very poor.
- 5.89 The categories that received a predominantly positive response include Bus Services (54% rated this as good or very good), Safety & Security (60% rated this as good or very good), Range of Shops (53% rated this as good or very good), Range of Services (61% rated this as good or very good), and Cleanliness of Streets (69% rated this as good or very good).
- 5.90 Car Parking received a low positive response with 21% rating it as good or very good, compared with 18% who rated it as poor or very poor (29% said that they didn't know). Attractiveness of the centre also received a comparatively negative rating with 36% rating it as

good or very good, but the same proportion rating it as poor or very poor (more specifically, 17% answered 'very poor' compared with 3% who answered 'very good').

Figure 5.17: How Respondents Rated Chelmsley Wood District Centre (During the Daytime)



Source: DTZ Survey 2008

Evening Use of Chelmsley Wood District Centre

- 5.91 The survey was undertaken by interviewing district centre users during the day. As such, it was a survey with a strong daytime bias. It did not interview people who only go to the town centre in the evening, so does not provide the complete picture of the evening economy. However, daytime users of the centre were asked about their use of it in the evening.
- 5.92 When asked how often interviewees visit Chelmsley Wood District Centre in the evening, 99% of all respondents answered never, reflecting the fact that the centre is not currently used for evening activities (one person visited a health club, whilst one worked at the centre in the evening).
- 5.93 Due to the low number of people using the centre in the evening, which is an insignificant sample, the remainder of the survey questions (including ratings of the bus service, safety, cleanliness, and attractiveness of the centre in the evening) have been excluded from this analysis. However, the current lack of an evening economy within the centre does raise the possibility of future diversification in Chelmsley Wood District Centre.

Conclusions from the Chelmsley Wood District Centre On-Street Interview Survey

- 5.94 Chelmsley Wood appears to operate as a district centre that is very much used by the local population. Although a lot of shoppers reach the centre by car, the majority of shoppers either walk or use public transport. It is clear that proximity is the main reason for choosing the centre with almost three quarters of respondents using the centre because it is close to where they live, 6% because it is easy to get to by public transport, 4% because it is easy to get to by car, and a further 4% because it was close to work. In total, 86% of respondents chose to use the centre for reasons of proximity and accessibility.
- 5.95 The centre is largely used for frequent food shopping trips and non-food purchases with 67% of respondents visiting the centre at least once a week for food shopping, and 73% visiting at least once a week for non-food shopping. Observing how much people had spent or were expecting to spend would suggest that the centre is used for daily and weekly household shopping since the majority of people were spending £50 or less.
- 5.96 In terms of general attitudes towards Chelmsley Wood District Centre, it is clear that shoppers don't find the centre particularly attractive, but use the centre because of the proximity to where they live. There were mixed feelings about the range of shops on offer. One could argue that there are enough shops and services to attract a high level of frequent shoppers to the centre; but conversely, some of these shoppers may not have access to centres elsewhere.
- 5.97 In terms of suggested improvements to the centre, almost a third of respondents wanted more or better shops, particularly clothes shops or men's clothes shops. 19% mentioned particular shops that they would like to see in the centre, including Asda (36%) which is currently under construction, Marks and Spencer (28%), and Next (10%).
- 5.98 Users of the centre rated the bus services, safety & security, the range of shops and services, and the cleanliness of the town centre relatively positively. However, car parking and the attractiveness of the town centre were rated fairly poorly. There was a marginally positive balance of satisfaction with the centre, which will be likely to improve upon completion of the current redevelopment providing an Asda superstore, which many respondents want.
- 5.99 Overall, Chelmsley Wood District Centre serves the local population reasonably well. There are good public transport links and shoppers generally rate the centre fairly positively. The attractiveness and car parking appear to be the main issues amongst respondents, as well as gaps in shopping provision within some non-food areas. The Asda superstore currently under construction within the centre may address some of those gaps, particularly the non-food component. As mentioned, the current lack of evening attractions within the centre also suggest that future diversification could be appropriate for Chelmsley Wood District Centre.

Retailer Demand

- 5.100 the following section identifies the level of retailer demand for premises in the town centres of Solihull, Shirley and Chelmsley Wood and Knowle local centre.
- 5.101 Retailer demand for convenience goods floorspace was assessed by contacting the main food store operators, outlining the nature of the study and seeking details from them as to their

requirements and aspirations for the various centres within the Borough. In total we contacted 15 foodstore operators. For reasons of commercial confidentiality, we have not included each operator's specific requirements within this report. Instead we provide an overview of our discussions. The retailers, which replied included Asda, Aldi, Wm. Morrisons and Spar. Retailer demand for other convenience goods floorspace and comparison goods floorspace requirements was assessed by reviewing the *Shoppoerty Professional* database.

Solihull Town Centre

- 5.102 Table 5.18 below summarises the requirements registered with *Shoppoerty Professional* by convenience goods retailers.

Table 5.18 – Convenience Requirements - Solihull

Name	Min Size (sq m)	Max size (sq m)	Date
Majestic Wine	186	465	30/04/2008
Culpepper	28	93	09/05/2008
Oil and Vinegar	70	140	17/01/2008
Totals	284	698	

Source: Shoppoerty Professional September 2008

- 5.103 This shows that three convenience goods retailers require space within Solihull town centre. Two of the requirements need small units ranging between 28 sq m and 140 sq m. The third requirement is for a modest sized unit by a wine retailer. In total there is a combined convenience goods floorspace requirement of between 284 sq m and 698 sq m (gross). There was a further unregistered requirement from three foodstores. One operator was interested in relocating within the town centre. Another wanted to gain representation in the town centre but stressed that they were unable to identify a planning led opportunity in the centre. Neither operator specified a preferred format. One convenience operator required a unit up to 372 sq m (gross).

Table 5.19 – Solihull Comparison Good Requirements

Type	No. Requirements	of	Min size (sq m)	Max size (sq m)
Clothing	9		1,181	2,718
Department Store	2		4,181	16,258
DIY Stores	1		279	929
Footwear	1		93	232
Furniture	2		558	1,394
Homewares	4		1,107	2,602
Music and Video	1		93	139
Sports Goods	1		167	232
Miscellaneous	19		1,872	5,341
A1 Service	5		716	1,198
Total	45		10,247	33,756

Source: Shoppoerty Professional, September 2008

- 5.104 Table 5.19 shows that comparison goods retailers and service businesses require between 10,247 sq m and 33,756 sq m of space within Solihull town centre within 45 units. The largest

number of requirements (apart from those classed as miscellaneous) comes from clothing retailers who need between 1,181 sq m and 2,718 sq m of space. However, in terms of space requirements, two department stores require between 4,181 sq m and 16,258 sq m. This is due to the nature of these retail units, requiring a large amount of floor space in order to offer their extensive variety of goods. Service businesses also have a significant number of requirements. These include hairdressers, juice bar and an opticians, requiring between 716 sq m and 1,198 sq m.

- 5.105 The type and amount of comparison goods retailers and service operators with requirements is varied, which is encouraging; and the number of retailers wishing to locate in Solihull town centre should ensure that there is little vacancy within the town centre as long as the right size units are available. At the time of the July 2008 Property Market Analysis survey of Solihull town centre, the vacancy rate stood at 2.6% of units, which is below the Retail PROMIS average for sub regional centres of 8.9%.
- 5.106 The low vacancy rate and high level of demand coupled with the response from a leading food retailer suggests that there is currently a lack of available floorspace and potential development sites within the town centre. However, it does suggest that new town centre schemes, such as Mell Square are very likely to be successful.

Shirley Town Centre

- 5.106 As with Solihull, 15 convenience goods retailers were contacted. We had three responses with only one retailer stating that they have requirements for Shirley. However, it is important to note that the majority of national food retailers are represented within or nearby Shirley town centre. The interest was from a discount supermarket operator, who did not specify a particular format.
- 5.107 There was a listing on Shopproperty Professional for Majestic Wine (also interested in sites in Solihull). Majestic Wine require between 186 sq m and 465 sq m of retail space. However, from our qualitative research it is apparent that Majestic are already located in premises on the western side of the A34 Stratford Road. However, this may be a further requirement for another location within Shirley as a consequence of relocation due to the proposed Park Gate scheme.
- 5.108 There are also a modest number of requirements for floorspace from comparison goods retailers within Shirley town centre. Table 5.20 details these eleven comparison goods retailers and service operators' requirements. A total of between 2,624 sq m and 5,705 sq m of space is required. Most of the requirements are not for very large units (with the exception of Argos), and it is likely that these retailers could be accommodated within the town centre. Not all of the retailers would actually take space in the town even if opportunities became available, because of duplication between retailers in some trade groups. For example, similar retailers would be unlikely to locate directly next to a competitor.

- 5.109 This level of requirement is reasonable for a town centre of Shirley's size. However there is some variety in the type of retailer, which will add diversity to the town centre to overcome some weaknesses highlighted by the on-street survey, as well as ensure a low level of vacancies within the town. It is important to note that Shirley has a very low vacancy rate at August 2008.

Table 5.20 Comparison Good Requirements - Shirley

Name	Min Size (sq m)	Max size (sq m)	Date
Clothing			
Peacocks	418	697	17/06/08
Department Store			
Argos	929	1,487	30/05/08
Furniture			
Starplan Furniture Ltd	372	929	05/06/08
Other			
British Heart Foundation	60	557	07/04/08
YMCA Shops	74	279	09/05/08
Card Factory	93	130	23/05/08
Extra Care	56	93	02/05/08
Glitz Accezzoriez	37	93	20/06/08
Superdrug	186	558	17/06/08
Poundland	325	743	09/06/08
A1 – Services			
Cafe Nero	74	139	04/08/08
Totals	2,624	5,705	

Source: Shoppoerty Professional, September 2008

Chelmsley Wood Town Centre

- 5.110 There were no convenience retailer requirements registered on Shoppoerty Professional at the time of undertaking this assessment. A discount food retailer confirmed that they wish to relocate within the centre, which may relate to the town centre expansion currently under construction. The development will comprise a new Asda foodstore together with an additional circa 6,000 sq m (gross) of new retail floorspace, which is likely to be completed by July 2009.
- 5.111 There was one comparison retailer requirement for home wares store, *Homeflair*, of between 465 sq m to 1,394 sq m. However, the level of registered interest is likely to improve substantially once the Chelmsley Wood town centre expansion is completed.

Knowle Local Centre

- 5.112 There were no convenience retailer requirements registered on Shoppoerty Professional at the time of undertaking this assessment. However, four national food retailers would wish to locate in Knowle, although none provide details of preferred format with the exception of a convenience operator, which requires up to 372 sq m gross floorspace.

5.113 Taking into account the role and function of Knowle there were a modest number of requirements for floorspace from comparison goods retailers and services within Knowle. Table 5.21 details the five comparison goods retailers and service operators' requirements. A total of between 595 sq m and 1,161 sq m of space is required. With the exception of the requirement by United Carpets and Beds, none of the requirements are for large units. The type of interest is also reflective of the units generally available within the centre, i.e. small High street units. The modest amount of demand will help ensure that there is little vacancy within the centre. Indeed it is important to note that there were very few vacant units in August 2008.

Table 5.21- Comparison Goods Requirement - Knowle

Name	Min Size (sq m)	Max Size (sq m)	Date
United Carpets and Beds	372	743	02/01/08
Age Concern	56	93	02/05/08
The Extra Care	56	93	16/05/08
Glitz Accezzoriez	37	93	20/06/08
Cafe Nero	74	139	03/03/08
Totals	595	1,161	

Source: Shoproperty Professional, September 2008

Conclusions on Retailer Demand

- 5.114 Solihull town centre has a healthy level of retailer requirements from both convenience and comparison goods retailers. The requirements should all be located in town centre locations when suitable units become available or when new pipeline schemes come to fruition, such as the redevelopment of Mell Square shopping centre, which is a UDP proposal (S3/1).
- 5.115 Shirley town centre has a more modest level of requirements from both convenience and comparison goods retailers. The requirements are mainly from the lower end of the market, i.e. discount stores and charity shops, reflecting the different type of role these centres performs compared with Solihull albeit that they would represent an improvement to the range of shops.
- 5.116 Chelmsley Wood town centre has one requirement from a comparison goods operator suggesting relatively weak demand for the centre at present. Completion of the town centre expansion is likely to strengthen the level of interest because it will improve the attraction of the centre to shoppers.
- 5.117 Knowle Local centre has a relatively strong level of requirements from convenience retailers and a more modest level of demand from comparison retailers.

The Need for Town Centre Improvements

- 5.118 In the remainder of this section, we set out the results of our qualitative review of Solihull, Shirley and Chelmsley Wood town centres and Knowle local centre, aimed at identifying needs and opportunities for improvement of each. Our review is based on inspections of each town centre, together with our experience of town centre improvement strategies and action plans elsewhere. Additionally, this study also undertakes a qualitative review of the other local

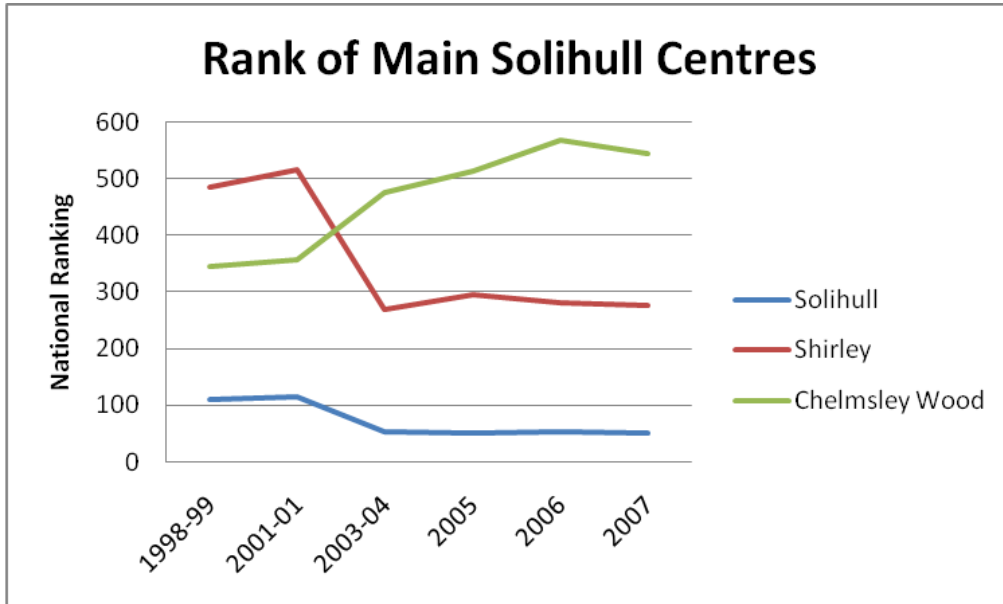
centres within the Borough including Castle Bromwich, Hobs Moat, Marston Green, Balsall Common and Dorridge centres.

Solihull Town Centre

- 5.119 Solihull is one of 25 strategic town centres within the West Midlands Region and has seen significant growth over the past decade most notably with the development of Touchwood Shopping Centre in 2001. Within the West Midlands Region it is ranked as a third-tier town centre comparable with Worcester, Hereford, Telford, Burton, Shrewsbury and Leamington Spa.
- 5.120 The centre ranks 52 out of 374 'major city to major district' centres nationally (i.e. the 374 largest town and district centres) and out of all 2,226 centres in the UK, measured by Javelin Group's 2007 'Venuescore' rating⁶. It has comparable ranking with Burton upon Trent town centre (ranked 64th), Stoke on Trent – Hanley (ranked 63rd), Wolverhampton city centre (ranked 68th) and Worcester City Centre (ranked 58th) Solihull town centre is only ranked below Birmingham City Centre (ranked 3rd), Merry Hill (ranked 37th) and Coventry city centre (ranked 50th) within the West Midlands Region.
- 5.121 The West Midlands conurbation has numerous competing centres each within relative proximity to one another. Of these principal competing centres within the West Midlands conurbation, Birmingham City Centre has vastly improved its retail offer with the completion of the Bull Ring Shopping Centre. Further expansion of the city's retail offer through the Martineau Galleries scheme is scheduled to begin development in 2011. The scheme will incorporate a fourth department store and will comprise a larger amount of retail floorspace than the Bull Ring. In Coventry city centre an extension to the existing shopping centre opened recently, as well as the first in-centre *Ikea* store, which opened in December 2007. Additionally, nearby Redditch town centre has been improved by the recent expansion of the Kingfisher Shopping Centre (ranked 171st).
- 5.122 Encouragingly despite the significant levels of investment in competing centres Solihull town centre has improved its ranking significantly since 2001 as shown in figures 5.22 and 5.23 below. Also shown is the performance of the other larger centres within the Borough where the data is available.

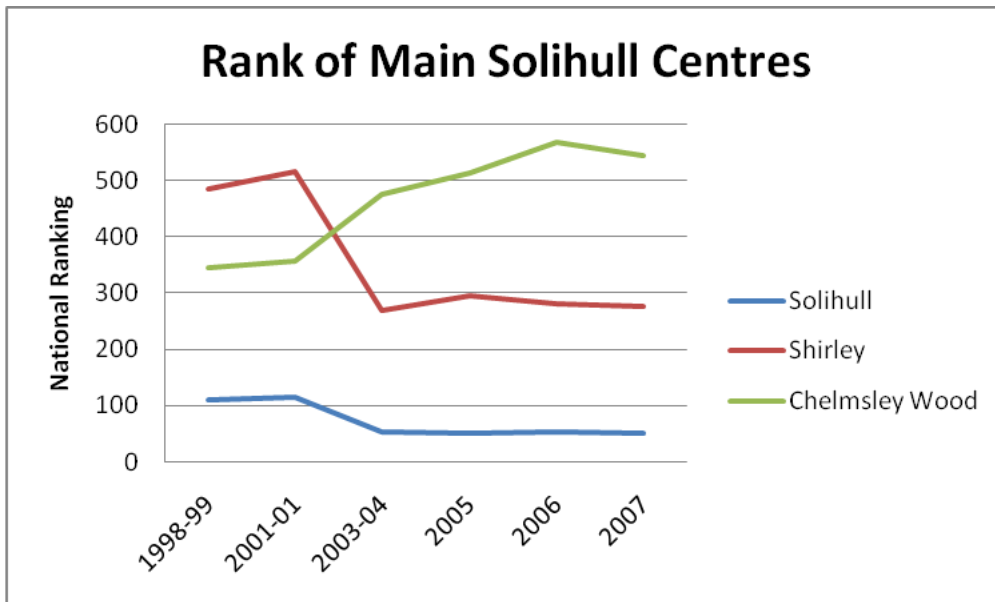
⁶ *Venuescore* is a national ranking system based on the presence and nature of multiple retailers; and location characteristics of market positioning, age focus, fashionability of retail offer and shopping centre or High Street dominated. It is therefore not just a measure of centre size, but results in larger centres receiving a higher ranking than smaller.

Figure 5.22 – National Ranking of Main Centres from 1998 - 2007



Source: Venuescore 2007

Figure 5.23 – Venuescore Ratings for Solihull Centres from 1998 - 2007



Source: Venuescore 2007

5.123 This report summarises the findings of our qualitative assessment of each centre within Solihull Borough within a SWOT chart. Figure 5.24 provides a SWOT summary of Solihull Town Centre.

Figure 5.24: SWOT analysis of Solihull Town Centre

Strengths	Weaknesses
<ul style="list-style-type: none"> • Extensive retail offer, including a wide range of quality retailers in particular, John Lewis • Range of higher value multiple retailers provides choice and variety to consumers • Extensive and well managed car parking – over four thousand spaces • Good bus access linking Solihull to Birmingham, Coventry, Redditch and Birmingham Airport, as well as connections to the local centres • Large parts of the town centre are pedestrianised • Extensive public realm works throughout the town centre • CCTV • Good variety of A3 and A4 uses throughout • Mix of modern purpose built units suitable for multiples, and smaller conversion character properties 	<ul style="list-style-type: none"> • With the exception of the cinema in Touchwood, there are few leisure operators • Poor links from the town centre to the station • Evening economy is concentrated on the fringes in clusters, with some parts of the centre dormant at night. • Congestion, especially on routes to car parks • Car parks are considered expensive • Few independent retailers • Dominance of Touchwood detracts from other areas of the centre
Opportunities	Threats
<ul style="list-style-type: none"> • Encourage linkages between the clusters of the evening economy • Improvement to Mell Square • Improve and encourage links to the railway station • Highway improvements and traffic management • Encourage more leisure uses for people to linger in the centre 	<ul style="list-style-type: none"> • Competition from other centres such as Birmingham and Coventry • Strong leisure draw from elsewhere • Continuing development of out of town retail such as in Solihull Retail Park • Continued traffic congestion • Unguided retail policy may cause too much focus in and around Touchwood, shifting focus from the other areas of the town centre

- 5.124 From our detailed observations of the town centre, we have concluded that it is currently a very attractive shopping destination. Touchwood shopping centre and the pedestrianised shopping area along High Street creates an attractive environment, which is evidently benefitting from continued investment and management. There is a reasonable amount of good quality and well-maintained seating areas within the centre, as well as attractive and well cared for planters and hanging baskets. The centre has a wide range of retailers and service businesses and has a low vacancy rate. The John Lewis store has greatly improved the towns offer and its fashion retail offer is predominantly in the 'middle' or 'upper mid' part of the market. The town centre as a whole offers numerous opportunities for relaxation and recreation within the shopping core, as well as in the adjacent park and recreation ground and allows ample opportunity to enjoy some of the historic buildings within the centres conservation area.
- 5.125 There are some aspects, which would benefit from improvement. As identified in the UDP, Mell Square shopping precinct is considered to be a weakness in the environment of the centre and it is evident that Touchwood and its surrounds compound the problems of this part of the centre. An improvement of this area, as supported by the UDP, would strengthen the centre as a whole.
- 5.126 The link between Solihull train station and the town centre should be improved. Additionally, as a consequence of its success the centre's surrounding road network seems susceptible to congestion, especially at peak times. This is particularly highlighted in the areas surrounding car parks, where there are often traffic jams.

Shirley Town Centre

- 5.127 Shirley is the second largest shopping centre in the Borough and is one of a number of centres situated along the A34 Stratford Road. It is categorised as a major district centre by Venuescore. The centre has faced increased competition from nearby out of centre retail development along the Stratford Road corridor, as well as from the increased offer at Solihull town centre.
- 5.128 The centre is substantially linear, with the great majority of the shops located along the Stratford Road. However, there is a buffer zone between the shops and the busy main road, providing off road parking and soft landscaping. There is also provision for parking in public car parks to the rear of stores, accessed from side roads.
- 5.129 The town centre lacks a substantial retail core, with several food stores acting as anchors for mini clusters. Shirley is well served in terms of variety for convenience shopping by Morrisons, Aldi, Iceland and Marks and Spencer Simply Food. There is a reasonable mix of comparison good retailers including national retailers, such as Woolworths, Boots the Chemist and Holland and Barrett, as well as charity shops including PDSA, Oxfam and Barnadoes, service providers, including banks, estate agents and independent retail operators.
- 5.130 The centre ranks 276th out of 374 'major city to major district' centres nationally (i.e. the 374 largest town and district centres) and out of all 2,226 centres in the UK, measured by Javelin Group's 2007 'Venuescore' rating. It has comparable ranking with Erdington town centre (ranked 283rd), Kings Heath town centre (ranked 290th), Northfield town centre (ranked 290th),

Evesham town centre (ranked 284th), Lichfield City Centre (ranked 269th) and Oswestry town centre (ranked 272nd).

- 5.131 As shown in figure 5.22 previously, Shirley town centre's performance has remained broadly level since 2003 following a marked improvement from 2001. The comparable centres within the West Midlands are either large High Street locations within the Birmingham conurbation, or small/medium sized town centres.
- 5.132 Despite the significant improvements to Solihull town centre and the nearby out of centre retail units it is evident that Shirley continues to maintain its vitality and viability. Importantly, the development of the Parkgate scheme will help improve the quantitative and qualitative retail offer of Shirley town centre. The scheme proposes the demolition of units to create:
- 11,820 sq m (gross) of new shops, anchored by 8,320 sq m (gross) Asda superstore
 - 250 residential apartments
 - 600 space underground car park
 - Town square and cafes/restaurants creating a much needed focal point for the town.
- 5.133 Apart from the need for new retail attractions, there is a need for further environmental improvements. The pavement and carriageway surfaces are generally in reasonably good condition, and there are attractive and well cared-for hanging baskets and planters. However, seating for shoppers is old and in poor condition. It needs to be replaced with new, low maintenance and vandal-proof seating. Environmental improvements should be aimed at breaking down the linearity and reinforcing local character areas within the shopping streets.
- 5.134 Signage to car parks is inadequate. Whilst there appears to be a substantial amount of car parking in total, it is in a number of car parks behind the shops on either side of the Stratford Road, and in some cases it is not immediately obvious how some of it can be reached. Respondents to the on-street survey mentioned that it is often difficult to park close to the shops they wish to use. Given the substantial length of the centre this can be off-putting to potential visitors. We therefore suggest that a car park signage audit is undertaken, new signs are provided where necessary, or existing signs repaired, replaced or re-sited as appropriate. Pedestrian routes from the car parks to the shopping areas need to be improved and more clearly signed.

Figure 5.25: SWOT analysis of Shirley Town Centre

Strengths	Weaknesses
<ul style="list-style-type: none"> • Wide range of convenience and good range of comparison goods available • Good provision of public car parking • Good public transport access to a variety of neighbouring centres • CCTV and well lit areas increase feeling of personal safety • Proximity to Shirley Park (just off the Stratford Road) encourages a wide base of potential custom, especially from families • Development of cycle lanes on certain pavements to increase cycle usage • Good use of trees and landscaping to improve the environmental quality and act as a buffer to the main road 	<ul style="list-style-type: none"> • Few A3/A4 uses to encourage visitors to the area to linger • Poor linkage between Shirley centre and the station • Stratford Road is a major route into Birmingham City Centre, traffic is thus often very heavy • Mixture of different style and age of buildings that may not be flexible enough for modern day retailers • Abundance of convenience stores scattered throughout the High Street creates pockets of retail activity, with little footfall flowing between them • Linear layout with busy road in between prevents optimal free flowing movement • Potential pedestrian safety issues due to proximity of off road parking to pavements • Poor signage for car parking. • Small clusters of vacant units
Opportunities	Threats
<ul style="list-style-type: none"> • Increase the provision of A3 uses to encourage longevity of stays • Prevent clustering of certain uses, in particular convenience stores, to encourage a greater foot flow between areas of the centre and to prevent the development of competing retail zones • Develop an evening economy with the provision of more A3 and A4 units • Develop cycle access and provision further by ensuring cycle lanes on all accesses into centre • Potential for new development, particularly at the new Park Gate development to the North of the centre. This will see a new ASDA store, cafes and restaurants in an 'open mall' environment where up to twenty new retail units shall be over two floors • Clearer signage for vehicles • Development sites for future growth 	<ul style="list-style-type: none"> • Policy framework focuses on Solihull, which may adversely affect Shirley • Preference to one side of the centre may negatively impact on the other • Competition with the out of town retail park, particularly Solihull and Sears Retail Parks less than a mile to the South of Shirley centre • Increase in traffic congestion along Stratford Road would act as a further barrier for pedestrians between sides of the road • Further development of Solihull and Birmingham centres as more dominant centres

Chelmsley Wood Town Centre

- 5.135 Chelmsley Wood town centre is the third largest centre within the Borough. The centre opened in 1971 as a purpose built town centre for the new Birmingham expansion areas now referred to as North Solihull. The expansion of the centre with the provision of a new anchor Asda superstore is currently under construction and anticipated to open in 2009. The extension will significantly improve the environment and retail offer of the centre, which has been an aspiration of the Council for over a decade. The extension scheme comprises the following:
- An Asda superstore - 7,243 sq m (gross)
 - A standalone non food retail unit - 3,058 sq m (gross)
 - New shopping mall retail units – 3,058 sq m (gross)
 - Public realm improvements to the public malls
 - New bus interchange and increased capacity for car parking
 - New Council accommodation with the shopping centre, to include the library, social services and housing office.
- 5.136 The centre ranks 544th out of all 2,226 centres in the UK, measured by Javelin Group's 2007 'Venuescore' rating. It has comparable ranking with Bilston (ranked 544th), Stoke on Trent – Tunstall (ranked 533rd), Whitchurch town centre (ranked 578th) and Acocks Green town centre (ranked 492nd). Whilst it is designated as town centre locally it is considered to perform as a district centre according to Venuescore.
- 5.137 As shown in figure 5.22 above, Chelmsley Wood town centre's performance deteriorated from 1998 to 2006, however, since then it has improved. This is most probably a reflection of the increased investment and management of the centre as well as the positive effect of the extension to the town centre. Despite the significant improvements to Solihull town centre it is evident that Chelmsley Wood remains both vital and viable.
- 5.138 The majority of shoppers access the centre by public transport and its close proximity is the reason for choosing the centre. The centre is not viewed as an attractive centre, albeit that the extension will improve this substantially. The centre is almost entirely used during the day with very little night time activity, which potentially offers an opportunity for diversifying the uses within the centre.

Figure 5.26: SWOT summary of Chelmsley Wood Town Centre

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Main centre is pedestrianised with plenty of seating • Sufficient free parking in a multi storey • Number of nationals - providing a reasonable mix of convenience (Somerfield, Iceland) and comparison goods (Woolworths, Boots etc) • Well served by bus routes to Birmingham, Solihull and Sutton Coldfield. Also provides linkages to local centres including Erdington, Small Heath, Marston Green, Castle Bromwich and Kingshurst • Predominance of shelter provides protection from the elements • Units are large and uniform in shape, which is attractive to national retailers 	<ul style="list-style-type: none"> • Lack of greenery and/or planting • Poor lighting and potential safety issues • Mainly low order good chain stores, with few quality independents • Presence of litter and graffiti detracts from environment • Lack of A3/A4/A5 uses into the centre, does not encourage people to linger • Insular, only faces within the centre – no real opening to the surrounding outer area • Lack of natural light due to partial roof canopy • Current bus interchange is poor, and unsafe • High proportion of vacant units
<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> • Redevelopment of the centre to include a large Asda store in 2009, increasing the provision of convenience stores, and drawing in a wider catchment from surrounding areas • The centre will also see extensive public realm improvements, improvement of linkages and the creation of a new car park and bus interchange • Redevelopment will see improvements of civic functions, including library and Council offices contributing to the growing importance of the centre • Public realm improvements as part of the redevelopment scheme • Improvements of safety by allowing more open areas, opening up the roof panels and installing more CCTV • Increasing the range of cafe, restaurants and leisure uses may increase the night time appeal of the centre. 	<ul style="list-style-type: none"> • Dominance of existing centres such as Solihull, Birmingham and Coventry may limit the potential of the centre • Creation of another large convenience store, may cause the centre to be seen as a convenience rather than a comparison location • Policy framework focuses on Solihull as a strategic centre, which may adversely affect Chelmsley Wood • Nearby retail centres within North Solihull may reduce the number of visitors.

Knowle

- 5.139 Knowle local centre is situated along the High Street and Station Road. It is a sizeable village centre with a wide range of retail and service uses. The centre functions as a local centre providing a complimentary offer to that of the Borough's town centres, particularly Solihull. It has numerous cafes, pubs and restaurants, as well as a range of niche retail outlets. There are relatively few national retailers, with independents and services dominating the centre.



- 5.140 The centre ranks 1,948th out of all 2,226 centres in the UK, measured by Javelin Group's 2007 'Venuescore' rating. It has comparable ranking with Bordesley Green centre (ranked 2,096th), Coleshill centre (ranked 1,827th) and Allesley centre - Coventry (ranked 1,948th). This is the first year that Knowle has had a venuescore rating, therefore it is not possible to measure its performance over recent years. However, it is evident that the centre is both vital and viable.
- 5.141 The environment of the centre is very good and there are only a couple of vacant units. There is only one small supermarket within the centre, although it is also served by other convenience operators including a fruit and vegetable shop, bakers, butchers and other specialist food stores. As evidenced by the RECAP assessment a significant level of convenience expenditure within Knowle (and Dorridge) is directed towards the larger out-of-centre superstores on the Stratford Road.

Figure 4.27: SWOT summary of Knowle Local Centre

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Wide range and variety of small independent comparison good shops • Little evidence of litter or graffiti • Distinctive character, reflective of the historic nature of the village • Interesting buildings provide an interesting and 'quaint' visual • Good selection of A3/A4/A5 uses, contributing to the evening economy and ensuring Knowle is a vibrant village centre • Few vacant units signalling the popularity of the centre for retail • Good use of landscaping to enhance the environmental quality 	<ul style="list-style-type: none"> • Heavy reliance on the private car. Only three bus routes serving Knowle, with the most frequent route only serving once an hour. • Lack of adequate parking • Narrow pavements in some parts • No barriers between main road and pavements • High proportion of A2 and B1 uses within the centre, this particularly impacts on the shop frontages and creates clusters of these uses • Limited to only one small supermarket
<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> • Expand public car parking facilities • Increase provision of public transport to improve accessibility • Provision of another convenience store to increase the retail offer 	<ul style="list-style-type: none"> • The expansion of out of town retail, particularly with regard to convenience shopping, could draw footfall away from Knowle • Further dominance of A2 and B1 uses in some parts of the High Street could detract from the retail mix • Increase in traffic volume through the High Street

Castle Bromwich District Centre

- 5.142 Castle Bromwich has a good range of convenience retail floorspace with only a modest comparison offer and performs the function of a district centre for northernmost part of the Borough and adjoining parts of Birmingham by virtue of its location on the boundary of the two authorities. The centre ranks 834th out of all 2,226 centres in the UK, measured by Javelin Group's 2007 'Venuescore' rating. It has comparable ranking with Selly Oak centre (ranked 782nd), Brierley Hill district centre (ranked 782nd), Leominster town centre (ranked 858th), Ludlow town centre (ranked 886th) and Malvern town centre (ranked 858th).
- 5.143 There is a reasonable mix of national retailers and independents. The units within the centre are mainly converted smaller units, of various ages, with different ownerships. The shop frontages, particularly on the north side of the road, are obstructed by haphazard car parking. Since these are under private ownerships, restrictions and enforcements do not apply, which enables employees and customers to take advantage of this source of parking. On the south side of the Chester Road, there are a number of large purpose built units including a Morrisons, Aldi and Halfords. These cater for the modern retailer who requires large units, and can also provide further car parking facilities. There is further evidence of the development of purpose built units, with these modern units housing Barclays, Blockbuster and Farmfoods near the Chester Road/Hurst Lane cross roads
- 5.144 Less than 500 metres along the Chester Road is a further shopping centre, also referred to as Castle Bromwich shopping Centre. This area is under Birmingham City Council ownership and houses a small Tesco store with a number of small independents. There is a higher vacancy rate amongst the operators in this shopping centre, with goods focused towards the low value end of the market. However, despite the short distance between the two 'centres' there does appear to be a marked difference in the quality of the retail mix and environment.
- 5.145 Castle Bromwich district centre's performance improved from 1998 to 2004. However, since then the centre's performance has deteriorated suggesting that nearby competing have impacted upon its vitality and viability. Notwithstanding this the centre continues to perform well on the face of it. For example, there are no vacant units in the centre.

Dorridge

- 5.146 Dorridge is a sizeable village centre, with three distinct areas; the linear shops along Station Approach, the parade of shops on Station Road and Dorridge Shopping Centre. The centre functions as a local centre for residents in the village and its surrounding hinterland with the exception of Knowle, which adjoins Dorridge and has a larger and stronger performing centre. Dorridge centre is located in close proximity to the villages railway station, which benefits the centre in terms of attracting trade from commuters but also provides easy access to Solihull town centre, which perhaps serves to draw trade away from Dorridge to a greater than Knowle loses trade to Solihull town centre.
- 5.147 The shops off Station Road appear to be the most popular. This may be due to Tesco supplemented by a number of services such as hairdressers, dentist and holistic therapies. Station Approach contains some modern units next to the railway, including a HSBC, but also some of the oldest buildings in Dorridge. The remaining shops are a mix of quality services

and specialist retailers, including a health spa, hairdressers, florist and kitchen showroom. These are part of the Station Approach Conservation Area. Dorridge shopping centre is in much need of modernisation and refurbishment. Of the 16 units available, 7 were vacant, which represents the majority of vacant units within the centre as a whole. Most of the footfall through the shopping centre appeared to be from the car park to the rear of the shopping centre through to the other shops on Station Road or Station Approach. The shopping centre has a negative impact on the centre.

Hobs Moat Road Local Centre

- 5.148 Hobs Moat Road local centre is a linear centre situated on the western side of Hobs Moat Road approximately half a mile north of the Land Rover works. The centre functions as a local centre for residents living in the Elmdon area of the Borough, as well as serving the workforce at land rover. Importantly, some trade is drawn from visitors to the Solihull Ice Rink, which is the only ice rink in the Borough and more recently in Birmingham and is an established attraction in the conurbation.
- 5.149 The focal point of the centre is the crescent of shops fronting on to Hobs Moat Road. There is a large pub, a Fitness First gym and the ice rink to the rear of the shops, which can provide ample car parking facilities. The centre itself benefits from off street parking in front of the shops. The environment of the centre is reasonably good, as it benefits from large areas of landscaping in front of the linear shop frontages and particularly at the crescent, which provide a barrier from the surrounding roads.
- 5.150 The centre has two small supermarkets (a small independent operator and a Tesco Express) each at opposite ends of the shopping parade, a butcher and an off-licence. Towards the Ice Rink, there are a number of takeaways and a cafe, which will capitalise on passing trade from visitors. The opposite end has a higher proportion of specialist comparison goods operators, such as tiles, hardware and fireplaces, as well as services, such as hairdressers. There is also a higher unit vacancy rate towards the Tesco store.

Balsall Common

- 5.151 Balsall Common centre functions as a local centre for residents of the village and its hinterland, which extends for a reasonable distance given its relative isolation compared with other large villages in the Borough. The centre is anchored by a modern Co-op store offering a good range of convenience goods, which is supplemented by other specialist convenience stores, including a delicatessen and a fruit and vegetable shop. The centre is focused on the junction of Station Road and Kenilworth Road. The centre benefits from a plentiful supply of designated parking spaces with approximately 60 spaces provided by the Co-op store.
- 5.152 As well as there being a large number restaurants and takeaways, supplemented by the services found in the other centres (dry cleaning, hairdressers, banks) there are also some specialist shops including a book publishers and printers. These specialist retailers are likely to serve a more extensive population thereby encouraging trade to the centre from surrounding areas.

Marston Green

- 5.153 Marston Green is a small local centre of less than twenty shops, which is divided between two areas by the railway station and by the large pub. The centre serves residents of Marston Green village and the commuters using the train station and provides for their day to day convenience needs. Its location close to Chelmsley Wood limits the retail offer of the centre
- 5.154 Convenience provision is largely dominated by the small supermarket and is supplemented by an off licence and delicatessen/butchers. The area by the railway station has a convenience store, off licence, sandwich shop and a hardware shop. The main part of centre contains a larger convenience store and a number of service providers including a laundrette, dry cleaners, two hairdressers and two estate agents. There is also a Chinese restaurant and two takeaways. There were no vacant units, but also no requirement listed on *Shopproperty* from any national retailer who wishes to locate there. There is off street parking provided in front of the shopping parade, but a large proportion of people appear to use the Pub's free car park.

Market Share of Centres

- 5.155 Table 5.28 shows the proportions of respondents that shop within their nearest town centre. The table shows that for all categories Solihull town centre performs best in its core catchment, which is to be expected given its strategic status. It is important to note that clothing and footwear performs almost ten times as well as any other centre. Shirley performs second best in almost every category with the exception of household textiles and soft furnishings for which Chelmsley Wood performs better. All centre have a relatively good share of Chemist and Beauty Products. The table highlights the limited range of comparison shopping available in Knowle with several categories achieving no market share.

Table 5.28 – Use of Town Centres by Local Residents

Comparison Goods Category	Respondents for Core Zones of Centres doing most of their shopping in the respective centre			
	Solihull (Zone 1)	Shirley (Zone 2)	Chelmsley Wood (Zone 4)	Knowle (Zone 10)
Clothes, footwear and other fashion goods	87.3%	9.5%	5.8%	-
Furniture, carpets and other floor coverings	28.4%	10.1%	4.1%	2.7%
Household Textiles and Soft Furnishings	61.2%	5.1%	7.1%	-
Household Appliances	30.8%	7.2%	5.3%	-
Audio visual equipment	39.6%	5.8%	3.5%	1.3%
Hardware, DIY goods and garden products	41.7%	12.4%	8.7%	9.1%
Chemists, medical and beauty products	76.3%	40.2%	18%	21.3%
Other comparison goods	85.7%	9.3%	9.5%	1.4%

Source: Solihull Household Interview Survey

6. The Potential for Additional Commercial Leisure Facilities

- 6.1 This section of the report provides an analysis of commercial leisure development. The commercial leisure market has been growing rapidly over the last 10 years as disposable incomes have increased, together with people being able to devote more time to leisure activities. In this section, we review the existing commercial leisure facilities in and around Solihull Metropolitan Borough, and then identify demand from operators to open new leisure facilities. Finally, we set out our conclusions on the need for new leisure developments.
- 6.2 Nationally, commercial leisure covers a wide range of uses, such as cinemas (both multiplexes, and traditional town centre cinemas), bowling alleys, night clubs, family entertainment centres, health and fitness studios; and various food and drink outlets, such as pubs and restaurants. Most of these are already represented in or around the centres of Solihull Borough (Solihull, Shirley, Knowle, Chelmsley Wood and Knowle).
- 6.3 In addition the National Exhibition Centre (NEC) and Birmingham Airport are also located within the Borough and provide a regional/national/international leisure offer. A masterplan comprising a £90 million leisure development at the NEC was announced by NEC Group in 2008.

Existing Leisure facilities in and around Solihull Metropolitan Borough

- 6.4 In order to assess the level of commercial leisure provision within Solihull Metropolitan Borough, table 6.1 outlines the range of activities that exist within the area. Whilst every care has been taken to ensure this data is as comprehensive as possible, it is not a guaranteed complete list of all leisure facilities.

Table 6.1 – Commercial Leisure Activities within Solihull Metropolitan Borough

Leisure Activities	Operator and Location
Cinema	Cineworld, Touchwood, Solihull
Leisure Centres	Tudor Grange Leisure Centre, Solihull North Solihull Sports Centre, Chelmsley Wood
Ice Rinks	Solihull Ice Rink, Hobs Moat Road
Ten Pin Bowling	None
Nightclubs	Reflex, High street, Solihull Loaf, High Street, Solihull The Opal Lounge, High Street, Solihull
Theatres	Dovehouse Theatre, Solihull Solihull Arts Complex, Solihull
Private Health clubs	Virgin Active, Blythe Valley Park Bannatyne Health and Fitness, Saintbury, Solihull David Lloyd Leisure, Cranmore Boulevard, Shirley The Hampton, Station Court, Hampton in Arden David Lloyd Leisure, Monkspath Leisure Park, Shirley Fitness First, Hobs Moat Road, Solihull Forum Health Club, Craig Croft, Chelmsley Wood

	Club Motivation, Homer Road, Solihull Living Well Health Club, NEC Health Club, Renaissance Hotel, Solihull
Golf	West Midlands Golf Club, Marsh House Farm Lane Widney Manor, Saintbury Drive, Monkspath, Solihull Robin Hood Golf Club, St Bernard's Road, Solihull Tidbury Green Golf Club, Tidbury Green Olton Golf Club, Olton North Warwickshire Golf Club, Hampton Lane, Meriden Solihull Indoor Golf Centre, Drayton Road, Solihull Shirley Golf Club, Stratford Road Four Ashes Driving Range, Dorridge Copt Heath Golf Club, Knowle
Bingo	None
Snooker	Riley's Pool and Snooker Club, Hobs Moat Road, Solihull Grenville Club, Warwick Road, Solihull
Arts Centre	Solihull Arts Complex, Solihull
Regional Attractions	National Exhibition Centre

Source: DTZ, 2008

- 6.5 Appendix 6 is a map displaying the distribution of various leisure facilities in and around Solihull Metropolitan Borough. This also includes other leisure facilities in the vicinity such as golf courses, health clubs and theatres.
- 6.6 In Solihull town centre there is one 9 screen cinema located within the Touchwood complex, which features a variety of 'blockbusters', UK independent films, film festival winners and foreign language films. This is the only cinema within the Borough. There is also Solihull Arts Complex, two private health clubs, one nightclub, numerous hotels, bars and restaurants. There are numerous leisure activities situated on the edge of and outside Solihull town centre including Tudor Grange leisure centre, Solihull ice rink, Dovehouse theatre.
- 6.7 In terms of the other main centres Shirley town centre contains a number of pubs, restaurants and a hotel. There are other leisure activities including two golf clubs and two private health clubs situated outside of the defined town centre further south along the Stratford road corridor. Chelmsley Wood previously contained a bingo hall and a cafe, which has since closed leaving no leisure uses within the centre. Close to the town centre is North Solihull Leisure Centre and a private health club. Knowle contains a number of pubs and restaurants, a hotel and two nearby golf courses. Additionally, the centre comprises a knot garden located next to the library.
- 6.8 The NEC campus comprises the NEC Arena, pavilion and forum, 17 exhibition halls, four hotels (Crowne Plaza, Hilton Metropole, Premier Inn, Holiday Inn Express), railway station and international airport. The NEC creates a focus for business tourism within the Borough and beyond and this is discussed later within this section.
- 6.9 Overall, Solihull Borough contains the vast majority of leisure facilities available with the exception of ten pin bowling. Its location on the fringe of the West Midlands conurbation provides residents with access to whole host of facilities within and nearby the Borough. It

contains 9 golf courses, two leisure centres, 10 private health clubs, one arts centre, one pool and snooker club, and an ice rink (home to the Solihull Barons).

Competing Commercial Leisure Operations

6.10 When considering potential for new leisure operations in Solihull Metropolitan Borough, it is important to understand competing markets. The following are a selection of the towns and cities within the region that have competing commercial leisure operations:

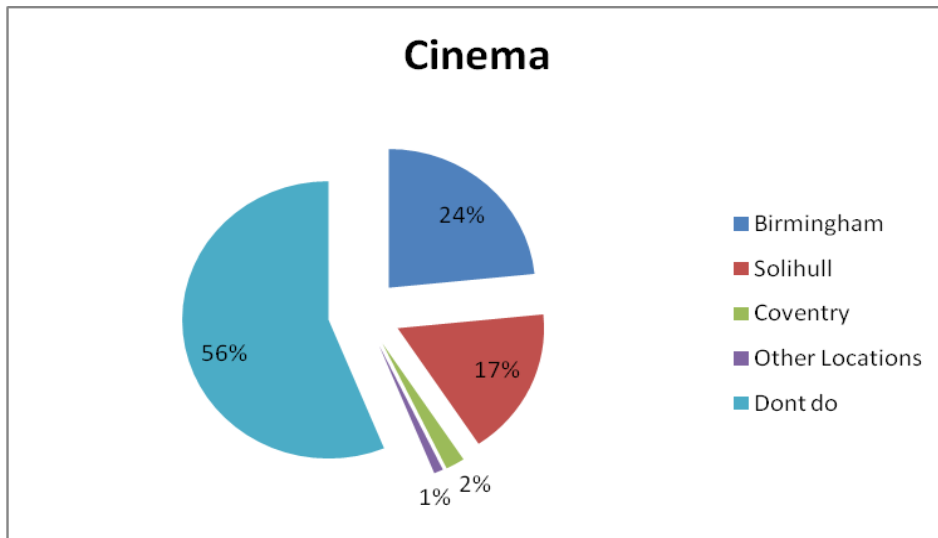
- Cinemas: Birmingham, Coventry, Redditch
- Theatre: Birmingham, Coventry
- Ten Pin Bowling: Birmingham, Coventry, Tamworth
- Bingo: Birmingham, Redditch
- Ice Rinks: Coventry, Tamworth
- Nightclubs: Birmingham, Coventry
- Private Health Clubs: Birmingham, Coventry
- Golf clubs: Birmingham, Coventry, Redditch
- Regional Attractions: Birmingham, Coventry

6.11 Clearly, Birmingham and Coventry are strong competitors to Solihull commercial leisure enterprises, with many Solihull residents willing to travel to these centres, particularly Birmingham, for their leisure needs.

Use of and Demand for Leisure Facilities

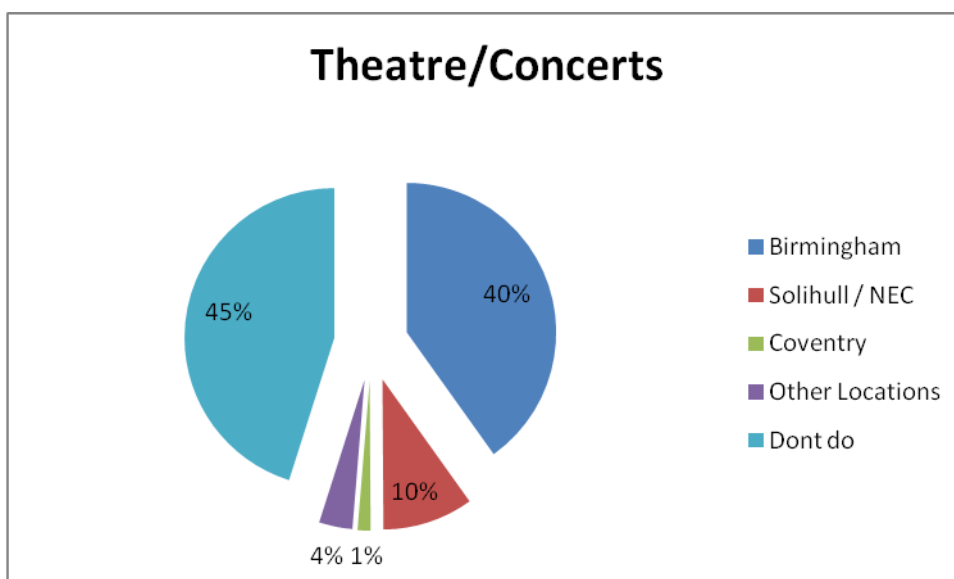
6.12 Questions were included in the household survey (Question 14 A-G) to ascertain respondent's use of current facilities within the catchment area. The facilities asked about were cinema, theatre, bowling alleys, bingo, sports centres and gyms, nightclubs, and cafes and restaurants. The results have been weighted to ensure they are statistically representative of the catchment area as a whole.

Graph 6.1: Cinema Usage



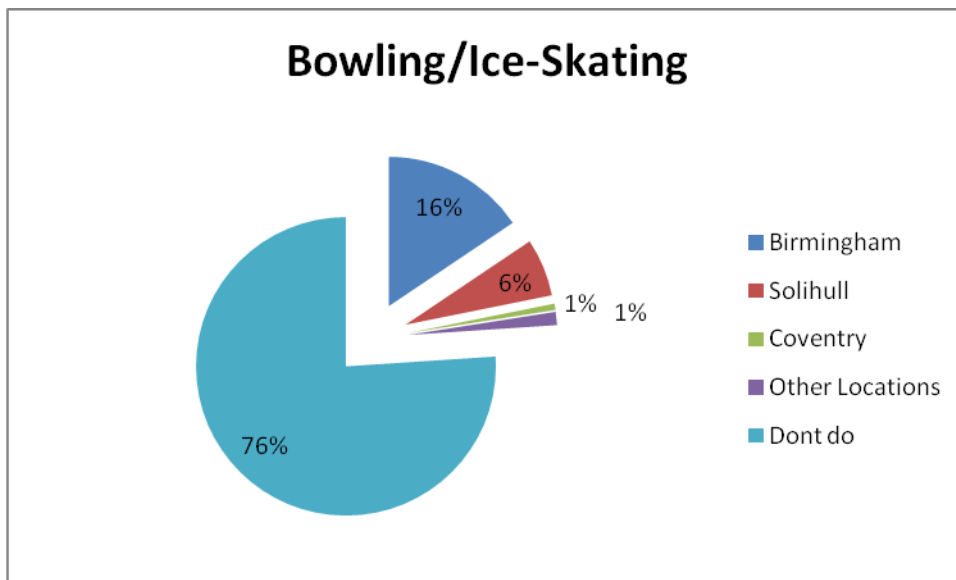
6.13 Graph 6.1 shows cinema usage in the catchment area. 56% of respondents do not go to the cinema. 24% go to cinemas in Birmingham, the majority of which are located in the City Centre, as well as Star City. 17% of respondents stated that they go to Cineworld at the Touchwood Centre, Solihull. 2% of respondents go to cinemas in Coventry and 1% travel to other locations. The high proportion of people using cinemas in Birmingham suggests that people are willing to travel to use cinema facilities. It also may suggest that the choice in Solihull is too limited, as there is only one cinema in the Borough following the closure some years ago of the UCI cinema on the Stratford Road. This might also be a reason for the comparatively low usage of cinema (only 44% of respondents).

Graph 6.2: Theatre / Concert Usage



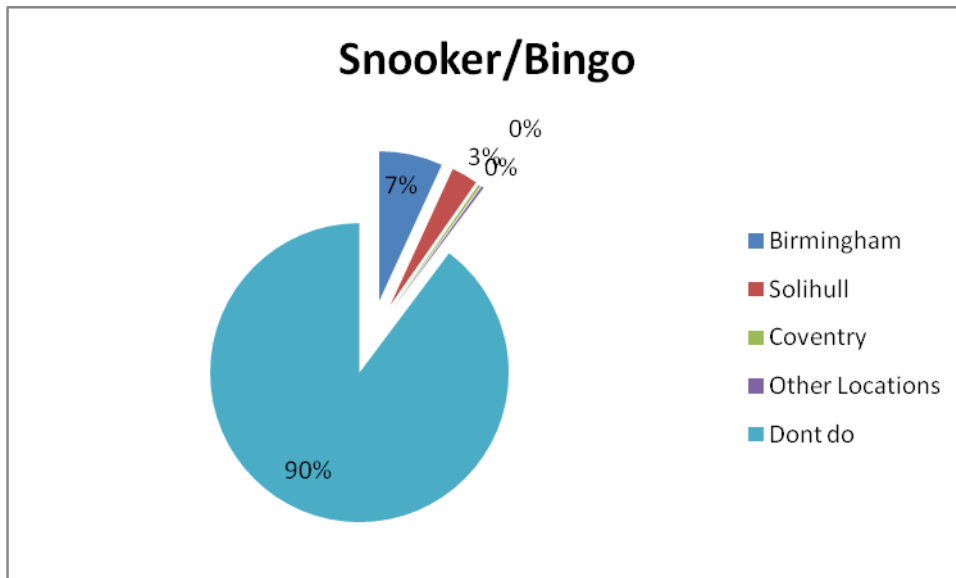
6.14 Graph 6.2 shows that 45% of respondents do not visit the theatre or attend concerts, therefore, combined they are a more popular leisure activity than visiting the cinema. The most likely reason for this is the wealth of provision within the conurbation in terms of theatres, but also the NEC, National Indoor Area (NIA) and Symphony Hall, which are all part of the NEC Group. Birmingham attracts 40% of respondents, which relates to its strong offer as the regional centre. The majority of respondents visit the NIA, Hippodrome, Alexandra and Rep theatres. Solihull (including NEC) attracts 10% of respondents who primarily visit the NEC with a modest number visiting the Arts Centre and Dovehouse theatre. In total other locations attract 5% of respondents. There is no a purpose built theatre outside of the Solihull town area.

Graph 6.3: Bowling Usage



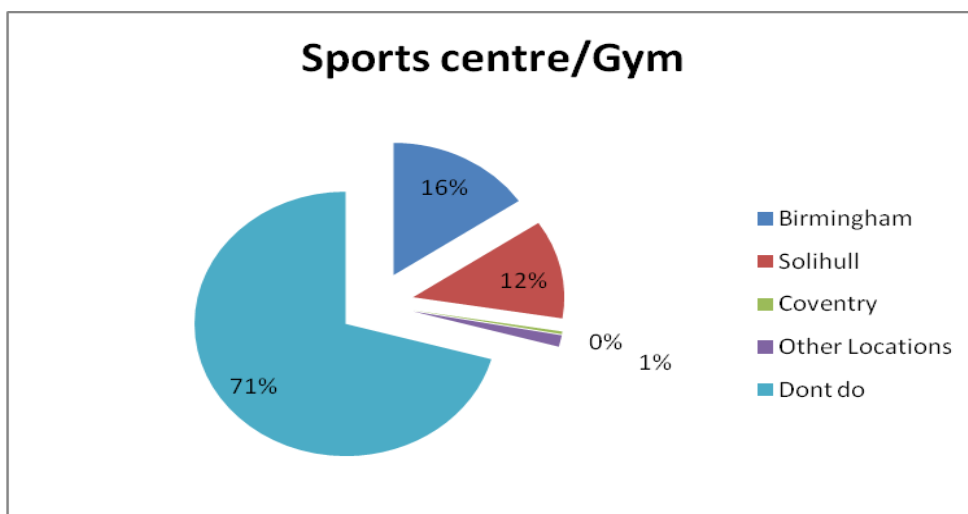
6.15 Graph 6.3 shows that 76% of respondents do not visit commercial bowling or ice-skating facilities. Birmingham attracts 16% of respondents, as it has numerous bowling facilities and a city centre ice-rink. Solihull attracts 6% of respondents and it is assumed that these people use the Solihull Ice Rink at Hobs Moat Lane, as there are no bowling alleys in Solihull Borough. In total other locations attract 2% of respondents. Some respondents state they use facilities in locations that do not have a commercial bowling facility, and it is assumed that respondents in this case may be referring to bowling greens as opposed to tenpin bowling alleys.

Graph 6.4: Snooker / Bingo



6.16 Graph 6.4 shows Snooker and Bingo usage within the catchment area. An overwhelming majority of respondents, 90%, do not play either Snooker or Bingo; which makes it the least popular leisure activity surveyed. 7% of respondents use facilities in Birmingham the most popular destinations being facilities in Birmingham City Centre and Acocks Green. 3% visit Solihull for Snooker and Bingo and a nominal number of people use facilities elsewhere.

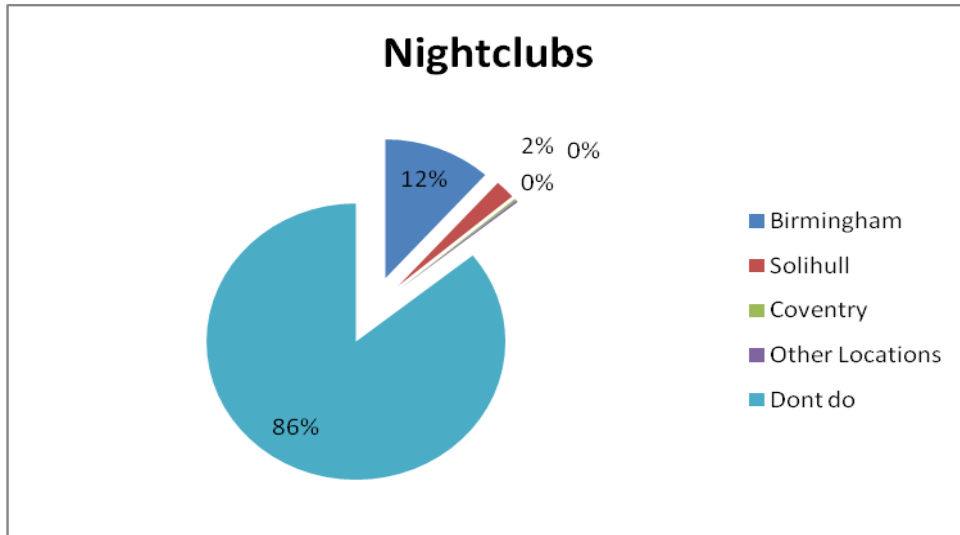
Graph 6.5: Sports Centres and Gyms



6.17 Graph 6.5 shows that 71% of respondents don't use leisure facilities and gyms, which is a very high proportion considering these facilities are designed to be accessible to all. 16% of respondents use facilities provided across numerous centres in Birmingham. Solihull attracts 12% of respondents, again across a broad location of areas. This suggests that people use facilities local to them (either where they live or where they work) and are unlikely to travel

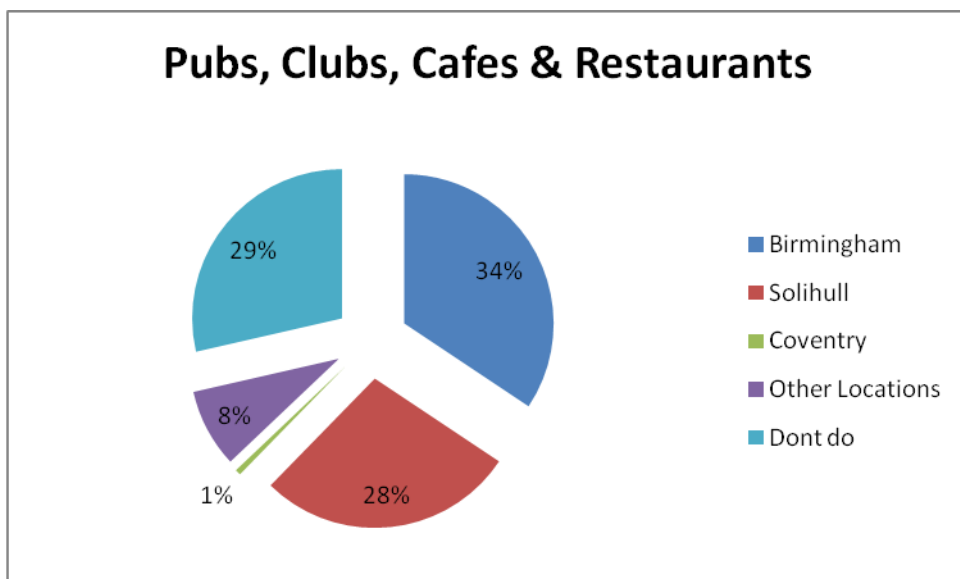
longer distances for fitness facilities, as is evidenced by only 1% of respondents travelling to other locations.

Graph 6.6: Nightclubs



6.18 Graph 6.6 shows that 86% of respondents do not go to nightclubs. This is the second least used leisure activity in the survey. 12% of respondents use nightclubs in Birmingham City Centre. 2% of respondents use nightclubs in Solihull town centre. There are no nightclubs within other centres, but these centres do have bars with late licences, which is why some respondents have suggested other locations. Only a nominal number of people went elsewhere.

Graph 6.7: Visiting Pubs, Clubs, Cafes and Restaurants



- 6.19 This is by far the most popular leisure pastime, and Graph 6.7 shows that only 29% of respondents do not visit pubs, clubs, cafes and restaurants. 34% of respondents use these facilities in Birmingham with the majority visiting Birmingham City Centre. 28% use the facilities within Solihull with the majority visiting Solihull town centre. In total 9% of respondents use these facilities elsewhere. The findings of the survey suggest that the majority of people use a mixture of facilities local to them, e.g. the local pub, and the wider offer of the main centres for restaurants, such as Solihull and Birmingham.
- 6.20 It is noteworthy that very few people visited facilities in Chelmsley Wood perhaps suggesting a lack of choice, or a negative perception of the existing facilities. Solihull town centre significantly outperformed all other centres within the Borough, suggesting a strong range of facilities in Solihull and perhaps a lack of choice elsewhere.

Existing Commercial Leisure Planning Applications and Development Pipeline

- 6.21 There are a number of proposals for mixed-use developments within the Borough, which may have an element of leisure activity in them, particularly Class A3/A4/A5 the leisure uses
- 6.22 There are two long-term proposals for mixed use developments in the Borough, which will include a large amount of commercial leisure floorspace including A3/A4/A5 type leisure. These include the potential Touchwood phase two development and the NEC Masterplan. In addition, the following schemes also comprise a significant amount of leisure floorspace. At the time of preparing this report the extent of floorspace on these schemes was unknown.

Demand for Leisure Facilities

- 6.23 Using an in house database, we wrote to over 80 of the main commercial leisure facility providers, including cinema, Bingo and gym operators, with the objective of establishing whether they are interested in developing new facilities within Solihull Borough. We received very few responses with no current interest expressed in any of the centres at present. Where responses were received the current market conditions were cited as the reason for lack of interest. Unfortunately, the timing of this study has coincided with poor market conditions therefore indicating only very limited demand from operators for new commercial leisure facilities in Solihull Borough.
- 6.24 However, a private health club operator of leisure facilities expressed an interest in locating in Solihull town centre when the market conditions improved.

Representation of Food and Drink Establishments (Class A3/A4/A5)

- 6.25 Solihull town centre has a variety of restaurants, hot food takeaways, pubs and cafes. There are approximately 32 such units within the town centre, taking up approximately 11,000 sq m of ground floor 'footprint' floorspace. The existing A3 operators include main franchises such as Cafe Rouge, TGI Fridays and Nandos, as well as independent operators such as Cafe Roaster. Many of the restaurants are situated in Touchwood Centre, Station Road and the High Street.

- 6.26 Shirley town centre has far fewer restaurants, takeaways, pubs and cafes than Solihull. There is 2,610 sq m of floorspace in 14 units. The centre contains 2 pubs, 7 Indian and Chinese takeaways and restaurants, and 3 other fast food restaurants. There are no better quality chain restaurants such as Ask, and no independent restaurants in the town. This suggests there is a gap in A3 provision from higher quality restaurant franchises and independent providers. There is also a lack of coffee shops and cafes.
- 6.27 Within the remaining centres, small independent fast food operators dominate. Knowle has over ten restaurants and cafes, and 4 pubs, while Castle Bromwich only has one pub. Chelmsley Wood does not have a pub, and only one fast food takeaway unit, but these uses may be attracted once the redevelopment of the shopping centre has been completed.

Demand for Class A3/A4/A5 Uses

Table 6.2 – Demand for Class A3/A4/A5 Uses in Solihull Town Centre

Operator	Min Space (sq m)	Max Space (sq m)	Date of Requirement
Chiquito	279	408	07/04/08
Frankey and Benny's	279	408	07/04/08
Strada	255	465	15/01/08
Gourmet Burger Kitchen	149	260	24/04/08
Wokmania	232	670	10/03/08
Marstons Plc (Inns and Taverns)	2,023	2,183	09/08/07
Pizza Express/Ask/Zizzi	232	465	23/06/08
Liquid	1,394	1,858	08/11/07
Dominos	93	112	02/05/08
Totals	4,936	6,829	

Source: Shopproperty Professional June 2008/Focus 2008

- 6.28 Table 6.2 summarises the list of Leisure operators with requirements for premises within Solihull. There are eight requirements from A3/A4/A5 operators to locate within the town, amounting to between 4,936 sq m and 6,829 sq m of space. The requirements come from a variety of operators including restaurants, pubs and nightclubs. Apart from the two large requirements from Marstons Plc (Inns and Taverns) and Liquid (for a nightclub), the units required are moderately small and should be easily accommodated in the town centre when vacancies arise. This is a healthy level of demand from this particular sector.
- 6.29 There are no specific A3/A4/A5 requirements for the remaining centres, but this is probably because they are largely run by small independents rather than multiples.

Business Tourism

- 6.30 Business tourism is classified as '*conferences, exhibitions, small and large business meetings and training events, as well as the travelling business user who visits companies on day or overnight visits.*' It has been identified as a key sector for the West Midlands region and the

location of the NEC and Birmingham International Airport within the Borough means that it is well placed to benefit from this sector.

- 6.31 The SMBC Business Tourism Survey 2006 conducted interview with 14 of the Boroughs large hotels to inform priorities for the sector. The findings of the survey found that all hotels recognised the significance of business tourism to their success and the effect on their business should any changes occur in the future. It was noted that there had been a drop in business from the NEC due to the decline in the number of trade shows against public shows where fewer people stay overnight. It was also noted that an increase in the number of hotels in the region are taking market share from the Borough's hotels.
- 6.32 Whilst the NEC is a very important asset for the Borough many hotels now consider their main target as business visitors to local business parks (RIS) and head offices within the Region. Interestingly the airport was not considered to have much of an impact on business with the exception of those located within or adjoining the airport campus.
- 6.33 All large hotels offer conference facilities of some sort recognising the importance of the source of income, which shows a marked change from only a few years ago. Those hotels within centres were more likely to have guests use conference facilities outside of the hotel given the range of options in the centres. Generally it was found that only guests staying longer than one night would ask where local attractions and facilities are based.
- 6.34 Two key needs identified by hoteliers were to raise awareness of Solihull as a business location to enable promotion to international audiences and for extended public transport links between the NEC, the airport and Solihull town centre to combat congestion and car parking problems.
- 6.35 It is evident that business tourism is an important and growing part of the Boroughs economy. There is likely to be demand for additional hotel accommodation that also provides conference facilities to benefit from the trade from the NEC and the growing trade from business visitors. Locations with good links with the NEC and the airport are considered preferable and it would evidently seem those locations with good links to the Boroughs business parks are also important. The main centres benefit from existing links, particularly Solihull town centre, and it is likely that there will be a good level of demand for hotel and conference facilities in these locations.

Summary and Conclusions

- 6.36 The type of existing commercial leisure facilities in and around Solihull Borough covers a wide variety of activities. Most of these facilities are in or around Solihull town centre; although the other centres do have range of activities within the centre or nearby. However, responses to the questionnaire showed that in every category of commercial leisure facility Birmingham outperformed Solihull. This is unsurprising given its status as the regional centre and that the majority of Solihull's urban area adjoins Birmingham. It is very easy for most residents to access leisure facilities across Solihull and Birmingham. Additional competition is provided from Coventry, Redditch, Leamington and Stratford-upon-Avon, although from the survey they do not seem to attract a significant amount of people.

Table 6.3 Popularity of Leisure Facilities

Rank	Activity	% of Respondents undertaking Activity
1	Pubs, clubs, cafes & restaurants	71
2	Theatre / Concerts	55
3	Cinema	44
4	Sports Centres / Gyms	29
5	Bowling / Ice Skating	24
6	Nightclubs	14
7	Bingo / Snooker	10

Source: Household Interview Survey 2008

- 6.37 Table 6.3 lists the leisure activities in order of their popularity as shown from the Household Interview Survey. Visiting pubs, cafes and restaurants is by far the most popular leisure activity. Solihull town centre attracts the majority of Borough's market share with Shirley and particularly Chelmsley Wood performing less well. For Shirley and Chelmsley Wood to be competitive, the town centres would benefit from more cafes and restaurants, particularly higher quality restaurants in the case of Shirley. Providing a higher number of restaurants will also boost the evening economy of the town centre and contribute to the vitality and viability of Shirley and Chelmsley Wood.
- 6.38 Visiting the cinema also attracted a high number of respondents albeit lower than other retail and leisure studies have found. The Cineworld cinema in Solihull town centre is a popular destination, together with cinema provision in Birmingham. There are no other cinemas in the Borough following the closure of the UCI cinema in Shirley some years ago. On the basis of the lack of provision, and the potential demand from cinema operators, it is possible that there may be future operator demand for further provision in Solihull Borough in the study period and this is most likely within Solihull or Shirley town centre.
- 6.39 Visiting the theatre and attending concerts are also popular pastimes. Whilst there are only two theatres within the Borough (both in Solihull) the proximity to theatres in Birmingham, Coventry, Stratford-upon-Avon and Warwick as well as the NEC Group facilities and Birmingham provide an adequate number of destinations for the catchment. Additionally, in many areas the commercial theatres are supplemented by community theatre productions.
- 6.40 There is no current demand for further gym/health club facilities, as existing facilities are adequate for demand in the short to medium term. There are no bowling facilities within the Borough, although there are numerous facilities in the surrounding authority areas, particularly Birmingham. Based on demand and the lack of provision it is possible that there may be future operator demand for at least one bowling alley during the plan period. Furthermore, it is likely that this facility could be provided comprehensively with a new cinema.
- 6.41 For nightclubs, the Household Interview Survey showed that Solihull attracts a modest proportion of respondents when compared with Birmingham. The other centres within the Borough are not well catered for in terms of provision and there is an existing requirement from a nightclub operator in Solihull town centre. Based on the market research it seems that facilities currently provided appear to be reasonably adequate for the area for the short to medium term and only one or two additional premises are likely to be required.

- 6.42 There is a lack of provision in Shirley and Chelmsley Wood of eating out venues, and it is clear that these centres would be improved if they had a better provision. Such facilities are usually small scale and can be accommodated in existing buildings and sites as vacancies arise
- 6.43 Overall the Borough is currently reasonably well served for leisure facilities, particularly Solihull town centre. There is potentially a demand for the provision of an additional cinema and a bowling alley during the plan period. However, there is also no pressing need to identify and allocate sites at given the lack of market interest at present. As and when proposals arise, they should in principle be welcomed and accommodated in accordance with the sequential approach.
- 6.44 The Borough is well served with hotel and conference facilities associated with the business tourism sector. As a key sector for the Borough there is likely to be demand for additional facilities over the plan period and these are likely to concentrate in the main town centres, which benefit from good links with the NEC, the airport and the Boroughs business parks. As and when proposals arise, they should in principle be welcomed and accommodated in accordance with the sequential approach.

7. Solihull Office Market

- 7.1 This section provides an analysis of the Solihull Borough office market focusing on the needs and opportunities for new office development in Solihull, Shirley and Chelmsley Wood town centres, as well as Knowle local centre. It also analyses the current supply and potential need for office floorspace in out of centre locations, which are generally located within the Regional Investment Sites (RIS – formerly Premium Employment Sites) along the M42 corridor and comprise the vast majority of office floorspace within the Borough. Indeed, it is important to note that Solihull and Birmingham are often considered as one office market by virtue of their geography with the majority of Solihull provision termed ‘Birmingham/Solihull out of town’ in previous office studies.

Methodology

- 7.2 There are no recognised techniques for forecasting quantitative need for new office floorspace. Consequently we have undertaken a broad commercial market based assessment concentrating first on Solihull Town Centre followed by the other centres within the Borough (Shirley, Chelmsley Wood and Knowle). The assessment compares the employment structure of the Borough against regional and national structures. Secondly, the assessment considers the supply of office floorspace by assessing the amount of available existing office floorspace that is being marketed, as well as pipeline office supply. The demand for, or ‘take up’ of office floorspace by location and type is assessed by considering recent leasehold and freehold transactions over the last 18 months. The findings of these assessments will guide where additional office floorspace is needed from a market point of view and this will be balanced against the aspirations of the emerging planning guidance for Solihull.

Employment Structure and Growth

- 7.3 Table 7.1 reviews the business structure of the Borough in 2006 (the most recent date for which such data is available).

Table 7.1 Proportional Breakdown of Employee Jobs - 2006

Sector	Solihull	West Midlands	Great Britain
Manufacturing	9.8	14.7	10.9
Construction	8.9	5.0	4.8
Services	80.3	78.9	82.9
Distribution, Hotels & Restaurants	21.9	23.7	23.5
Transport and Communications	7.6	5.6	5.9
Finance, IT, other business activities	22.3	17.8	21.2
Public Admin, Education and Health	23.2	26.6	26.9
Other Services	4.3	5.1	5.3
Tourism Related	8.4	7.7	8.3

Source: NOMIS 2006

- 7.4 Table 7.1 reveals that the largest sectors in the Borough are finance and IT, distribution and hotels and public administration, education and health. These sectors are broadly equal and account for approximately 22 - 23% of businesses. The proportion is roughly the same as at

national level with the exception of public administration. There are a higher percentage of people employed in finance and IT compared with the West Midlands generally. Most notably employment in construction in the Borough is almost double the regional and national percentage with manufacturing employment considerably lower against the regional level.

- 7.5 The Regional Centres Study⁷, which informed the emerging RSS estimates employment growth at 3.6% per annum and forecasts gains in office employment within the Borough of between 4,927 and 6,968 people up to 2021. The study translated this into the need for between 90,000 sq m and 130,000 sq m of additional office floorspace over the same period.

Summary of Provision

- 7.6 **Premium Employment Sites:** Solihull Borough has several business parks mainly concentrated along the M42 corridor in out of centre locations. Birmingham Business Park and Blythe Valley Business Park were originally developed as Premium Employment Sites (PES). The RSS and the Solihull UDP (2006) categorises them as Regional Investment Sites (RIS), which are 'first tier' employment sites of regional significance. The role and function of RIS is to support the diversification and modernisation of the Region's economy. RIS are between 25 and 50 hectares in size and are designed to a high quality in order to attract national and international investors. They should be multimodal, well related to the motorway network and close to areas of greatest need with development restricted to high quality Class B1.
- 7.7 **Business Parks:** In addition to the two RIS locations the Borough also contains other business parks including Solihull Business Park and Aspire, which are all located by M42 Junction 4.
- 7.8 **Solihull Town Centre** has the largest amount of office floorspace for any centre in the Borough. The majority of office floorspace is located around the centre's retail core in locations such as Homer Road, Warwick Road and Poplar Road. There are several office locations between Solihull and Shirley around Highlands Road/Cranmore Boulevard
- 7.9 The office floorspace in **Shirley town centre** is predominantly located at the periphery of the centre's retail area, as well as above retail units. There is a larger amount of out of centre office accommodation located to the south of Shirley close to the M42 Junction 4, which includes the RIS at Blythe Valley.
- 7.10 There is a very small amount of office space within **Chelmsley Wood town centre**, as the centre is primarily retail focussed. There is a large amount of accommodation nearby at the Birmingham Business Park RIS situated near the M42 Junction 6.
- 7.11 **Knowle** has a small amount of office accommodation along the High Street that predominantly comprises converted residential premises and suites above retail units.

⁷ Regional Centres Study Appendix 6 Office Forecasts, Roger Tym & King Sturge, March 2006

Market Conditions

- 7.12 The office market in Solihull Borough is one of the strongest markets in the West Midlands Region. The vast majority of floorspace is situated in out of centre locations serving the wider West Midlands conurbation, particularly Birmingham. There is a good amount of published data on out of centre locations and Solihull Town Centre. However, there is limited data on the other main centres. Table 6.2 identifies the current rental values achieved in Birmingham and Coventry to put into context the office locations in Solihull Borough.

Table 7.2 Rental Values in Surrounding Cities

Location	£/sq m/annum
Birmingham	172 - 350
Coventry	183 – 194
Solihull	183 – 226
Solihull Business Parks	204 – 237

Source: VOA

- 7.13 Birmingham has the highest rental values for all types of office suites in the West Midlands region. It is the regional capital and well recognised European City with a very well established and improving office market. Coventry is less well recognised as an office destination despite being a large city and achieves lower rental values than in Solihull borough. Solihull town centre and its business parks achieve reasonably high rents, as they are well established office locations; particularly the latter since the late 1980's following the completion of the first stage Birmingham Business Park.

Solihull Town Centre

- 7.14 Table 7.3 shows office lettings in the last 18 months in Solihull town centre. There have been seven transactions registered, which is modest for this period of time and due to the limited amount of available floorspace within the town centre.

Table 7.3 Office Lettings in Solihull

Address	Date	Size (sq m)	Lease term & Rental Value (years/£)
Chadwick House	01/09/07	2,763	15 years @ £205
Radcliffe House	01/09/07	427	10 years @ £194
Radcliffe House	01/08/07	435	10 years @ £199
Radcliffe House	01/08/07	318	5 years @£199
Radcliffe House	01/04/07	441	10 years @ £205
Radcliffe House	01/01/07	272	5 years @ £205
Hampton Court	2008	255	10 years @ £194

Source DTZ

- 7.15 From Table 7.3 the average rent is approximately £200/sq m. All of the deals have been done in purpose-built offices. The unit sizes range between 255 sq m and 2,763 sq m. Rental levels are generally on a par with those for Solihull town centre set out in table 7.2.

Solihull Regional Investment Sites (RIS) and other Business Parks

- 7.16 Table 7.4 shows office lettings in the last 18 months in Solihull's Business Parks, which are all located in out of centre locations in terms of PPS6. There have been 30 transactions registered, which shows a strong demand over this time period, illustrating that the market for premises on Solihull's established business parks is strong.

Table 7.4 Office Lettings in Solihull Out RIS and other Business Parks

Address	Date	Size (sq m)	Lease Term & Rental Value (years/£/ sq m)
Vienna House	01/01/07	279	N/A
3500 Parkside, BBP	01/01/07	397	5 years @ £194
Pegasus Houses, SBP	01/01/07	418	10 years @ £205
3800 Parkside, BBP	01/02/07	202	5 years @ £194
3800 Parkside, BBP	01/02/07	202	5 years @ £194
3800 Parkside, BBP	01/02/07	281	5 years @ £194
707 Warwick Road	01/03/07	172	5 years @ £205
Drakes Court	01/04/07	318	5 years @ £172
6100 unit 10, BBP	01/04/07	1,129	15 years @ £205
Waterside Centre	01/05/07	108	5 years @ £205
4060 Lakeside, BBP	01/06/07	1,091	1 year @ £205
Hockley Court	01/07/07	307	TBC @ £235
Friars Gate	01/08/07	802	10 years @ £205
2220 The Crescent, BBP	01/09/07	149	5 years @ £217
1 Cranmore Drive	01/09/07	432	7.5 years @ £199
Pegasus House, SBP	01/09/07	676	12 years @ £205
Yorke House	01/11/07	855	10 years @ £178
T3	01/11/07	2,322	11 years @ £207
Friars Gate	01/12/07	741	10 years @ £205
Seymour House, Hampton Court		380	5 years @ £178
Coleshill Manor		125	N/A
Coleshill Manor		135	N/A
One Cranmore Drive		488	5 years @ £188
6100 unit 1, BBP		284	5 years @ £226
East Wing, Nexus		5203	9 years @ £196
Unit 3800, BBP		139	N/A
Unit 3600, BBP		201	N/A
Remus 1		395	10 years @ £205
6100, unit 5, BBP		287	5 years @ £226
Rhodium		576	10 years @ £237
Total / Average		19,094	£203 / sq m

Source DTZ

- 7.17 From Table 7.4 the average rent is approximately £203/sq m. All of the deals have been done are in purpose-built offices or converted premises. The unit sizes range between 125 sq m

and 5,203 sq m. Rental levels are generally on a par with those for Solihull's out of centre business parks as set out in table 7.2.

- 7.18 Table 7.5 shows freehold and investment office sales for the past 18 months in Solihull Borough. There have only been 12 transactions over this period the majority of which are located in out of centre locations, predominantly at Birmingham Business Park. This represents a reasonably large number of deals for the Borough demonstrating a high level of demand for freehold office property.

Table 7.5 Freehold/Investment Office Sales in Solihull Borough

Address	Date	Size (sq m)	Sale Price (sq m)
6100 unit 3, BBP		282	2,690
Unit 7, The Pavilions		284	2,690
The Forum		7,852	N/A
Unit 4, The Pavilions		152	2,690
6100 unit 6, BBP	01/08/07	573	2,530
6100 unit11, BBP	01/08/07	482	2,530
6100 unit 9, BBP	01/08/07	386	2,605
6100 unit 12, BBP	01/08/07	386	2,583
6100 unit 2, BBP	01/08/07	284	2,583
6100 unit 8, BBP	01/08/07	246	2,690
6100 unit 4, BBP	01/06/08	284	2,583
6100 unit 7, BBP	01/06/08	246	2,530

Source DTZ

Office Premises Availability

- 7.19 There is a significant level of available office space within Solihull Borough, across numerous locations and in varying types of space. There are over 70 different premises with available space that are currently being actively marketed. Table 7.6 shows the level of space available by general location and grade. It is evident that there is a significant amount of floorspace that is available in out of centre locations within the Borough and a comparatively small amount of available office floorspace in Solihull town centre.

Table 7.6 Office Premises Availability

Location	Grade	Floorspace Available (sq m)
Solihull town centre	B	2,472
M42 Junction 4	A	15,910
M42 Junction 4	B	413
M42 Junction 6	A	1,589
M42 Junction 6	B	14,411

Source DTZ, 2008

- 7.20 In terms of office premises availability the office space available comprises a good mix of new and second hand in non central locations. However, it is notable that there is no grade A floorspace in Solihull town centre. Sizes of units available vary from approximately 7,000 sq m to 300 sq m. Asking rents range £242/sq m and £161/sq m with tertiary units above shops attracting rental values below this level.

- 7.21 The office market is strong in Solihull, which combined with Birmingham is the strongest office location in the region. It is evident from the take up over the last 18 months that there is strong demand for a range of office accommodation. Compared with available out of centre floorspace there is only a limited amount of office accommodation within Solihull town centre and this is mainly modest sized second hand stock.
- 7.22 Presently, there is very little pipeline floorspace coming forward within Solihull town centre. However, the emerging RSS (Policy PA13A) establishes that the council should plan for the construction of 50,000 sq m of new floorspace up to 2026, i.e. 2,500 sq m per annum. The implications of this additional floorspace requirement are considered below.

Office Supply

- 7.23 In addition to those premises with available floorspace it is important to consider pipeline office space. This may have considerable weight in terms of estimating the need for additional floorspace within the Borough and particularly within the existing town centres. The Regional Centres Study⁸ and the Office Locations Study⁹ provide evidence on the level of pipeline office floorspace within the Borough. It provides details of past take up rates of office floorspace and estimates the amount required during the RSS plan period. This is based on the assumption that the percentage of floorspace provided within town centres increases over time.
- 7.24 The RSS Preferred Option suggests that 50,000 sq m of new office development should be provided within Solihull town centre up to 2026. The evidence base for the emerging RSS shows that in 2004 the supply of office space in Solihull based on extant permissions was 166,000 sq m with Solihull town centre only having 5,000 sq m supply. The Borough's total supply represents 16.4% of the total supply for the West Midlands region with Solihull placed second in the region behind Birmingham. Approximately 97% of the office supply in Solihull was in out of centre locations.
- 7.25 In July 2007 there was 241,540 sq m of pipeline office development that was yet to be built in out of centre locations in the Borough comprising Blythe Valley Business Park, Birmingham Business Park, Solihull Business Park, Trinity Park, The Green and Aspire. At the time of preparing this report a planning application to extend Birmingham Business Park had recently been considered at appeal and a large office scheme at the TRW site, Stratford Road, was expected to be submitted to the Council. If permitted, these schemes would significantly increase the level of out of centre office floorspace within the Borough.
- 7.26 In total Solihull town centre has approximately 7,500 sq m of pipeline and available office floorspace. This represents three years supply based on the emerging RSS requirements. Significantly, take up of office floorspace in Solihull town centre has been higher over the past two years at 3,274 sq m per annum, which has the effect of reducing the supply of floorspace to 2.3 years.
- 7.27 Solihull town centre requires additional grade A office floorspace through new development or refurbishment, which meets the most up-to-date specification and has suitable car parking

⁸ Regional Centres Study Technical Paper 6 – Office Forecasts, Roger Tym & King Sturge, March 2006

⁹ Office Locations Study for Advantage West Midlands, GVA Grimley, October 2007

ratios and amenities. Market evidence shows that refurbished office floorspace will let much easier than lower specification stock.

Shirley, Chelmsley Wood and Knowle Centres

- 7.28 In addition to Shirley and Chelmsley Wood this study also considers Knowle local centre, as the village has a reasonable office market and Chelmsley Wood town centre has very little office floorspace.
- 7.29 There is no available data on office premises transactions in the three centres over the past 18 months, either been registered on Focus or are known by DTZ. However, there are details of office availability in the three centres, which is shown in table 7.7. These are available units which have been registered with Focus. There are 5 available premises listed in Shirley, four in Knowle and 1 in Chelmsley Wood.

Table 7.7: Office Premises Availability in Shirley, Chelmsley Wood & Knowle

Address / Location	Size (sq m)	Lease Price (£/ sq m)
100 Stratford Road, Shirley	1,572	172
145 Stratford Road, Shirley	37	188
351 Stratford Road, Shirley	60	107
2/4 Union Road, Shirley	350	150
1639 High Street, Knowle	382	170
1624 High Street, Knowle	66	118
1697 High Street, Knowle	403	150
Widney Road, Knowle	279	180
Chelmsley Wood	142	N/A
Avon House, Shirley (7 suites)	2,415	N/A

Source: DTZ

- 7.30 It is very difficult to extract any meaningful data from these transactions as there are so few. This reflects the relatively small office market within the town centre, particularly Chelmsley Wood.

Shirley

- 7.31 There is a modest amount of available floorspace within Shirley town centre comprising a range of accommodation sizes, all of which is second hand office stock with the exception of Avon House that comprises Grade A accommodation and will improve the qualitative offer in the town centre.
- 7.32 We are unaware of any permitted office schemes, or mixed use schemes comprising office accommodation, within or on the edge of Shirley town centre. The Council adopted a Development Brief for the former Powergen Site on Stratford Road, which establishes office floorspace as one of the preferred uses for the site. This site has the potential to provide a significant level of new office accommodation for Shirley town centre that would improve its quantitative and qualitative offer.

Chelmsley Wood

- 7.33 Chelmsley Wood is a purpose built shopping centre and contains very little office accommodation. The majority of office space is located above the existing retail units. The extension to the Shopping Centre currently under construction will provide 2,797 sq m of new local authority office floorspace.

Knowle

- 7.34 There is a small amount of office accommodation currently available within Knowle, which is predominantly situated on or close to the High Street and made up of entirely second hand accommodation. The size of accommodation does not vary greatly, namely because of the types of occupiers, the scale and function of the centre. Knowle is a sizeable local centre with good amount of office accommodation, but it is unlikely to require a significant increase in floorspace.

Conclusions

- 7.35 Solihull Borough has a strong office market, which is primarily made up of floorspace within Solihull town centre and the Boroughs Premium Employment Sites (now RIS) and other out of centre business parks located along the M42 motorway corridor.
- 7.36 There remains demand for additional grade A office floorspace in the Borough's business parks, as evidenced by current and emerging proposals for significant levels of new floorspace. Regional planning policy is supportive in principle to the provision of additional Regional Investment Sites (RIS) during the period up to 2026. Taking into account the regional policy support we consider there will be sufficient provision of RIS land to accommodate the likely need for high quality B1 floorspace in these locations within the Borough during the plan period.
- 7.37 Solihull town centre has the largest office market of any town centre in the borough by some considerable way and is a popular location for occupiers. The town centre has a limited amount of available floorspace, particularly grade A office floorspace for which there is significant underlying demand that is not currently being met. In particular there is a need to provide additional office floorspace within the town centre through a mix of single use, i.e. 'front of door' offices suites and premises above shops as part of a mixed use redevelopment. We consider that existing vacant second hand office floorspace is far less likely to be let and refurbishment of this stock will provide a qualitative improvement for the centre.
- 7.38 The emerging RSS states that Solihull town centre will need to accommodate 50,000 sq m of new office floorspace on sites within or on the edge of the centre during the RSS period up to 2026. The requirement for this level of floorspace is based upon the assumption that 65% of uncommitted office developments will be in-centre. Whilst it is evident that there is need for additional office floorspace within Solihull town centre, in particular the need for Grade A floorspace, we do not consider that the emerging RSS requirement is realistic. This is because the office market within the Borough is heavily skewed towards accommodation at RIS and business park locations, which have large amounts of undeveloped committed space.



- 7.39 Solihull town centre is relatively constrained and is unlikely to be able to provide the amount and range of office floorspace suggested by the RSS in physical terms. We estimate that potential development sites within and surrounding the town centre could accommodate between 30,000 – 35,000 sq m of additional office floorspace. A significant proportion of this space is likely to be provided within mixed-use developments with more limited opportunities for 'front of door' development.
- 7.40 Due to the close proximity of the Borough's RIS and business parks to Chelmsley Wood, Shirley and Knowle centres, there is relatively little office accommodation in these centres with only Shirley providing grade A floorspace. We consider that the existing committed floorspace will be sufficient to accommodate the need for out of centre floorspace for the majority of the plan period although this position should be kept under review. We do not consider that any additional allocations for office development need to be made within Shirley, Chelmsley Wood or Knowle centres.

8. Potential Sites for Development

- 8.1 Having assessed the need for new retail, leisure and office development in the preceding sections, in this section, we review potential sites in Solihull town centre, Shirley town centre, and Knowle local centre which could accommodate the forecast needs. We did not identify any development sites in Chelmsley Wood. We have reviewed the following sites:

Solihull Town Centre

- Mell Square
- Land at Lode Lane
- Land at Station Road
- Police station, Magistrates Court and Library
- The Council Offices
- Monkspath Car Park (Land at Solihull Station)
- Wm. Morrisons car park site

Shirley Town Centre

- Former Powergen site

Knowle and Dorridge Centres

- Car park site, St Johns Road
- Dorridge Shopping Centre

Mell Square

- 8.2 This is a key town centre site, which forms part of the existing retail core. Built in the 1960's it represents an area of the centre in need of environmental improvement and this is a policy aspiration within the adopted UDP. The site extends to approximately 5.1 hectares and comprises a mixture of town centre uses and represents a major short term redevelopment opportunity that could expand the amount of retail floorspace within the centre with potential office and residential uses above. The extended retail offer could comprise convenience or comparison floorspace as well as Class A3 and A4 uses and will complement that of the Touchwood Centre and provide the opportunity of extending the centre through accessibility improvements to the wider town centre.

Lode Lane

- 8.3 The site extends to 2.1 hectares and is bounded by Lode Lane to the north, Station Road to the south and Poplar Road to the East. The properties along Station Road and Poplar Road comprise a mixture of town centre uses at ground floor level with office suites above. The land to the rear of these properties comprises Lode Lane Car Park and the telephone exchange. The site comprises a mixture of primary and secondary retail frontage with the Lode Lane boundary somewhat on the periphery of the town centre.
- 8.4 The site represents an opportunity for a more efficient redevelopment providing a wider mix of uses including residential and improving the environment of this gateway route into the town centre. Importantly, the properties along Poplar Road are situated within the town centre conservation area and we understand several are listed. Therefore, this part of the site is highly unlikely to be suitable for redevelopment. Because of this the site is slightly separated

from the retail core (either side of High Street) and is more appropriate to a mixture of town centre uses.

Station Road

- 8.5 The site extends to approximately 1.1 hectares and is bounded by Station Road to the north, Homer Road to the south and Herbert Road to the east. The site comprises a surface level car park, public house and numerous commercial properties, many of which are former residential properties. The site is on the periphery of the town centre retail core and given its surrounding uses would be most appropriate to accommodate a mixture of office and residential development.

Police Station, Magistrates Court and Library

- 8.6 The site extends to 1.7 hectares and is situated to the rear of Touchwood Shopping Centre and fronting onto Homer Road. The site slopes quite significantly downwards towards Homer Road and comprises the police station, magistrates court and library. If the current occupiers are able to relocate the site would provide a good opportunity to extend the Touchwood Shopping Centre and provide additional office floorspace fronting onto Homer Road. This represents a medium to long term redevelopment opportunity and could enable the delivery of estimated additional floorspace towards the end of the plan period.

Council Offices Site

- 8.7 The site extends to approximately 1.9 hectares and comprises the council office campus. The site has a slight drop in level towards Homer Road. The site also represents a medium to long term redevelopment opportunity subject to SMBC revising their accommodation needs. The site could deliver an extension to the retail core through Touchwood, as well as providing new accommodation for SMBC and potentially additional office accommodation and residential uses towards Church Hill Road.

Monkspath Car Park (Land at Solihull Station)

- 8.8 The site extends to 4.9 hectares and comprises the surface level car park of Monks Path Hall Road. The site also benefits from a significant frontage along the existing Solihull to Dorridge railway line.
- 8.9 There may be a longer term opportunity for the site to accommodate a relocated train station, which would improve the accessibility of Solihull town centre. The site is located some way from the primary shopping frontage and does not perform as well sequentially as the other potential development sites. In addition to potential transport interchange and remodelled parking provision we consider that office and residential uses would be appropriate.
- 8.10 The potential relocation of the railway station would open up the existing railway station site, which extends to approximately 2 hectares and could potentially accommodate additional office floorspace and residential uses.

Wm. Morrisons Site

- 8.11 The site extends to approximately 2.4 hectares and comprises the Morrisons foodstore and surface level car park and SMBC's multi-storey car park. The site forms the eastern gateway to the town centre fronting onto Warwick Road. The redevelopment of the site is likely to represent a long term redevelopment opportunity given the existing occupiers. The site is generally level and accessed directly from Warwick Road with servicing taken from George Road. A redevelopment of the site could potentially link this somewhat isolated site with Mell Square and the wider town centre retail core. A mix of mainly retail with commercial uses and residential would be appropriate.

Former Powergen Site - Shirley

- 8.12 The site is the former headquarters of Powergen and is situated at the junction of Stratford Road and Haslucks Green Road. A development brief for the site was adopted by SMBC in 2005 and states that the redevelopment of the site should provide a mix of office floorspace, hotels, leisure, residential, community uses and associated car parking. We consider this to be an appropriate mix of uses.

St John's Road Car Park – Knowle

- 8.13 The site extends to approximately 0.4 hectares and comprises a surface level car park and community building. Access to the site is via St John's Road, which bounds the site on all sides with the exception of the eastern boundary. The site is mainly level and contains a number of trees located throughout the site. The site is centrally located in the context of Knowle centre and although not on the High Street it is situated opposite the existing shopping centre. The provision of car parking to serve a small foodstore, as well as overcoming the loss of existing spaces within an appropriately designed scheme could potentially cause difficulties. However, having reviewed the centre we cannot identify other sites that could potentially accommodate a new foodstore.

Dorridge Shopping Centre

- 8.14 The site comprises the existing Dorridge Shopping centre and its associated car parks and service areas. This site has been included as it could potentially accommodate a new small/medium sized foodstore and would satisfy some of the capacity identified in relation to non-town centre locations.
- 8.15 Approximately half the units within the shopping centre are vacant and it is also evident that the centre has not been refurbished for a number of years. The centre is centrally located within Dorridge and reasonably well served by car parking. The centre presents a potential redevelopment opportunity that could potentially accommodate a small/medium sized foodstore and potentially other smaller retail units together with associated car parking.

9. Summary, Conclusions and Recommendations

Solihull Town Centre

- 9.1 We conclude that over the period to 2016 there will be capacity for up to one additional food superstore or substantial extensions to existing foodstores in Solihull Town Centre.
- 9.2 In relation to comparison goods shopping we conclude that Solihull Town Centre is currently trading well and this situation is likely to continue and improve with future retail development in the town centre. The improvement to Mell Square is supported in the Solihull UDP and its precise scale and retail content is not yet known. However, the amount of comparison goods floorspace assumed should be more than fully supportable by available expenditure at the likely time of opening, based on a realistic and modest increase in the town centre's market share that would be achievable with the well designed improvements to Mell Square. Thereafter, capacity for substantial further comparison goods floorspace to support further development schemes in the town centre is forecast up to 2026. However, it is important that this is checked and confirmed after any Mell Square scheme has been open for at least a year or two. Later phases of retail development in the town centre should be concentrated within or adjacent to the retail core of Solihull town centre.
- 9.3 Our Retail Sector Analysis shows that there is not a conspicuous need for more 'bulky goods' stores such as retail warehouses in the Borough, as this category of shopping is the best served. Conversely, it indicates a need for more of the non-bulky comparison goods shops and stores in the Borough, (which should be located in town centres) to reduce the need for Borough residents to travel to more distant such facilities elsewhere. We would expect this need to be met by through development in Solihull Town Centre in due course.
- 9.4 We conclude that the amount of supportable comparison goods floorspace within Solihull town centre during the plan period is within the level set within the emerging Regional Spatial Strategy. The table below summarises our findings against the emerging RSS requirements. It is important to recognise that the difference in predicted capacity levels reflects the fact that the data used in this study is more up-to-date and is based upon the findings of the Solihull Household Interview Survey. The RSS study did not have the benefit of this information. Notwithstanding this the findings of both studies are broadly comparable and demonstrate sufficient capacity for Solihull town centre to accommodate major retail development in line with its scale and function as a strategic town centre.

Solihull Comparison Retail Floorspace RSS Requirements 2006 – 2026		
	<i>Up to 2021</i>	<i>2021 – 2026</i>
RSS (2006 – 2026)	55,000 sq m (gross) 47,600 sq m (2008 – 2021)	25,000 sq m (gross)
Solihull Retail Study (2008 – 2026) Scenario 3 forecast	29,300 sq m (net) 39,050 sq m (gross)*	14,100 sq m (net) 18,800 sq m (gross)*

*Assumes gross / net ratio of 1:0.75

- 9.5 Overall Solihull town centre is currently reasonably well served by leisure facilities. There is a modest demand from commercial leisure operators, however this is focussed on Class A3 and Class A4 uses at present, the findings of which reflect the current economic climate. There is

likely to be demand for additional hotel and conference facilities within the town centre, which will seek to take advantage of the growing industry of business tourism and Solihull's locational benefits and links to the NEC, Birmingham Airport and the Borough's business parks. Potentially there could be demand for the provision of larger leisure facilities such as an additional cinema, or a bowling alley during the plan period given the relative dearth of provision of these type of facilities in the Borough as a whole.

- 9.6 The demand from Class A3 and A4 can be accommodated within existing vacant units within the town centre and within the Mell Square scheme, or other town centre schemes, as and when they are completed. As there is no identified need at present for other leisure uses there is not any pressing need to identify and allocate sites for these uses specifically. As and when interest and proposals do arise, they should in principle be welcomed and accommodated in accordance with the sequential approach.
- 9.7 The evidence shows that Solihull Borough has a strong office market and Solihull town centre is a recognised location for office accommodation, which continues to attract a range of occupiers. The number of recent transactions in the town centre has been limited to a degree by the amount of available good quality floorspace, in particular, Grade A office floorspace. There is strong demand for additional good quality office floorspace within the town centre.
- 9.8 The emerging RSS requires Solihull town centre to accommodate 50,000 sq m of new office floorspace up to 2026. We conclude that there is a need to identify and allocate sites for new office development through single use and mixed-use development. However, we do not consider that the emerging RSS requirement is realistic. Solihull town centre is relatively constrained and is unlikely to be able to provide the amount and range of office floorspace suggested in physical terms that would be attractive to the market. We believe a more realistic level of development to be 30,000 – 35,000 sq m of additional office floorspace.
- 9.9 We consider that refurbishment and upgrading of existing stock will help meet some of the need in the short term. We recognise that some office floorspace could be provided within mixed-use developments within the retail core of the town centre and that this should be supported through policy. Sites located on the edge of the retail core and town centre are more likely to provide a higher proportion of office floorspace either as mixed use developments or solely commercial office developments. We recommend that a policy be adopted, which provides in principle support to the development of additional office floorspace in the following broad locations: Lode Lane, Homer Road, Station Quarter, Monkspath Hall Road. The policy should establish a phasing criteria, which requires the first two sites to come forward for development first
- 9.10 Solihull town centre provides a high quality environment for shoppers and offers a wide range of attractive shops and services in a very pleasant setting. The centre does not have any significant weaknesses. Those it does have relate to its success as a centre, namely, traffic congestion associated with the successful Touchwood Court shopping centre. The proposed Mell Square should build on the success of Touchwood and would extend the town centre's retail offer to compliment Touchwood Court. In the longer term the development sites adjoining the retail core will be the most suitable for further large scale prime retail development.

- 9.11 Otherwise, we recommend that the traffic circulation and management arrangements in the town centre are reviewed, with the aim of reducing the congestion problems currently experienced. We consider there is a need to improve the environment and the route between the town centre and the railway station, and also recognise that there may be a longer term opportunity for the relocation of the station closer to the town centre.

Shirley Town Centre

- 9.12 We conclude that the foodstores in Shirley town centre are performing reasonably well and we expect the centre's market share to improve significantly following the development of the ASDA superstore in the Parkgate scheme. There will be sufficient capacity to support this new development by the time of opening. Thereafter capacity to support another small foodstore in the town centre is forecast up to 2026. It is important that this is checked and confirmed after the Parkgate scheme has been open for at least a year or two.
- 9.13 In relation to comparison goods shopping we conclude that the Parkgate scheme will improve the market share of the town centre following its completion; and on this basis there is likely to be sufficient capacity to support the new development at opening. Thereafter capacity to support a modest amount of additional comparison goods floorspace is forecast up to 2026. It is important that this is checked and confirmed after the Parkgate scheme has been open for at least a year or two.
- 9.14 There is a lack provision in Shirley of eating out venues and other commercial leisure facilities. Further provision of cafes, Class A3 uses and Class A4 uses would improve the town centre and make it more attractive to visit. These are usually small scale and can be accommodated in existing buildings and sites as vacancies arise, as well within the Parkgate scheme. As there is no identified need at present for other leisure uses there is not any pressing need to identify and allocate sites for these uses specifically. As and when interest and proposals do arise, they should in principle be welcomed and accommodated in accordance with the sequential approach.
- 9.15 There is a significant amount of office development near to Shirley Town Centre at Blythe Valley Regional Investment Site and the other nearby business parks. Demand for offices in Shirley Town Centre is relatively low compared with the surrounding parks, with the majority of floorspace comprising second-hand stock. The Grade A floorspace being developed at Avon House suggests a modest need for additional office space, which could reasonably be provided at the former Powergen site. The Development Brief for the site establishes office development as one of the preferred uses for the site. With the exception of the Powergen site we consider there is no pressing need to identify and allocate sites for new office development in Shirley Town centre. However, individual applications for new offices should be considered on their merits, applying the sequential approach of PPS6.
- 9.16 The principle needs in Shirley Town Centre in qualitative terms are to introduce new retail food and non food 'anchors' and widen the range of shops and services, in particular comparison goods retailers, which the Parkgate scheme goes some considerable way to delivering. An improvement in the range and quality of retail units is needed to attract retailers to the centre.
- 9.17 Apart from the need for new retail attractions it is important that customers and potential customers can easily find car parking within the centre in order to capture as much of the

significant amount of passing trade as possible. We suggest that a car park signage audit is undertaken, new signs are provided where necessary, or existing signs repaired, replaced, or re-sited as appropriate. Pedestrian access from the car parks to the shopping areas needs to be improved, as does the environment of the car park areas.

Chelmsley Wood Town Centre

- 9.18 We conclude that the foodstores in Chelmsley Wood Town Centre are performing very well, and we expect the centre's market share to improve significantly following the development of the ASDA store in the town centre expansion scheme. There will be sufficient capacity to support the new convenience goods floorspace at the time of opening.
- 9.19 In relation to comparison goods shopping we conclude that the town centre extension will improve the market share of the town centre following its completion, and on this basis there will be sufficient capacity to support the new comparison goods floorspace at the time of its opening. Thereafter capacity to support a modest amount of additional comparison floorspace is forecast up to 2026. It is important that this is checked and confirmed after the ASDA store has been open for at least a year or two.
- 9.20 There is a lack provision in Chelmsley Wood of eating out venues and no other commercial leisure facilities. Further provision of cafes, Class A3 uses and Class A4 uses would improve the town centre and make it more attractive to visit. These are usually small scale and can be accommodated in existing buildings and sites as vacancies arise. As there is no identified need at present for other leisure uses there is not any pressing need to identify and allocate sites for these uses specifically. As and when interest and proposals do arise, they should in principle be welcomed and accommodated in accordance with the sequential approach.
- 9.21 There is a significant amount of office development near to Chelmsley Wood town centre at Birmingham Business Park Regional Investment Site and the other nearby business parks. Demand for offices in Chelmsley Wood town centre is almost nonexistent and we consider there is no pressing need to identify and allocate sites for new office development in Chelmsley Wood town centre. However, individual applications for new offices should be considered on their merits, applying the sequential approach of PPS6.
- 9.22 The principal needs in Chelmsley Wood town centre in qualitative terms are to introduce a new retail anchor and widen the range of shops and services, which the town centre expansion and with the new ASDA store goes some considerable way to delivering.
- 9.23 Apart from the need for new retail attractions, there is a need for significant environmental and layout improvements in particular, improving the permeability of the centre with the surrounding area. Again the extension scheme is creating an outward facing development that will help improve the environmental quality of the centre. Also, we suggest measures to soften the environment through planting and use of attractive materials. Pedestrian access from the car parks to the shopping areas needs to be improved, as does the environment of the car park areas.

Knowle Local Centre

- 9.24 We conclude that the existing foodstores in Knowle local centre are performing very well. By soon after 2011 there will be capacity for one additional small/medium sized foodstore in the centre.
- 9.25 Knowle is only a small centre in terms of comparison goods shopping and we conclude that its growth potential is equally limited. There is only a nominal level of forecast capacity, which would be sufficient to support the new comparison goods floorspace in a new town centre format supermarket, if one was to be developed.
- 9.26 We consider that the St Johns Road car park site in Knowle should be investigated in detail, to assess its potential to accommodate a new small to medium sized supermarket, together with replacement car parking. The site is located within the town centre in accordance with the first priority of the sequential approach. It is also one of the few sites situated outside Knowle's conservation area. Its redevelopment would require careful consideration of the implications for the local highway network, as well as its careful design and layout ensuring good linkages with the High street and Knowle shopping centre.
- 9.27 We conclude that there is not any pressing need to identify and allocate sites for commercial leisure uses, or hotel and conference uses. As and when interest and proposals do arise, they should in principle be welcomed and accommodated in accordance with the sequential approach.
- 9.28 Knowle has a modest level of office floorspace predominantly small units and residential conversions. There has been relatively few transactions in the centre, and much of the available floorspace has been on the market for some time suggesting reasonably low demand. We therefore consider that there is no pressing need to identify and allocate new sites for office development in Knowle. However, individual applications for new offices should be considered on their merits, applying the sequential approach of PPS6.
- 9.29 The principal need in Knowle in qualitative terms is to widen the range of shops and services, in particular convenience goods shopping which is shows signs of significant overtrading.
- 9.30 Knowle is an attractive historic centre and the majority of the centre is situated within a Conservation Area. In terms of other improvements we recommend public transport improvements to enable access to the centre by means other than the private car.

Non-town centre retail warehouses and superstores

- 9.31 We conclude that the existing non-town centre main foodstores in the Borough are substantially overtrading in relation to convenience goods sales. After taking into account the committed new foodstores in Chelmsley Wood and Shirely town centres we conclude that in the Borough as a whole (in addition to the requirements summarised above in relation to each centre), there will be capacity for one additional town centre format supermarket, or up to about three additional medium sized discount supermarkets or equivalent stores in the next few years.

- 9.32 In relation to comparison goods floorspace we conclude that there will be an oversupply of floorspace in 2011 and 2016. By 2021 capacity for significant additional floorspace will arise, growing to capacity for a substantial amount of development by 2026.
- 9.33 The above conclusions relating to non-town centre stores do not mean that this additional floorspace should be located out-of-centre, or provided in the format of low sales density retail warehouses, or in new food/non-food superstores. In accordance with PPS6, the sequential approach should be applied to site selection, with preference for town centre and edge-of-centre sites over out-of-centre sites. In this respect consideration should be given to other centres within the Borough that are able to accommodate a supermarket and/or new comparison goods floorspace subject to their role and function, such as the potential site identified in Dorridge local centre.